QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1496

DCF Valuation & Financial Modelling Training Course

FINANCIAL MODELLING, VALUATION & BUSINESS ANALYSIS
FINANCE, INVESTMENT & BANKING

DURATION
5 Days

DELIVERY
Classroom

Course Overview

The DCF Valuation & Financial Modelling Training Course provides a comprehensive and practical framework for valuing companies, projects, and investment opportunities using discounted cash flow analysis and integrated financial modelling. The course is designed to help finance, investment, corporate development, and valuation professionals transform historical financial and operational information into forward-looking financial projections that support investment decisions, capital allocation, strategic planning, and business valuation.

Participants will develop a structured understanding of how to build an integrated financial model, beginning with historical financial analysis and identification of key business drivers and progressing through revenue forecasting, cost modelling, profitability projections, working capital, capital expenditure, cash flow forecasting, and balance sheet development. Particular emphasis is placed on creating logical connections between operating assumptions and financial outcomes so that the model provides a coherent representation of the underlying business.

The course provides detailed coverage of discounted cash flow valuation, including free cash flow estimation, cost of capital, discount rate selection, terminal value, enterprise value, equity value, net debt, and valuation sensitivity. Participants will learn how changes in growth assumptions, operating margins, capital expenditure, working capital, discount rates, and terminal growth can materially influence valuation results and investment conclusions.

Through practical exercises, financial modelling workshops, valuation case studies, scenario analysis, and sensitivity testing, participants will develop the ability to build, review, challenge, and present DCF valuation models. The program supports organizations seeking to improve valuation discipline, strengthen investment analysis, enhance capital allocation decisions, and provide management and investment committees with transparent, evidence-based financial insights.

Objectives

- Analyze the principles of discounted cash flow valuation and explain its role in company and investment valuation during the first day of the course.
- Develop an integrated financial model that connects historical financial information, operating assumptions, projected financial statements, and future cash flows by the end of the program.

- Evaluate revenue, cost, margin, profitability, working capital, and capital expenditure drivers and assess their impact on projected free cash flow.
- Apply practical methodologies for calculating free cash flow for company, project, and investment valuation purposes.
- Evaluate the components of the discount rate and assess the factors influencing the cost of capital and investment risk.
- Design a terminal value calculation using an appropriate methodology consistent with the company's growth profile and long-term business assumptions.
- Apply enterprise value, equity value, and net debt calculations to translate operating forecasts into an implied valuation.
- Conduct sensitivity and scenario analysis to evaluate the impact of changes in growth, margins, discount rates, capital expenditure, and operating assumptions.
- Assess the quality, consistency, and integrity of a financial model and identify weaknesses or assumptions that may materially affect valuation results.
- Prepare and present a complete DCF valuation and financial modelling analysis that supports investment, capital allocation, and strategic decision-making during the final workshop.

Who Should Attend

The DCF Valuation & Financial Modelling Training Course is designed for financial analysts, corporate finance professionals, investment professionals, investment banking specialists, valuation professionals, corporate development teams, financial planning professionals, accountants, and specialists responsible for building or reviewing financial models and investment analyses. It is also suitable for professionals involved in company valuation, project evaluation, investment assessment, strategic planning, and capital allocation.

The course is particularly relevant to finance managers, investment managers, corporate development managers, valuation managers, financial controllers, portfolio managers, planning and budgeting managers, senior financial analysts, and investment committee professionals. It is also valuable for executives, finance directors, and senior decision makers in banks, financial institutions, government entities, ministries, public-sector organizations, oil and gas companies, and large corporations that require robust financial analysis when evaluating businesses, projects, investments, and strategic initiatives.

Learning Outcomes

- Explain the principles of discounted cash flow valuation and its application in investment and corporate decision-making.
- Analyze historical financial performance and identify the key business drivers required to develop reliable financial projections.
- Build an integrated financial model linking the income statement, balance sheet, and cash flow statement.
- Develop detailed forecasts for revenue, operating costs, margins, working capital, capital expenditure, and cash flows.
- Calculate appropriate free cash flow measures for company, project, and investment valuation.
- Evaluate the cost of capital and discount rate and explain the key factors influencing their determination.
- Calculate terminal value and interpret its contribution to overall enterprise value.
- Determine enterprise value and equity value and analyze the impact of net debt and non-operating financial items.
- Perform sensitivity and scenario analysis to assess the impact of changes in key assumptions on valuation outcomes.
- Prepare and present a professional DCF valuation model that clearly communicates assumptions, value drivers, risks, sensitivities, conclusions, and recommendations.

Course Outline

DAY 01

Foundations of Financial Valuation and Discounted Cash Flow Analysis

- Principles and objectives of company valuation
- Role of financial modelling in investment and strategic decision-making
- Fundamentals of discounted cash flow valuation
- Enterprise value, equity value, and market value
- Understanding the business model and key value drivers
- Historical financial statement analysis
- Identifying trends and key operating assumptions

DAY 01 — CONTINUED

- Linking operational performance to economic value

> **PRACTICAL APPLICATION**
>
> Analyzing a company and identifying its key valuation drivers and initial assumptions

DAY 02

Financial Model Construction and Operating Forecasts

- Designing the structure of an integrated financial model
- Revenue forecasting and growth assumptions
- Fixed and variable cost modelling
- Operating margin and profitability analysis
- Working capital and cash conversion modelling
- Capital expenditure and depreciation forecasting
- Integrating the income statement, balance sheet, and cash flow statement
- Model integrity, consistency checks, and financial statement linkages

> **PRACTICAL APPLICATION**
>
> Building an integrated financial model and developing forward-looking financial projections

DAY 03

Free Cash Flow and Cost of Capital

- Understanding free cash flow and its role in valuation
- Calculating operating and investment-related cash flows
- Tax, capital expenditure, and working capital considerations
- Developing free cash flow forecasts
- Understanding the cost of capital and its components
- Cost of equity and risk considerations
- Cost of debt and financing structure
- Determining an appropriate discount rate

DAY 03 — CONTINUED

PRACTICAL APPLICATION

Calculating free cash flow and developing an appropriate discount rate

DAY 04

Terminal Value, Valuation Analysis and Sensitivity Testing

- Understanding terminal value and its importance in DCF models
- Perpetual growth methodology for terminal value
- Exit multiple methodology and its application
- Present value of forecast cash flows and terminal value
- Calculating enterprise value and equity value
- Net debt and non-operating assets and liabilities
- Sensitivity analysis for growth rates, discount rates, and operating margins
- Base, upside, and downside valuation scenarios

PRACTICAL APPLICATION

Building a complete DCF valuation and analyzing valuation ranges

DAY 05

Integrated Valuation, Model Review and Strategic Decision-Making

- Reviewing the financial model and performing quality and consistency checks
- Identifying modelling errors and weaknesses in key assumptions
- Analyzing value drivers and sources of value creation
- Comparing DCF results with market indicators and alternative valuation approaches where appropriate
- Assessing risks related to forecasts, discount rates, terminal value, and business assumptions
- Preparing valuation reports for senior management and investment committees
- Presenting valuation assumptions, scenarios, results, and recommendations

DAY 05 — CONTINUED

> **FINAL WORKSHOP**
> Building and presenting a complete DCF valuation and financial modelling case

- Final review and development of recommendations to support investment or capital allocation decisions

Register or Request More Information

Course page: https://quest-training.com/courses/dcf-valuation-financial-modelling-training-course
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