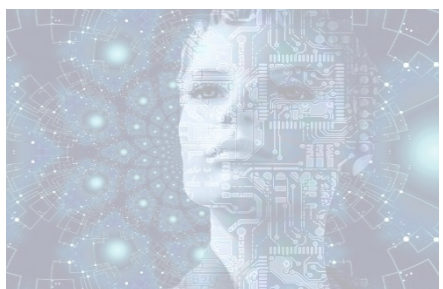




**GENERAL
INTRODUCTION**

Finance Boot Camp 2022



General Introduction October 2022



Key objectives of today

A better understanding of Investment Banking

- Key products
- Different business models
- Internal organization
- Career opportunities

A better knowledge of the enrollment process

- Different types of enrollment processes
- Expectations from Investment Banks
- Key dates for enrollment

A clear path to prepare interviews

- Personality / motivation
- Knowledge of the investment banking environment
- Technical skills

1

Introduction to Market & Corporate Finance

- Overview of the IB industry
- Key Products
- Alumni tips

2

Dedicated Rooms

- Interview simulations (25 mins)
- Feedbacks and interview tips (5 mins)



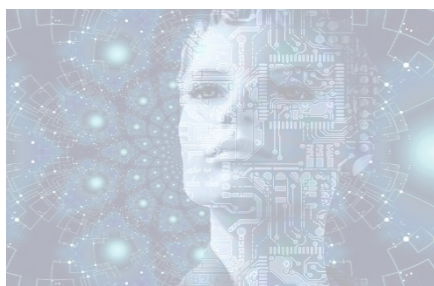
Table of Content

- 1 Introduction to Global Banking
- 2 Introduction to Investment Banking
- 3 Q&A Session





