

Title of course	Valuation and Financial Analysis
Responsible instructor	Prof Dr Mareike Heinemann
Learning objectives	<ul style="list-style-type: none"> ▪ Understand the importance of financial information and the expressiveness of financial statements ▪ Know and apply the relevant key performance indicators and ratios and conduct a comprehensive financial analysis assessing the financial position, financial performance and liquidity 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 ▪ Know and understand the relevance and impact of valuation concepts, purposes and standards 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	<ol style="list-style-type: none"> 1. Financial Analysis <ol style="list-style-type: none"> 1.1 Analysis of historical financial performance 1.2 Financial planning 2. Valuation <ol style="list-style-type: none"> 2.1 Value concepts, valuation purposes and standards 2.2 Valuation methods: Income, market and asset approaches 2.3 Cost of capital 2.4 Valuation specifics
Teaching methods	<ul style="list-style-type: none"> ▪ Lectures ▪ Seminars ▪ Exercises ▪ Case studies ▪ Project work
Prerequisites	There are no formal requirements.
Suggested reading	<p>Preferably most recent edition:</p> <ul style="list-style-type: none"> ▪ Berk, DeMarzo & Harford: Corporate Finance, Global Edition, Pearson. ▪ Brealey, Myers & Allen: Principles of Corporate Finance, Global Edition, McGraw Hill. ▪ Damodaran, A.: Investment Valuation: Tools and Techniques for Determining the Value of Any Asset, Wiley. ▪ Higgins, R. & Koski, J.: Analysis for Financial Management, McGraw-Hill. ▪ Pratt, S.P.: Valuing a Business, McGraw-Hill <p>Further reading (including relevant valuation standards) – provided in class</p>

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: <ul style="list-style-type: none"> ▪ Lecture: 60 ▪ Self-study: 180, of them: <ul style="list-style-type: none"> ▪ Course preparation (in particular reading): 40 ▪ Follow-up: 40 ▪ Preparation for academic research project: 50 ▪ Exam preparation: 50
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 (70%) Student research project (30%)
Time	First academic year
Frequency	Each academic year
Duration	One semester
Course type	Elective course
Remarks	Teaching language is English.