

LIBRARY CROSSWALK · CASE STUDY · NYSE: GM

General Motors — where every technique lives in the Library

Each move in the case maps to a Guide, so a reader can learn the method and use it on the next ticker.

FIRST PRINCIPLES

Technique	Application in the GM case	Where
Reverse DCF	Solve for the growth the price implies: \$76.11 means automotive cash flow falls 11% a year forever on \$10B normalized FCF.	Memo §8 · Model: DCF & Reverse DCF
Price vs. cash produced	Free-cash-flow yield of 25.2% on the automotive equity (18.7% on the whole market cap) at the 2026 guide.	Memo §1 · Model: Sum of Parts
Who gets paid first	Senior notes yield 6.11% at an average price of 95.3; the equity yields 25.2%. Trust the senior claim.	Memo §5, §11 · Model: Debt Schedule

CFO & CONTROLLER'S GUIDE

Technique	Application in the GM case	Where
Separating a captive finance arm	Remove GM Financial at book (\$16,521) so its \$113B of debt does not distort EV: screen 9.3x becomes 2.1x for the car business.	Memo §1–3 · Model: Sum of Parts
Rebuilding automotive EBITDA	EBIT-adjusted less GM Financial EBT plus automotive D&A,: \$19,418 TTM, \$19,228 for 2026E.	Memo §3 · Model: Inputs
EV method: leases excluded	EV = market cap + financial debt – cash, operating leases removed for GM and every peer because rent is already in EBITDA.	Memo §1–2 · Model: Comps
Like-for-like peer rebuild	Ford rebuilt on the same automotive-only basis: 2.7x vs. GM 2.1x.	Memo §2 · Model: Comps
Nine-quarter FCF and uses of cash	\$30,435 adjusted automotive FCF vs. \$17,030 buybacks, \$1,274 dividends, \$3,105 debt repayment.	Memo §4 · Model: 9Q Free Cash Flow
Buyback price and share-count bridge	278M shares at \$61.26 average; shares down 22.8%; repurchased shares worth \$21,159 today.	Memo §4 · Model: 9Q Free Cash Flow
Adjusted vs. unadjusted FCF	About \$4,200 of 2026 add-backs; unadjusted FCF still yields 16.4% on automotive equity.	Memo §7B · Model: 9Q Free Cash Flow
Three-layer EPS	GAAP guide \$10.22 → adjusted \$13.25 → car business alone about \$10.92 on \$56.52 of automotive equity per share.	Memo §7A
Pensions and OPEB as a sensitivity	\$7,958 net underfunding; EV/EBITDA moves from 2.10x to 2.51x.	Memo §7C · Model: Sum of Parts
Debt schedule and marking bonds to market	Sixteen notes, \$14,900 principal at 5.70%, priced at 95.3; 2027–2028 maturities equal 3.4 months of post-dividend FCF.	Memo §5 · Model: Debt Schedule

PE GUIDE

Technique	Application in the GM case	Where
Take-private sanity check	3.0x entry, 2.5x leverage (cut from 5.0x for a cyclical OEM), flat EBITDA → \$96.64 offer, 2.04x MOIC, 15.3% IRR.	Memo §9 · Model: LBO Sanity Check
Leverage sized to the business	House 5.0x would exceed the purchase price; the guide's principle is debt the cash flow can carry.	Memo §9

FAMILY OFFICE REFERENCE

Technique	Application in the GM case	Where
Multi-engine valuation	EV/EBITDA comps (primary), DCF and LBO side by side.	Memo §1–2, §8–9
Probability weighting	Bear \$66.19 / Base \$85.24 / Bull \$125.47 at 25/50/25 → \$90.54.	Memo §1 · Model: EV-EBITDA Valuation
Buybacks as a total-return engine	\$20B authorization = 31.2% of the market cap, funded by 1.8 years of post-dividend FCF.	Memo §7D · Model: EV-EBITDA Valuation

\$ in millions except per share. Companion to the General Motors Case Study Memo and Financial Model (measurement date 10/21/2026). Independent editorial analysis; not investment advice. The author holds no position in General Motors Company.