1. Introduction to Global Banking

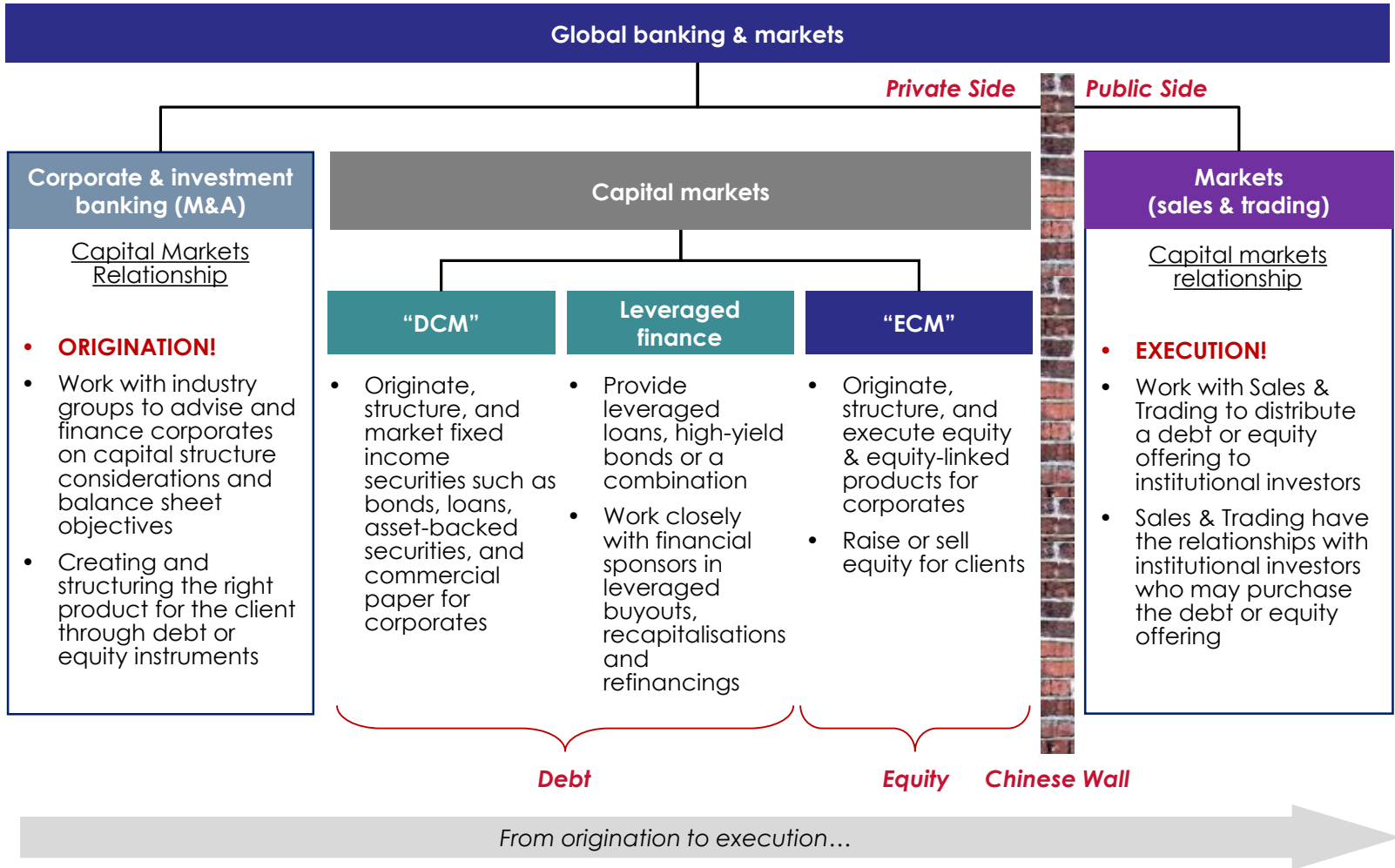


Symbol	Chg	%Chg	Vol	Offers	Vol Q	Close
TRFX	+0.04	+1.7%	123,000	2.28	472,800	4.62
				2.28	46,500	2.36
	+0.04	+1.8%	2,537,600	2.60	3,718,100	2.58
	+0.01	+0.75%	376,800	32.75	349,200	35.75
	0.00	0%	228,100	10.10	235,700	10.80
	0.00	0.00%	985,300	85.25	379,800	86.75
	2.55	+4.00%	10,000	1.25	2,509,200	62.50
	0.00	0.00%	0	0.00	0	0
	1.20	+1.2%	1,738,300	9.25	42,300	10.70
	0.00	0%	7,400	1.00	57,600	11.80
	4.15	+4.15%	18,000	1.80	0	0
	4.92	+4.92%	4,698,000	4.92	0	0
	4.92	+4.92%	317,500	16.26	1.80	0





