



The brightest minds in finance

# Distressed Investing and Advisory

# Gain key insights into investing and restructuring in distressed situations

After the longest bull market in history, we are now suddenly experiencing disruptions unlike anything most of us have ever seen before, with the ongoing economic impact of the novel coronavirus and the impact of the policies intended to deal with that, as well as global supply chain disruptions, years of under-investment in natural resources, and the inflation that results from these and other phenomena. The resulting economic chaos is exposing a significant number of companies to a heightened risk of financial distress.

In the **Distressed Investing and Advisory** program 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 type of analysis and steps might be required to ensure an acceptable return on investment for the activist, value investor in a distressed situation.

## How you will benefit

By attending the program, you will

- 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

The **Distressed Investing and Advisory** program is relevant to:

- Anyone interested in managing, investing in, or providing advisory services to firms in distressed situations. This will include the managers of these companies as well as those working in hedge funds, private equity, or direct investment.
- Those who entrust their money to distressed investors and who wish to be familiar with the process employed to be better able to assess alternative investors and their strategies and performance.
- Professionals working in advisory roles serving companies facing restructuring or who are engaged by investors who are considering investment in distressed companies.

Please contact us should you feel the need to verify your level of knowledge.



# Program at a glance

## Day 1

- The game theory behind investing and restructuring in distressed situations
- The conceptual foundations of value investing in a distressed environment (the approach and mindset of Oaktree's Howard Marks provides the framework)
- Distressed investment historical performance
- Understanding the legal environment and its implications for restructuring alternatives.
- Introduction to the process of estimating the value available for distribution
- Introduction to the process of estimating where in the capital structure the cash flow and value will cascade (aka, estimating the value 'waterfall')
- Identifying the fulcrum security
- Examples of the extent to which investors and companies will go to protect their investments

## Day 2

- Deepening our analysis of the distressed situation
- Understanding the valuation complexities in situations of distress
- Understanding the need for restricting on the Right-hand side of the balance sheet (aka liability management)
- Understanding the need for restricting on the Left-hand side of the balance sheet (aka business turnaround management)
- Identifying the pathways for restructuring of both sides of the balance sheet
- Considering business turnaround strategies and their impact on value available for distribution

## Day 3

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

3 days | € 4,750 | Check AIF.nl for dates

# The expert

Meet the brightest minds in finance. Learn from the world's leading finance academics and experienced corporate executives.



**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.



"The conceptual way of teaching goes beyond simple mechanics and makes you think about why you are doing certain things in your daily work."

Business Analyst, Fund Investment AlInvest The 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 20 246 7140.

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

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