



## Distressed Investing and Advisory

Gain key insights into investing and restructuring in distressed situations

**NEW!**

After the longest bull market in history, many investors, managers, regulators and commentators are anticipating a period of economic and financial underperformance which is expected to expose a significant number of companies to financial distress. In this 3-day program, we will take a 'value investing' approach to analyzing such special situations. You will learn to assess the degree of financial distress, estimate the extent of the investment opportunity, and determine what turnaround steps might be required to ensure an acceptable return on investment in a distressed situation.

### **Identify opportunities in distressed markets**

This program offers you a conceptually challenging curriculum, exploring both the theoretical basis and practical application of the major elements of value investing in distressed situations. Following this course will give you crucial insights into the fundamentals of value investing. It will enable you to estimate the fundamental, intrinsic, value of the underlying business and examine whether, when and on which debt securities the business is expected to default.

We will practice using the content of the typical 'cap table' to provide a 'snapshot' of the financial situation

and demonstrate how to perform a 'waterfall' analysis to assess where the value will 'fall' in the capital structure. This will help you to identify the most or least interesting investment options based upon the difference between the current market price and the intrinsic value of the security.

### **Develop an investment thesis**

Once you have identified the potential investment opportunities we will develop the investment thesis for a given security. This will require an assessment of the likely restructuring and turnaround proposals, such as amendments to extend maturity, debt for equity exchange offers or seeking protection in the legal insolvency/restructuring regime. We will discuss the legal environment (including a base understanding of the US Chapter 11 and similar regimes in other countries), as well as examine the game-theoretic behaviors which will impact both the restructuring of the business and the deal-making across the capital structure.

Last but not least, as negotiation is an essential skill of the distressed investor, we will also highlight the important 'soft skills' associated with earning an exceptional return on investment in special situations.

## **How you will benefit**

- ✓ Explore the theory and practical application of investing in distressed situations
- ✓ Develop a thorough understanding of the fundamentals of value investing
- ✓ Estimate the fundamental value of a business using discounted cash flow valuation
- ✓ Examine debt capacity and its implications for investors
- ✓ Learn to use the content of the typical capitalization table
- ✓ Gain the skills to perform a 'waterfall' analysis
- ✓ Identify potential investment opportunities
- ✓ Practice with building an investment thesis
- ✓ Assess restructuring and turnaround proposals
- ✓ Discuss the legal environment in distressed situations

- ✓ Explore the game theory behind investing and restructuring in distressed situations
- ✓ Improve your negotiation skills to earn an exceptional return on investment in special situations

## **Who should attend**

- ✓ Anyone interested in value investing in distressed situations
- ✓ Anyone providing advisory services to firms in distressed situations
- ✓ Professionals working in hedge funds, private equity, or direct investment
- ✓ Those working in advisory roles serving companies facing restructuring or who are engaged by investors who are considering an investment in distressed companies
- ✓ Those who entrust their money to distressed investors who wish to be familiar with the process employed and able to assess alternative investors and their strategies and performance

## Faculty



**Kevin Kaiser** is Senior Director of the Alternative Investments Initiative and Adjunct Full Professor of Finance at the Wharton School of the University of Pennsylvania. He was Professor of Management Practice and on the finance faculty at INSEAD from 1992 until 2017.

Kevin's research has focused on private equity, corporate restructuring and financial distress, more recently oriented around corporate governance and management for value creation. In addition to his research in academic and practitioner journals and newspapers, he has co-authored two books, *The Blue Line Imperative*, with David Young, and *Becoming a Top Manager*, with Michael Pich and I.J. Schecter.

Kevin Kaiser holds a BA (Honours) in Economics from The University of Western Ontario and a PhD in Finance from the Kellogg Graduate School of Management at Northwestern University.

## Program Content

### Day 1

- The game theory behind investing and restructuring in distressed situations
- Identifying the pathways for restructuring
- Estimating the value available for distribution

### Day 2

- Estimating where in the capital structure the cash flow and value will cascade
- Identifying the fulcrum security
- Assessing the need for, and potential for recovery from a restructuring

### Day 3

- Assessing an exchange offer
- Negotiating an investment and rights offering
- The 'human side' of distressed investing and advisory

🕒 3 days

📅 Check AIF.nl for dates

💰 € 3,900



This program is eligible for **18 CE credit hours** as granted by CFA Society VBA Netherlands

## Enrolling & Practical Information

### Enrollment requirements

AIF considers each enrollment application carefully to ensure the quality and level of the program is maintained and that participation of candidates is beneficial to both themselves and their organizations. The general prerequisite for all AIF programs is the possession of an academic or equivalent degree, as well as proficiency in English and practical experience.

### Accommodation

AIF has special corporate rates available for participants at a number of hotels in central Amsterdam.

### Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete the program.

### Program location

The programs are held in the center of Amsterdam, within an easy walk from Amsterdam Central Station, and within 30 minutes from Schiphol international airport.

### Program fees

Program fees include tuition, all comprehensive program materials, books, and any software that is required for the program, as well as luncheons and daily refreshments. Accommodation is not included.

### In-company programs

For information on how AIF can add value to your organization via a tailored in-company program, please contact AIF directly at: +31 20 520 0160.

**Ready to learn more? Find your program and reserve your place at [AIF.nl](https://www.aif.nl)**

## About Amsterdam Institute of Finance

AIF is a global financial innovation and education institute headquartered in Amsterdam. Through our open enrollment programs in Amsterdam and our in-company programs throughout the world, we connect ambitious professionals with the best minds in finance and other related topics. Taking part in one of our programs is a direct investment in your personal future and the success of your organization.

### This is what makes the AIF experience unique:

- We believe in responsible, sustainable and inclusive finance
- Our clients, rather than profits, come first
- AIF is an independent and not-for-profit foundation, which allows us to cherry-pick our faculty from the world's leading business schools, such as INSEAD, Oxford, Kellogg, Cambridge Judge and others
- AIF delivers top quality programs. Our alumni give our faculty an average rating of 4.6 out of 5.0
- Enrollment in one of our programs means you become part of the AIF network, connecting you to professionals from more than 1,200 organizations in over 110 countries