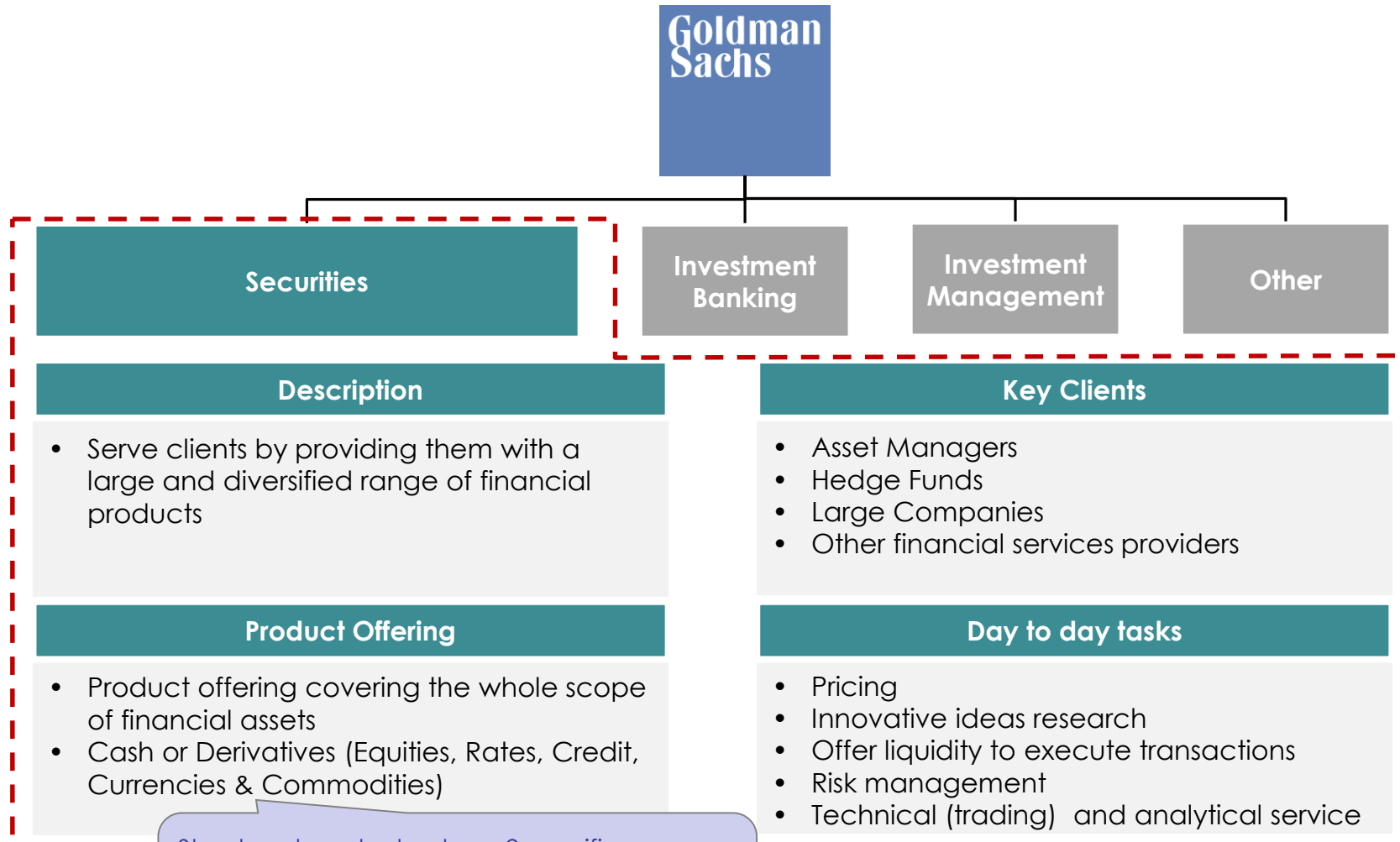
Global Banking & Markets Overview





Example: the Securities Division ?

The Example of Goldman Sachs



Structured products rely on 2 specific components: (i) a bond component and (ii) one/several derivative(s) with exotic (or not) risk profiles



How is the Securities Division Structured ?

The Example of Goldman Sachs



~4,500 People





General Overview of Equity Research

The Equity Research Analyst is the expert of the bank on its sector

- no one knows the sector better than him
- ECM, DCM, M&A, Traders, Sales, Derivatives...rely on him to create products/services for their own clients

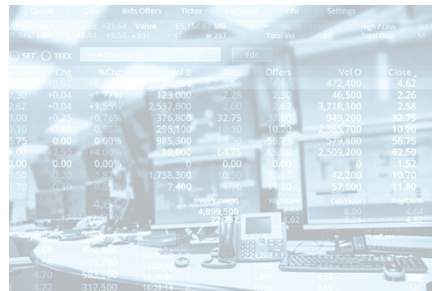
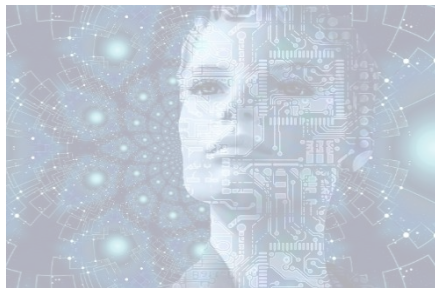


On a daily basis, what does an Equity Research Analyst do ?

