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| Title of course | **Valuation and Financial Analysis** |
| Responsible instructor | Prof Dr Mareike Heinemann |
| Learning objectives | * Understand the importance of financial information and the expressiveness of financial statements * Know and apply the relevant key performance indicators and conduct a comprehensive financial analysis assessing the financial position, financial performance and cash flow of a company * Conduct a competitive and market analysis and determine the peer group of a company * Be able to derive and evaluate financial projections * Learn about and reflect on the importance of intangible assets of a company * Understand the relevance and impact of valuation purposes on valuation * Know the major valuation methods and evaluate their applicability to practical valuation problems * Identify the drivers of company value * Understand the relevance and drivers of the value of intangible assets such as brands, software, technology or customers for a business * Synthesise the acquired knowledge about company and market analysis to perform a valuation * Practically apply the concepts by use of common spreadsheet software |
| Course contents | 1. Financial Analysis  1.1 The financial statements and financial performance of a company  1.2 The competitive and market environment  1.3 The acquisition and management of financial resources  1.4 Financial planning  2. Valuation  2.1 Value concepts, valuation purposes and standards  2.2 Valuation methods: Income, market and asset approaches  2.3 The cost of capital  2.4 Valuation specifics |
| Teaching methods | * Lectures * Exercises * Case studies * Hermeneutic discourses * Maieutic discourses * Discussion * Self-study |
| Prerequisites | There are no formal requirements. |
| Suggested reading | Preferably most recent edition:   * Berk, DeMarzo & Harford: Corporate Finance, Global Edition, Pearson. * Damodaran, A.: Investment Valuation: Tools and Techniques for Determining the Value of Any Asset, Wiley. * Higgins: Analysis for Financial Management, McGraw-Hill. * Brealey, Myers & Allen: Principles of Corporate Finance, Global Edition, McGraw Hill.   Further reading – provided in class   * Relevant valuation standards * Current journal articles |
| Applicability | This course is in particular applicable to the following Master programmes:  International Business and Economics (M.A.; “IBE”), Finance (M.Sc.).  This course is also applicable to other business-oriented Master programmes offered by Schmalkalden University of Applied Sciences. |
| Workload | Total workload: 240 hours, of them:   * Lecture: 60 * Self-study: 180, of them: * Course preparation (in particular reading): 45 * Follow-up: 45 * Exam preparation (including mid-term): 90 |
| ECTS credit points and weighting factor | 8 ECTS credit points; weighting factor: 8/120 (IBE) or 8/90 (Finance), respectively |
| Basis of student evaluation | Comprehensive written examination, 90 minutes (100%) |
| Time | First academic year |
| Frequency | Each academic year |
| Duration | One semester |
| Course type | Elective course |
| Remarks | Teaching language is English. |