



Online - Distressed Investing and Advisory

Gain key insights into investing and restructuring
in distressed situations

Rated with
4.7/5

After the longest bull market in history, we are now suddenly spiraling downward with the economic impact of the novel coronavirus and the impact of the policies intended to “flatten the curve”. The resulting economic collapse is exposing a significant number of companies to financial distress. In this online program, spread over four half-day blocks, we will take a ‘value investing’ approach to analyzing such special situations to assess the degree of financial distress in individual businesses, the extent of the investment opportunity, and what turnaround steps might be required to ensure an acceptable return on investment for the activist, value investor in a distressed situation.

Identify opportunities in distressed markets
In this program, you will be exposed to a conceptually challenging curriculum, exploring both the theoretical basis and practical application of the major elements of

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

investing in distressed situations. You will gain crucial insights into the fundamentals of value investing, including being able to estimate the fundamental, intrinsic, value of the underlying business using discounted cash flow valuation. Once the business value is assessed, the debt capacity must be examined, which will build upon the company cash flow analysis to estimate 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 current market price and the intrinsic value of the security.

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.

🕒 4 days

📅 Check AIF.nl for dates

💰 € 2,450

During this program we will work through a series of conceptual and numeric examples, conducted as group work and discussed in plenary session, enabling you to deepen, and exhibit, your understanding of the fundamental concepts. These cases will also enable you to practice the steps in investment analysis process being taught in this program.

The process and the conceptual basis for this approach to value investing in distressed situations will be explained and elaborated on Day 1, and the refinement and application of the process will be further illustrated, and practiced in the case studies and class discussions on the remaining days.

Program Content

Day 1 | 14:30 – 18:30 (CET)

- Program introduction
- The game theory behind investing and restructuring in distressed situations
- The conceptual foundations of value investing in a distressed environment
- Why do investors think they can make abnormal returns in distressed situations? – The approach and mindset of Oaktree's Howard Marks provides the framework
- Causes of distress and barriers to resolution
- Bayfield Generators case study

Day 2 | 14:30 – 18:30 (CET)

- Distressed investment historical performance
- Understanding the legal environment and its implications for restructuring alternatives
- Estimating the value available for distribution
- Estimating where in the capital structure the cash flow and value will cascade
- Identifying the fulcrum security
- Bayfield Generators case study (continued)

Day 3 | 14:30 – 18:30 (CET)

- Identifying the pathways for restructuring
- Assessing the need for, and potential for recovery from a restructuring
- Considering business turnaround strategies and their impact on value available for distribution
- Assessing an exchange offer
- Pinewood Mobile Homes case study
- Crisis at the Mill case study
- Negotiation of distressed situation: preparation

Day 4 | 14:30 – 18:30 (CET)

- Negotiating an investment and rights offering
- The 'human side' of distressed investing and advisory
- Negotiation debrief and program wrap-up

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.

Certificates

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

Program fees

Program fees include tuition and all comprehensive program materials and books that are needed for the program.

Online platform

AIF's online programs are held on Zoom.

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 organization which allows us to cherry-pick our faculty from the world's leading business schools, such as INSEAD, Oxford, 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