- Gives BUY or SELL recommendations on an independent basis (Chinese Wall)
- For this, he builds a model forecasting future P&Ls and cash flows: he calculates a Price target
- Writes investment reports to justify /explain his investment case
- Offers corporate access to his clients
- Gives ideas to traders and salestraders



2. Introduction to Investment Banking



























Key players in Investment Banking



Overview of major players on the European market

	French global banks	European banks	US banks	Pure advisory
A few examples ...	 BNP PARIBAS  SOCIETE GENERALE  CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK	 Deutsche Bank  CREDIT SUISSE  BERENBERG PRIVATBANKIERS SEIT 1590  UBS  HSBC  BARCLAYS	<p><i>Global banking</i></p>  J.P.Morgan  Bank of America Merrill Lynch  citi <p><i>Pure investment banking</i></p>  Morgan Stanley  Goldman Sachs	 LAZARD  ROTHSCHILD  CENTER VIEW PARTNERS  MESSIER MARIS & ASSOCIÉS  Greenhill  EVERCORE  MOELIS & COMPANY  P/W/P PERELLA WEINBERG PARTNERS
Key comments	<ul style="list-style-type: none"> • France as a key market, large teams based in Paris • Very active in financing • Strong expertise in Capex intensive sectors such as infrastructure and power 	<ul style="list-style-type: none"> • Investment banking as a key activity (with private and/or retail banking) • Strong expertise in ECM and DCM • Large European platforms headed through London with offices in key cities 	<ul style="list-style-type: none"> • Leading players with global presence • Strong investment banking focus • European presence through London with offices in key cities 	<ul style="list-style-type: none"> • Pure advisory player • Strong local presence in the home market either US, London or Paris

Industry teams in Paris

Industry teams in London or New York



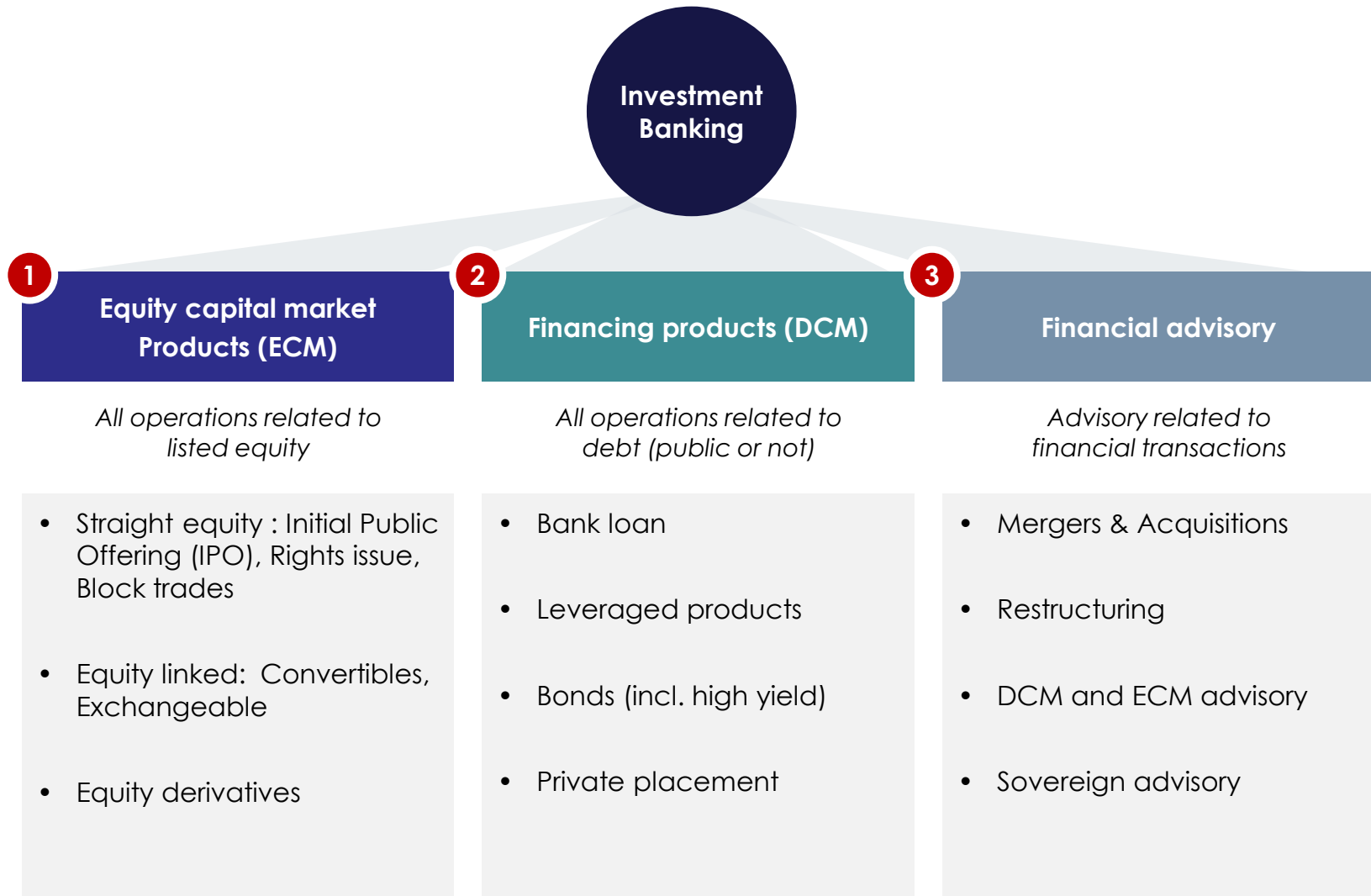
League Tables in Europe (2022)

