

CIM Template Outline

Confidential Information Memorandum structure for LMM sell side processes

How to use this outline

A CIM (Confidential Information Memorandum) is the marketing document a sell side banker prepares for distribution to qualified bidders after NDA. The CIM presents the seller's business, market position, financials, and growth thesis. Typical LMM CIMs run 30 to 50 pages.

This outline provides the standard structure used across LMM sell side processes. Sections marked 'required' appear on essentially every CIM. Sections marked 'recommended' appear on most. Sections marked 'optional' depend on deal specifics.

Use this as a checklist to ensure your CIM covers what bidders expect, then customize length and emphasis based on the business's strengths and the auction dynamics.

1. Cover and confidentiality (Required, 1-2 pages)

- Document title (typically "Confidential Information Memorandum" with project codename)
- Confidentiality statement and notice
- Project codename (separate from real company name)
- Banker firm name and contacts
- Document date
- Distribution control language (recipient, no further distribution)

2. Executive summary (Required, 2-4 pages)

- Investment highlights (3-7 bullets, the headline thesis)
- Business overview (what the company does, in 2-3 sentences)
- Financial summary table (revenue, EBITDA, growth rates, margins)
- Transaction overview (what's being sold, structure)
- Process overview (timeline, IOI deadline)

3. Company overview (Required, 4-8 pages)

- History and milestones
- Mission and value proposition
- Products and services overview
- Customer overview (anonymized concentration)
- Geographic footprint
- Team and organization (senior team biographies, headcount)
- Operational footprint (facilities, capacity)

4. Market opportunity (Recommended, 4-6 pages)

- Industry overview and segmentation
- Market size (TAM, SAM, SOM if applicable)
- Industry growth trends

- Competitive landscape (positioning, key competitors)
- Industry tailwinds and risks
- Where the company fits (positioning statement)

5. Business model and operations (Required, 4-8 pages)

- Revenue model (recurring vs project, contract terms, pricing)
- Customer acquisition (channels, cost, conversion)
- Customer retention (cohort analysis, NPS, satisfaction metrics)
- Operations and unit economics
- Technology and IP
- Key vendor and partner relationships
- Compliance and regulatory framework (sector specific)

6. Customers (Required, 2-4 pages)

- Customer overview and segmentation
- Customer concentration (top 5, top 10, anonymized)
- Contract terms summary (auto renewal, term length)
- Customer acquisition trends
- Customer testimonials (anonymized or with permission)
- Pipeline and growth opportunities

7. Historical financials (Required, 4-8 pages)

- Last 3 years of audited financials (income statement, balance sheet, cash flow)
- Revenue trend and growth analysis
- Gross margin trend
- Adjusted EBITDA bridge with documentation
- Working capital trend
- Capex schedule
- Key financial metrics (NRR for SaaS, gross retention, CAC, LTV)

8. Forecast (Recommended, 2-4 pages)

- 3-5 year forecast (income statement; balance sheet for larger deals)
- Revenue assumptions and drivers
- Margin assumptions
- Capex assumptions
- Sensitivity analysis on key variables
- Reconciliation to historicals

9. Growth strategy (Recommended, 2-4 pages)

- Strategic priorities
- Investment plans (sales, product, geography)
- Adjacent product or market opportunities

- M&A; pipeline (if active acquirer)
- Exit-driven growth themes (relevant for buyers)

10. Transaction overview (Required, 1-2 pages)

- What's being sold (assets, equity, etc.)
- Anticipated transaction structure
- Working capital methodology (reference QofE if completed)
- Transaction timeline
- Process steps and key dates
- Required diligence items

11. Appendices (Recommended, 4-10 pages)

- Detailed financial statements
- Supplementary customer data
- Operational metrics
- Legal and corporate structure
- Subsidiary information
- Material contracts summary
- Regulatory licenses summary

Recommended charts and visualizations

Executive summary: Financial summary table with last 3 years actuals plus forecast year

Company overview: Geographic map of customers/operations; org chart

Market opportunity: Market size pyramid (TAM/SAM/SOM); industry growth trend chart

Business model: Customer cohort retention chart; recurring vs non-recurring revenue mix

Customers: Anonymized concentration breakdown (% by customer rank); contract term distribution

Financials: Revenue and EBITDA trend; gross margin trend; cash flow waterfall

Forecast: Forecast vs actual; sensitivity tornado chart

Growth strategy: Strategic priorities matrix; investment timeline

Transaction overview: Process timeline gantt; deal structure diagram

Tone and length guidance

Length: 30-50 pages for typical LMM deals. Below 25 pages reads thin; above 60 pages reads bloated. The right page count is a function of business complexity, not effort.

Tone: Professional, factual, sober. Avoid superlatives ("best in class", "world-leading"). Quantify everything with specific data. Buyers see through marketing language and lose trust.

Density: Each page should have a clear purpose. Avoid filler. A 2-page section that says exactly what's needed beats a 5-page section that pads.

Visual balance: Roughly half text and half charts/tables. Pure text pages lose attention; pure chart pages lack context. Aim for 2-4 visualizations per page.

Anonymization: Use "Customer 1" and "Customer 2" rather than real names in the CIM. Real customer names appear in the data room post-NDA, not in the broadly distributed CIM.

Common CIM mistakes to avoid

Hiding customer concentration. Buyers will find it during diligence. Disclosing it transparently in the CIM (anonymized) builds trust; hiding it costs the deal.

Optimistic forecast without reconciliation. Forecasts that show 2x growth without explaining the trajectory or reconciling to historicals trigger skepticism.

Marketing language and superlatives. "Industry leading," "best in class," and similar phrases without supporting data signal weak fundamentals.

Inadequate financials. Less than 3 years of detailed financials, missing EBITDA bridge, or missing working capital trend look unprepared.

No process letter alignment. The CIM should align with the process letter. Bidders comparing the two find inconsistencies and lose trust.

Stale data. CIM with revenue figures 6+ months old looks lazy. Refresh before distribution.

Missing transaction overview. Buyers need to know what's being sold and how. Skipping this section forces buyers to guess and produces weak IOIs.

Companion content

- Process letter design: lockroom.com/blog/process-letter-design-2026
- Customer concentration in the CIM: lockroom.com/blog/customer-concentration-cim-2026
- Sell-side QofE: lockroom.com/blog/sell-side-qofe-2026
- Sell-side process timeline: lockroom.com/blog/sell-side-ma-process-timeline
- LMM 2026 outlook: lockroom.com/blog/lmm-ma-2026-outlook