

CREATING A MERGER MODEL

Overview: This course is geared towards bankers, research analysts or corporate finance professionals who are involved in analyzing or modeling mergers and acquisitions. Issues related to combining two companies will be reviewed and discussed and a simple merger model will be created.

Timing: This course requires ½ day

LEARNING TOPICS:

- Discuss the rationale for merger models
- Understand accretion and dilution concepts
- Calculate the impact of mergers and acquisitions on a buyer's financial statements
- Identify potential synergies and incorporate them into the model
- Use various forms of consideration in an acquisition
- Discuss the two main ways to make an acquisition (purchase assets vs. shares) and review the tax differences between the two
- Calculate pro forma ownership positions based on various forms of consideration
- Incorporate various Excel tools to sensitize the output calculations
- Use powerful Excel tools to transform a single merger model into a tool that allows the user to quickly choose from one of many acquisition opportunities