M&A Advisor

Europe league table by value

Ranking		2021			2020	
2021	2020	Company Name	Value (USDm)	Deal Count	% Value Change	Value (USDm)
1	1	Goldman Sachs & Co	740,564	239	67.0%	443,465
2	2	JPMorgan	553,374	230	40.9%	392,615
3	3	Morgan Stanley	475,905	148	47.8%	322,049
4	4	Bank of America	355,674	122	58.7%	224,101
5	6	Citi	336,648	127	68.7%	199,562
6	5	Rothschild & Co	325,164	412	62.3%	200,290
7	7	Lazard	225,568	160	24.4%	181,325
8	8	Credit Suisse	219,029	92	32.6%	165,173
9	13	BNP Paribas	202,407	122	82.8%	110,752
10	11	Deutsche Bank	187,694	79	55.9%	120,393
11	9	Barclays	186,513	97	26.1%	147,953
12	12	UBS Investment Bank	143,847	90	22.9%	117,080
13	15	Societe Generale	134,479	44	65.0%	81,525
14	14	Evercore	114,461	63	19.7%	95,602
15	16	Jefferies	100,371	106	23.2%	81,475
16	20	Mediobanca	93,649	64	76.1%	53,185
17	18	Centerview Partners	89,476	34	37.3%	65,185
18	32	PJT Partners	71,535	25	147.7%	28,881
19	19	Credit Agricole	65,686	62	19.0%	55,182
20	36	KPMG	61,580	415	194.7%	20,896








