**SMIF/Corsair - Interview Sample Questions**

**Behaviorals**

* Walk us through your resume / tell us about yourself.
* Why do you want to be in SMIF?
* Can you tell us what you know about SMIF?
* What would make you a great SMIF analyst?
* If we were to call your previous bosses, teachers, mentors, etc. what positive things would they say about you?
* Who would speak the worst about you in a professional setting and why?
* How do you deal with having a differing opinion from those around you?
* Is it better to be a leader or a follower?
* Why did you decide to get into finance?
* Why does investing interest you?
* What do you like to do outside of investing?
* What is something that’s not on your resume that you would want us to know?
* If I were to write down one word to remember you by what would it be?
* What’s your biggest weaknesses and strengths?
* What’s the most number of classes you’ve taken at one? How did you manage your time?

**Situationals**

* Can you tell us about a time where you had to step up and be a leader?
* Can you tell us about a time that you failed and what you learned from it?
* Can you tell us about a time where you had to be a follower?
* When was a time you had to motivate others?
* Tell us a time you took a huge risk.
* Tell me about a story you’ve been following in the news recently.
* Tell me about a time you worked on a team.
* Pitch me an investment idea.
* Who is Warren Buffet?
* Who is the fed chairman? What about the one before him?
* Explain the 2008 financial crisis
* What’s your five year plan?
* How would you invest $10 million?

**Technicals**

**Accounting questions**

* Walk me through the three financial statements. How are they linked?
* What does EBITDA stand for?
* If I could only have one financial statement what would I choose / What about 2?
* How does a $10 increase in depreciation affect the 3 financial statements?
* Tell me how a $100 increase/decrease in AR affects the 3 financial statements
* Where is EBITDA on the income statement?
* How does a $10 increase in deferred revenue affect the three financial statements?
* Suppose I buy a piece of equipment for $100 with 50% debt and 50% cash. The debt prices at 10% and the equipment has a 10-year useful life assuming straight-line depreciation. Tell me how my 3 statements are affected at the time of purchase, and also tell me how the 3 statements are affected at the end of the first year?
* A company has had positive EBITDA for 10 years but it recently went bankrupt. How could this have happened?
* A company issues $100 in stock based compensation. How does this affect the three financial statements?
* What does alpha mean?
* What is investment banking?
* What is accounts receivable?
* What is depreciation?
* What’s the difference between accounts receivable and deferred revenue?
* What is the current US federal tax rate?
* What is the DOW Jones trading at? S & P?
* What is the difference between a stock and a bond?
* What is private equity?
* What does ‘time value of money’ mean?
* What is debt?

**Valuation:**

* What is a P/E ratio?
* What are the main two/three ways of valuing a company?
* How would you value an apple tree?
* What valuation method usually gives the highest valuation and why?
* How many valuation methods can you give me?
* What type of valuation is an LBO? Liquidation analysis?
* Can you walk me through a DCF?
* How do you calculate:
  + FCF
  + WACC
  + CAPM
  + Terminal Value
  + Beta
* Theoretically, should your cost of debt ever be higher than your cost of equity?
* What are some issues in using the multiples method for terminal value?
* As you are creating a DCF you notice that your sales growth rate is far outpacing your capex growth rate. Tell me how this could be a problem and tell me how it may not be an issue.
* Tell me why Price / EBIT is an inappropriate metric but Price / Earnings is appropriate?
* Why could both EV / Cash flow and P / Cash flow be appropriate?
* Industry specific metrics
* Market Questions
  + What is happening in APAC, EMEA, NA, LATAM?
  + Tell us a recent news story you read about.
  + Given X situation, what is the impact on this company’s performance.
* What is the \_\_ at?
  + DOW
  + S&P 500
  + NASDAQ
  + US 10 YR yield
  + Gold
  + Crude Oil
* Talk to us about a market event you’ve been following
* Tell us about a company you’ve been following
* Can you give us a stock pitch?
* What do you look for when investing?
* Who are some of your favorite investors?
* Who is \_\_\_?
  + Warren Buffett
  + Carl Icahn
  + Benjamin Graham
  + Janet Yellen
  + Ben Bernanke
  + Allen Greenspan
  + Jamie Dimon
  + Etc.

**Example Mental Math**

* What is 24\*37?
* What is 6% of 53? 3.18
* How many golf balls can fit in this room?
* How many bottles of hot sauce does Bolton use in a year?