Business valuation

ECTS : 3

Description du contenu de l'enseignement :

(Subject to adjustments)
1. Financial Analysis (review)
Value creation, WACC, DCF
2. Valuation Techniques
Valuation with changing capital structure, Adjusted Present Value (APV), Economic Value Added (EVA), Venture Capital Method, Valuation by parts, Real options, Earnouts
3. Applications and special situations
Leveraged Buyouts (LBO), Mergers and acquisitions (M&A), Private companies, High-growth companies, Emerging markets, Cyclical companies

Compétence à acquérir :

This course introduces advanced valuation techniques for analysis of a business, with focus on their usefulness in valuing and financing companies and in the evaluation of corporate performance. We will apply the techniques on real world cases such as leveraged buyouts (LBO) and mergers and acquisitions (M&A) and analyse several special situations like high-growth companies, emerging markets and private companies. Throughout the semester we will make extensive use of case studies so that you can gain the knowledge of the relevant theory and techniques and an ability to use them in actual situations. The course will combine traditional lectures, exercise sessions and case method teaching. You will be working individually and in groups.

Mode de contrôle des connaissances :

• Final written exam • Group work The numerical grade distribution will dictate the final grade. The passing grade for a course is 10/20. Class participation: Active class participation is encouraged thus all students should be able to verbally participate in class discussions. Class participation is based on quality of comments, not quantity. Come on time and prepared.

Bibliographie, lectures recommandées :

- Valuation: Measuring and Managing the Value of Companies, University Edition, by Tim Koller Marc Goedhart and David Wessels, McKinsey & Company, John Wiley & Sons, 2015, 6th edition - Investment Banking: Valuation, Leveraged Buyouts, and Mergers and Acquisitions, by Joshua Rosenbaum and Joshua Pearl, John Wiley & Sons, 2nd edition - Valuation: Mergers, Buyouts and Restructuring, by Enrique R. Arzac, John Wiley & Sons, 2nd Edition - Corporate finance, Theory and Practice, by Pierre Vernimmen, Pascal Quiry, Maurizio Dallocchio, Yann Le Fur and Antonio Salvi, John Wiley & Sons, 5th edition - Vernimmen English website: www.vernimmen.com - Data sources: COMPUSTAT, Companies' websites