Key products of the investment banking division





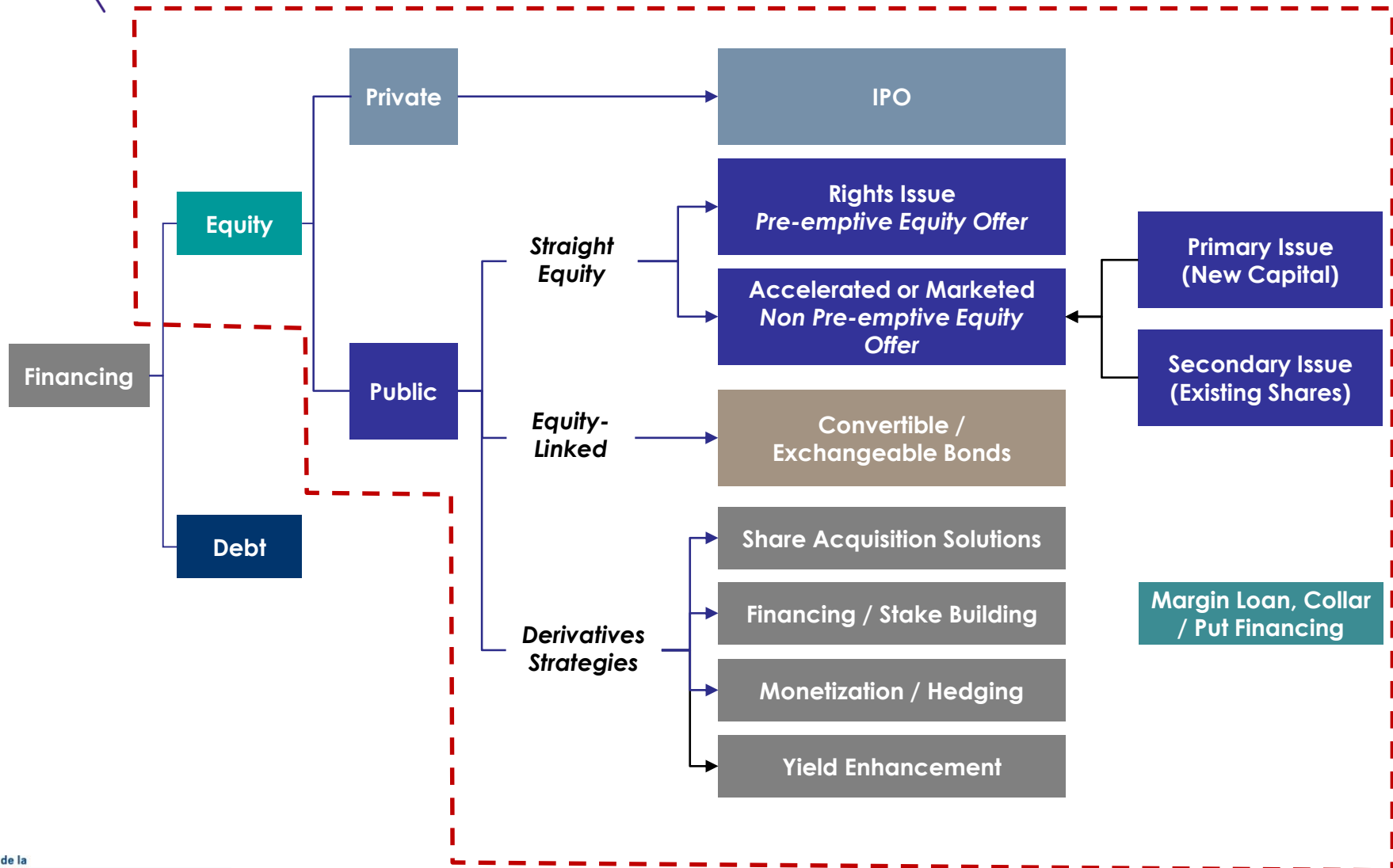
Investment Banking Career Path

Different tasks and skills expected at each position

	Position	Experience	Tasks	Required skills
  	Analyst	0 to 3 years	<ul style="list-style-type: none"> Information synthesis Modelling Production of slide for presentation Training interns 	<ul style="list-style-type: none"> Rigorous Analytical Reliable Hard working
	Associate	3 to 6 years	<ul style="list-style-type: none"> Training analysts and interns Process / interactions with clients Checking numbers Participating in marketing effort 	<ul style="list-style-type: none"> Pressure management Well-organized Multi-projects Trainer / Recruitment
	Vice-president	6 to 9 years	<ul style="list-style-type: none"> Guidelines on the presentation Structuring of the transaction Managing the team Interactions with the client 	<ul style="list-style-type: none"> Managing team Communication / presentation skills
	Director	9 to 12 years	<ul style="list-style-type: none"> Presenting Structuring of the transaction Generating ideas Client relationship 	<ul style="list-style-type: none"> "Engineer" Relationship Creativity
	Managing Director / Partner	> 12 years	<ul style="list-style-type: none"> Client relationship Generating ideas Presenting 	<ul style="list-style-type: none"> Creativity Commercial

