# AI-Powered Financial Modelling with Endex

## How Investment Banking Analysts Can Get Ahead of the Curve

Presented by Financial Edge | endex.ai

# What We'll Cover Today

**Why AI is Essential**

The new reality for IB analysts

**How Endex Works**

The prompting workflow explained

**Three Models, Live**

3-Statement · DCF · LBO

**Key Takeaways**

What to do after this webinar

# The Analyst Landscape Has Changed

**10x**

Faster model build with AI assistance

**72%**

Of top banks piloting AI tools in 2025

**Day 1**

When you should start using these tools

Analysts who master AI-assisted modelling are building in hours what used to take days. Endex brings that capability directly into Excel — the tool you already use.

# Treat Endex Like a New Analyst

Green but capable — it knows finance. You direct the work.

1

### Write Your Initial Prompt

Describe the model you want. Be specific: company, structure, data sources, formatting rules.

Personalize Endex with your layout and formatting preferences

2

### Refine Iteratively

Send follow-on prompts to correct, adjust, and improve. Each prompt builds on the last.

3

### Consolidate & Save

Ask Endex to summarise all prompts into one master prompt. Save it — it's reusable.

**Pro tip: Once you have a great consolidated prompt, you can rebuild any similar model in minutes.**

# Starting with the Right Prompt

## INITIAL PROMPT

Build a three-statement model for Coca-Cola (KO) for five years. Use consensus estimates for key numbers but keep other assumptions in line with the latest historical ratios. All assumptions should be hard numbers. Include IS, BS, and CFS. Calculate interest using an average balance and link via an IF statement — no hardcoded numbers in the output area. Provide a detailed revenue breakdown by segment.

**Be specific about structure**

Separate sheets for Assumptions, IS, BS, CFS

**Anchor to real data**

Consensus estimates + historical ratios

**Set formatting rules upfront**

Colour coding, no hardcoded values in outputs

# Iterating to a Production-Ready Model

1. All assumptions should be hard numbers, not linked to historical ratios
2. Truncate assumptions to one decimal place
3. Remove the currency symbol — numbers are in US$, not GBP
4. Make equity income a growth rate rather than % of revenue
5. Treat loans and notes payable as a flat balance, not % of revenue
6. Move loans and notes payable out of working capital to BS assumptions
7. Source the five-year LT debt repayment schedule from the 10-K

*After iterating, ask Endex: 'Summarise all my prompts' — then 'Write a new consolidated prompt.' Save it for next time.*

# What This Model Taught Us

### Prompt precision pays off

The more specific your first prompt, the fewer corrections needed downstream.

### Formatting rules matter

Colour coding, decimal places, and currency symbols must be stated upfront — Endex won't guess your house style.

### The 10-K is your friend

Endex can read filings. Ask it to source real data like debt maturity schedules directly.

# Prompting a Valuation Model

**INITIAL PROMPT**

Build a DCF model for Coca-Cola. Show the FCF build in detail. Include a PP&E roll-forward, a five-year forecast, and a terminal value using the growing perpetuity method. Discount to yesterday's date with mid-year discounting. Calculate a WACC using sensible market assumptions.

- **Name the methodology**

  Growing perpetuity, mid-year discounting, WACC

- **Specify the valuation date**

  "Yesterday" anchors the model in real time

- **Request supporting schedules**

  PP&E roll-forward, WACC build

# Key Follow-On Refinements

1. Add FY2025 — the 10-K had been filed; Endex sourced it from the filing
2. Remove hardcoded zeros from the output area — move to Assumptions sheet
3. Make all historical ratios formula-driven, not hardcoded
4. Source WACC inputs from live market data — Treasury yield, Damodaran ERP, beta
5. Add a sensitivity table for terminal growth rate vs WACC

*Endex identified and corrected its own hardcoding errors when prompted — the key is knowing what to look for.*

# What This Model Taught Us

### Market data is accessible

Endex can pull Treasury yields, ERPs, and betas. You still need to validate — but the heavy lifting is done.

### Anchor your valuation date

Always specify the exact date. Mid-year convention, discount periods, and stub periods all depend on it.

### Audit the output area

Check for hardcoded values in formula cells. Prompt Endex to self-audit: ‘Are there any hardcoded numbers outside the Assumptions sheet?’

# Prompting a Leveraged Buyout Model

INITIAL PROMPT

Extract key financial data from the attached T.J. Morris Limited (Home Bargains) annual report PDF. Audit the extracted values for errors. Then build an LBO model using 6.0x total debt / EBITDA, 3.0x senior debt / EBITDA, and a 20% IRR hurdle rate for the institutions.

**Attach the source document**

Endex can read PDFs and extract financials directly

**State the deal structure upfront**

Leverage ratios and return hurdle in the first prompt

**Request an audit**

Always ask Endex to verify what it extracted before building

# Getting the Transaction Structure Right

1. Treat amounts due to group undertakings (£563.8m) as a debt-like item
2. Show the intercompany repayment as an explicit line in Uses of Funds
3. Correct the EV-to-equity bridge — EV + cash − debt = equity value
4. Fix row misalignment in projected IS after earlier edits shifted labels
5. Remove lease-adjusted view entirely — no EBITDAR, no lease debt
6. Tidy formatting — number formats, font colours, column header fills

*The most common LBO errors involve the Sources & Uses bridge. Always reconcile explicitly.*

# What This Model Taught Us

### PDF extraction is powerful

Endex read a 35-page UK Companies House filing and extracted audited financials accurately. You can attach source documents.

### Transaction structure needs scrutiny

Sign conventions in the EV bridge and treatment of intercompany balances are where errors hide. Review every line.

### You are the senior analyst

Endex does the build. You catch the structural errors, make the judgement calls, and know what good looks like.

# Get Ahead of the Curve

The analysts who master AI-assisted modelling today will be the ones others come to tomorrow.

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