

# Project & Firm Valuation

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Professor Philip Howard  
howardpd@wfu.edu



## Discounted Cash Flow Analysis

Steps:

1. Forecast sales growth
2. Calculate historical financial ratios
  - Incorporate assumptions if necessary
3. Forecast future financial statements

- $V_{Firm} = PV(FCF)$
- $E = V_{Firm} - Net\ Debt$
- $Net\ Debt = Debt - Cash$