1

Scope of solutions provided by ECM



Debt Capital Markets

- **Originating and executing financing mandates** together with Global Markets product teams
- **In charge of non dilutive financing** (mainly senior and hybrid bonds) for Investment Grade clients
- **Generally organized by issuers types** : Corporate, FIG, Public, Emerging
- **Deals are either linked to an acquisition** (acquisition loan and/or refinancing on capital markets) **or made on a stand alone basis** (refinancing)
- **Commercial Banks also have a lending activity** (bank loans): Corporate Banking that can be merged with DCM

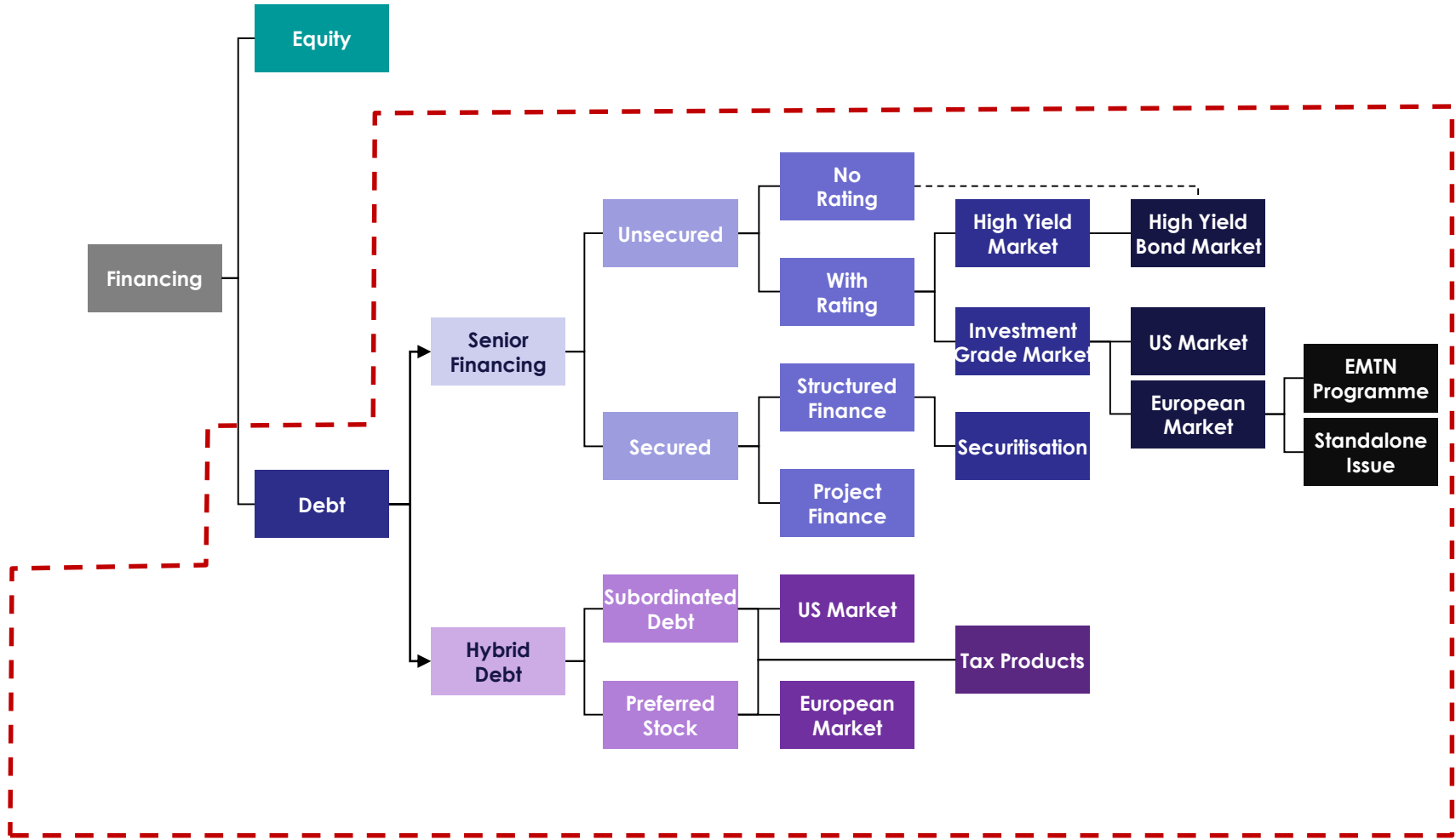
Leveraged finance

- **All transactions involving issuance of non-investment grade bank debt/loans, mezzanine financing or high yield bonds** for corporate or sponsor clients
- The purpose if issuing non-investment grade debt is typically one of the following:
 - **Refinancing of Existing Debt to extend maturity profile (Corporate Clients)**
 - **Financing of an acquisition by a financial sponsor (Private Equity Clients)**



2

Overview of financing instruments






3

What do we do in M&A ?

	Mission statement	Deliverables for Corporate Finance	Comments
Sell-side	<ul style="list-style-type: none"> • Help the shareholders sell the company • Rise interest of potential buyers • Maximise competition / price • Negotiate 	<ul style="list-style-type: none"> • Valuation (DCF, multiples) • Teasing investors • Selling memorandum • Due diligence (Data Room, site visits) • Negotiation 	<ul style="list-style-type: none"> • Great likelihood of completing (not in current challenging environment...) • Privatisation, a specific kind of sell-side
Buy-side	<ul style="list-style-type: none"> • Help your client to get the target • Convince sellers • Minimize price • Negotiate 	<ul style="list-style-type: none"> • Valuation (Business plan, DCF, ...) • Review of info-memo and due diligence • Lobbying (sellers, management) • Synergies / build-up opportunities 	<ul style="list-style-type: none"> • Smaller likelihood of completing, but more profitable if done • Cross-selling opportunities
Hostile takeover	<ul style="list-style-type: none"> • Help your client to get the target a bit more aggressively... • Confidentiality • Structuring • Maximise value with minimum price 	<ul style="list-style-type: none"> • Bid tactics & structuring • Synergies analysis and valuation (premium) • Merger model • Interlopers 	<ul style="list-style-type: none"> • Highly profitable • Cross-selling opportunities
