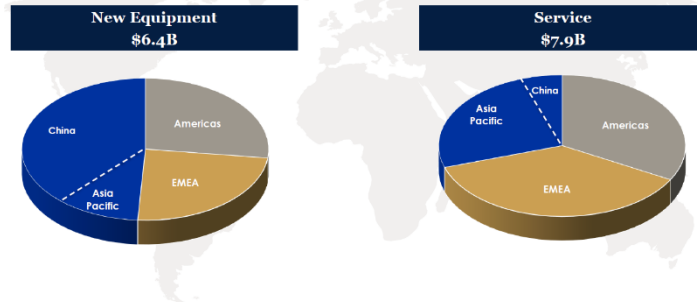


Investment Banking: 3-Statement Modeling Test (90 Minutes) – Otis Worldwide [OTIS]

Strong geographic diversity

OTIS 2021 NET SALES



In this case study, you will build a full 3-statement model for Otis, a leading provider of elevators and escalators and related services, starting from a **blank sheet in Excel**.

You have **90 minutes** to complete this exercise, including the data input for the historical financial statements and

the projections over the next 5 years (FY 22 – 26).

We have provided you with the company's latest 10-K (annual report) in PDF and Excel/CSV format and the latest investor presentation in PDF format.

This is an open-ended case study, so the projection methods, level of detail, and consolidations/simplifications are up to you. The only requirements are as follows:

- 1) **Revenue Projections** – You should use *something more than a simple percentage growth rate* to project the company's Revenue.
- 2) **Minimum Cash** – Assume a \$3 billion minimum Cash balance in the projected years.
- 3) **Acquisitions, Debt, Dividends, and Stock Repurchases** – Follow the company's guidance in its investor presentation for these and use common sense regarding Debt issuances vs. repayments and the interest rate in the projected period.
- 4) **Model Formatting** – You do not need to color-code extensively, create separate header/footer formatting, or do anything else complicated due to the time limit. However, please include **the basics**, such as different number formats for dollars vs. percentages vs. dates.
- 5) **Company Claims** – Make sure you can use your model to assess whether the company's claims about its expected cumulative FCF, growth rates, margins, dividends, stock repurchases, and FCF conversion are plausible.

There are no case study questions to answer. Simply finish this model in 90 minutes and meet the requirements above.