

Excel-Based Modeling for Financial Valuation

Professor Simon Benninga
From 2/2/09 to 2/4/09

Course Program

Monday, February 2		
8:00 – 9:00am	Registration and Coffee	
9:00 – 10:30am	Excel basics for finance <ul style="list-style-type: none"> • Excel financial functions: NPV, IRR, PV, XIRR, XNPV • Data tables • Dates in Excel 	FM, Chapters 1, 30
10:30 – 10:45am	Break	
10:45 – 12:30pm	Supermarket case: Group work followed by class discussion	Case Study
12:30 – 1:30pm	Lunch	
1:30 – 3:30pm	Real Estate case: Group work followed by class discussion	FM, Chapter 3, Case Study
3:30– 4:00pm	Coffee Break	
4:00 – 5:30pm	Building a pro forma financial model in Excel	FM, Chapter 4

Tuesday, February 3		
8:00 – 9:00am	Coffee	
9:00 – 10:00am	From financial statements to model: An example	
10:00 – 11:30am	Valuation case: Participants will solve this case in groups. <ul style="list-style-type: none"> • Participants will get a set of financial statements, work in groups to build a financial model 	AMD-Intel case
11:30 – 11:45am	Break	
11:45 – 12:30pm	Discussion of valuation case Other variations of pro-forma models <ul style="list-style-type: none"> • Debt capacity • Target debt-equity ratios 	FM, Chapter 3
12:30 – 1:30pm	Lunch	
1:30 – 3:30pm	Cost of capital: Basics and applications <ul style="list-style-type: none"> • Computing the cost of capital in an economy with full financial markets (USA) 	FM, Chapter 2

3:30 – 4:00pm	Coffee	
4:00 – 5:30pm	Technical issues <ul style="list-style-type: none"> • Regressions in Excel • Text functions in Excel • Array functions in Excel • Data functions and manipulation • Very basic VBA 	PFE, Chapter 33 FM, Chapter 33, 34, 35, 36

Wednesday, February 4		
8:00 – 9:00am	Coffee	
9:00 – 10:30am	Capital budgeting and cost of capital with inflation	Lecture with slides
10:30 – 10:45am	Break	
10:45 – 12:30pm	Latin American company Case: Group work	Case Study
12:30 – 1:30pm	Lunch	
1:30 – 3:30pm	Cost of capital in emerging markets	Lecture with slides
3:30 – 4:00pm	Coffee Break	
4:00 – 5:30pm	Summing up and cleaning up: We will use this time to cover additional issues as per the interest of the class.	