Defence	<ul style="list-style-type: none"> • Maximise value for shareholders • Keep the company independent? • Get a higher price from the bidder? • Get a new bidder to increase competition 	<ul style="list-style-type: none"> • Analysis of potential white knights • Merger models • Defence tactics & strategies • Lobbying • Structuring 	<ul style="list-style-type: none"> • Even if mandated by the management, the mission is not to do everything to keep the management in place
Fairness opinions	<ul style="list-style-type: none"> • Provide an independent and expert view on the price offered by a bidder 	<ul style="list-style-type: none"> • Full valuation analysis • Valuation report with a recommendation on price 	<ul style="list-style-type: none"> • Short deadlines • 100% likelihood of completing • Smaller fees but considered in league tables



Phases	Key items / Documents	Role of the investment bank
Preparation / Marketing phase	<ul style="list-style-type: none"> « Selling story » Business plan Preparing legal documents Selecting the potential bidders 	<ul style="list-style-type: none"> Disposal tactic Preparing marketing documents (Teaser) Contacting potential bidders Reviewing the due diligence documents
	<i>Signing the Non Disclosure Agreement (NDA)</i>	
First round	<ul style="list-style-type: none"> Information Memorandum (document with key information on the company) 	<ul style="list-style-type: none"> Preparing the Information Memorandum Advising on the selection of bidders Interacting with the bidders
	<i>Non binding letter (including non binding offer)</i>	
Second Round	<ul style="list-style-type: none"> Online Data Room (virtual space with comprehensive confidential information) Management presentation Site visits Sales and Purchase Agreement (SPA) 	<ul style="list-style-type: none"> Preparing the online Data Room Preparing the Management Presentation and coaching Management Reviewing the SPA Interacting with the bidders Advising on the selection of final bidders
	<i>Binding offer and mark-up on SPA</i>	
Negotiation	<ul style="list-style-type: none"> Final negotiation on price and SPA 	<ul style="list-style-type: none"> Negotiation
	<i>Signing of the SPA</i>	



3. Q&A Session

