Overview of Investment Banking

October 7, 2014

Geoffrey Loos, Vice President
My Background

- Graduated from the University of Utah in 2004
  - Degree in Finance with lots of accounting courses
  - Took challenging classes and complemented classes with groups (UVF)
  - Active in clubs/groups full of students that wanted great finance jobs
  - Met the Head of Investment Banking at Davidson through a UofU program

- Joined D.A. Davidson & Co.’s investment banking group in Portland, Ore. as an Analyst
  - Over 10 years of investment banking experience

<table>
<thead>
<tr>
<th>Year</th>
<th>Position</th>
<th>Responsibilities</th>
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<tbody>
<tr>
<td>2004</td>
<td>Analyst</td>
<td>Deal and business development support</td>
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<tr>
<td>2007</td>
<td>Associate</td>
<td>Deal support, deal execution</td>
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<td>2012</td>
<td>Vice President</td>
<td>Deal execution, business development</td>
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<td></td>
<td>Managing Director</td>
<td>Business development, close deals</td>
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D.A. Davidson & Co.

- Full service investment bank
- Founded in 1935; 87 Offices in 25 States; 1,335 Employees; $46.1B in AUM

**Equity Capital Markets**

**Investment Banking**
- Mergers & Acquisitions
- Public Offerings
- Private Placements
- Fairness Opinions
- Restructurings
- Board Advisory

**Institutional Research**
- Proprietary research on 250+ companies
- Coverage across 6 macro sectors

**Institutional Sales & Trading**
- Market maker in 415+ stocks
- Small and mid-cap focused

**Individual Investor Group**
- Manage $38.1 billion for individual investors
- Extensive branch network of 64 locations

**Fixed Income**
- Institutional Fixed Income Sales & Trading
- Municipal Sales & Trading
- Public Finance Advisory
Top Ranked M&A Advisory Practice

- **Leading Independent Investment Bank** – We are the largest privately-held investment bank serving middle market companies in the U.S. and are ranked 3rd nationally for all middle market transactions over the last 10 years.

- **Senior Level Attention** – We have over 45 experienced investment bankers across seven offices.

- **National Platform with International Reach** – we have ongoing dialogue with interested potential buyers across the globe.

- **Industry Focused, Relationship Driven** – our bankers focus on advising successful companies and developing strong relationships and solid industry expertise.

- **FINRA Member** – We are a member firm of FINRA, the licensing agency for our industry and all of our banking professionals are licensed.

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**U.S. Middle Market Deals: 2004-2013**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Advisor</th>
<th>Deals</th>
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<tbody>
<tr>
<td>1.</td>
<td>Houlihan Lokey</td>
<td>666</td>
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<td>2.</td>
<td>Jefferies LLC</td>
<td>391</td>
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<td>4.</td>
<td>Lazard</td>
<td>328</td>
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<td>5.</td>
<td>William Blair &amp; Company</td>
<td>313</td>
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<td>6.</td>
<td>Goldman Sachs</td>
<td>289</td>
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<td>7.</td>
<td>Stifel/KBW</td>
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<td>8.</td>
<td>Harris Williams &amp; Co.</td>
<td>283</td>
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<td>9.</td>
<td>Lincoln International LLC</td>
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<td>10.</td>
<td>JPMorgan</td>
<td>246</td>
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<td>11.</td>
<td>UBS Investment Bank</td>
<td>233</td>
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<td>12.</td>
<td>Robert W. Baird &amp; Co.</td>
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<td>13.</td>
<td>Morgan Stanley</td>
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<td>13.</td>
<td>M&amp;A International Inc.</td>
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<td>15.</td>
<td>Citi</td>
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<td>16.</td>
<td>Credit Suisse</td>
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<td>17.</td>
<td>Raymond James &amp; Associates, Inc.</td>
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<td>18.</td>
<td>Bank of America Merrill Lynch</td>
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<td>18.</td>
<td>Piper Jaffray &amp; Co.</td>
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<td>20.</td>
<td>RBC Capital Markets Inc.</td>
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<td>21.</td>
<td>Sandler O'Neil &amp; Partners, L.P.</td>
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<td>22.</td>
<td>BB&amp;T Capital Markets</td>
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<td>23.</td>
<td>Deutsche Bank AG</td>
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<td>24.</td>
<td>Rothschild</td>
<td>131</td>
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<tr>
<td>25.</td>
<td>SunTrust Robinson Humphrey Capital</td>
<td>117</td>
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# Typical Investment Banking Career Path

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<tr>
<th>Title</th>
<th>Responsibilities</th>
<th>Experience</th>
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| Managing Director| - Client relationship manager  
                     - Business development  
                     - In charge of industry/product group(s)  
                     - Deal execution       | 10+ years experience            |
| Vice President   | - Deal execution  
                     - Client interaction  
                     - Offering memorandums  
                     - Pitchbooks  
                     - Supervise deal team | 8+ years experience            |
| Associate        | - Analysis  
                     - Writing  
                     - Research  
                     - Client interaction | 2-4 years experience  
                     MBA’s typically start at this level |
| Analyst          | - Financial modeling  
                     - Research  
                     - Support     | University graduate with strong understanding of finance and accounting |
What to Expect as an Analyst

- Building and running financial models
- Analysis and research (industry and company)
- Updating all internal databases and systems (data entry and proof-reading)
- Writing documents and memos, pitch books that go to prospective clients, offering/information memoranda, S-1s
- General administrative tasks like setting up conference calls, copying, filing, sending faxes, arranging deliveries
- Multi-tasking: running with 6 projects at once, minimal tolerance for errors, while working long hours in a stressful environment

And most importantly...

- Guaranteeing senior people never look stupid during calls or meetings – having all the answers
What to Expect as an Analyst, continued

**Models & Analysis**
- Comparable Public Companies
- Precedent Transactions
- Financial Statements
- Discounted Cash Flow
- Leveraged Buyout Model
- Initial Public Offerings
- Secondary Offering Dilution
- Ability To Pay Analysis
- Other industry specific models

**Important Skills to be Successful**
- Organized / Prioritize / Multi-tasking
- Manage Stress / Professionalism
- Work Ethic / Ability to Work Long Hours
- Ability to work as a team / Personality
- Technical / Presentation Skills
- Microsoft Excel Expertise
- Intuitive
- Quality of Work
Things to Do Now...

- High GPA
- Develop a strong understanding of corporate finance
- Focus on accounting
- Participate in school clubs / extra-curricular activities
- Internships / Work Experience
- Research industry, firms – landing a position in investment banking requires focus, tenacity, and luck
Geoffrey Loos is a Vice President in the Investment Banking group of D.A. Davidson & Co. Mr. Loos has been involved in a broad range of investment banking transactions for middle-market private and public companies representing over $2.5 billion in transaction value. Mr. Loos advises companies completing mergers, acquisitions, public offerings, and private placements. Mr. Loos has worked with clients, buyers, and investors globally and has completed several cross-border transactions. He has advised companies in a variety of industries, and has particular experience advising consumer products and technology companies. Mr. Loos joined D.A. Davidson in 2004. Mr. Loos graduated with a B.S. in Finance from the University of Utah, David S. Eccles School of Business.

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