

**Your PowerPoint valuation presentation should include the following:**

**I. An executive summary, including:**

- a. Your investment thesis including your opinion on whether the stock is “overvalued”, “undervalued” or “fairly valued” based on your analysis and the current market price or recent trading range of the stock,
- b. a “football chart” presentation of the valuation ranges implied by each of the valuation models used in your analysis, and,
- c. a bullet point list of key the key drivers of and risks to your implied valuation

**II. A summarized presentation of your valuation models/methods including implied share prices and ranges:**

a. *Intrinsic Valuation - Multi-stage growth discounted cash flow model*

- You may use either a 2 or 3 stage growth model depending on which you feel is more appropriate given the lifecycle stage of your target company
- You may use either a free cash flow to firm or free cash flow to equity approach
- You must develop, present, and provide rationale for the fundamental drivers used to determine implied valuation outcomes (i.e., assumptions used to estimate free cash flows, growth rates, discount rate, margins, investment ratios, stable growth estimates, etc.)
- Your intrinsic valuation should include an implied share price range conclusion and sensitivity analysis

b. *Relative Valuation - Comparable public companies trading multiples model, including:*

- A summary of your selected comparable companies and your rationale for including them in your analysis
- A summary of the enterprise and equity valuation multiples implied by your comparable group of companies (high, low, median and average)
- A qualitative and financial benchmark analysis comparing your target company against the peer group. This analysis should include your relative valuation multiple conclusion; should your target company trade “in-line” with the peer group multiples or should it trade at higher or lower multiples than the peer group, and why?
- The Implied valuation (ranges) implied by your selected multiple ranges:
  - i. Total Enterprise Value
  - ii. Total Equity Value
  - iii. Share Price

**Resources:**

You may use any publically available information source to perform your analysis, including:

- a. SEC filings
- b. Company press releases
- c. Bloomberg, Capital IQ
- d. Equity research and earnings reports (Investext)

Please note that **you may not use equity research analyst price targets** as a rationale for your valuation but you may use information contained in the report(s) to justify your own valuation conclusions.

**Grading:**

Content = 85%, Presentation (formatting) 15%

Content includes:

- Accuracy of any data inputs and/or financial calculations
- Completeness of analysis
- Thoroughness and thoughtfulness of analysis

Presentation includes:

- The overall professionalism of the final deliverable(s)
  - Spelling and grammar
  - Are the pages easy to read and well formatted (font size, page layout, colors, use of text and exhibits, etc.)
  - Does each page have a clear point and is that point supported by any included analysis/exhibits
  - Are numbers presented clearly and consistently (decimal places, rounding, font size and color)