

Business Valuation (F000898)

Course size *(nominal values; actual values may depend on programme)*

Credits 4.0

Study time 120 h

Course offerings and teaching methods in academic year 2024-2025

A (semester 2)

English

Gent

lecture

group work

seminar

Lecturers in academic year 2024-2025

Moortgat, Leentje

EB22

lecturer-in-charge

Offered in the following programmes in 2024-2025

crdts

offering

Master of Science in Business Engineering(main subject Data Analytics)

4

A

Master of Science in Business Engineering (Double Degree)(main subject Data Analytics)

4

A

Master of Science in Business Engineering (Double Degree)(main subject Finance)

4

A

Master of Science in Business Engineering(main subject Finance)

4

A

Master of Science in Business Engineering (Double Degree)(main subject Operations Management)

4

A

Master of Science in Business Engineering(main subject Operations Management)

4

A

Exchange programme in Economics and Business Administration

4

A

Teaching languages

English

Keywords

Corporate finance, business valuation, discounted cash flow, multiples

Position of the course

This course focuses on business valuation. It does not focus on the valuation of instruments, markets or investing.

Contents

In this course, we cover the principles of business valuation. We cover four families of valuation methods, including book value methods (e.g., adjusted book value), intrinsic valuation (e.g., discounted cash flow methods), relative valuation (e.g., multiples) and briefly discuss contingent claim valuation (e.g., real options). The course is a specialized course in that we move from 'common practice' to 'best practice' when valuing businesses.

Initial competences

Corporate finance

Final competences

- 1 Understand the building blocks of a good valuation
- 2 Apply appropriate business valuation methods in different contexts
- 3 Develop a critical look on business valuation cases
- 4 Present a sound business valuation case to academics and industry professionals

Conditions for credit contract

Access to this course unit via a credit contract is determined after successful competences assessment

Conditions for exam contract

This course unit cannot be taken via an exam contract

Teaching methods

Group work, Seminar, Lecture

Extra information on the teaching methods

We use a combination of teaching methods, including traditional lectures, discussion of cases and conducting a valuation of a real-life company with a question and answer session with valuation experts.

Study material

Type: Slides

Name: Slides - available on Ufora

Indicative price: Free or paid by faculty

Optional: no

Available on Ufora : Yes

Online Available : No

Available in the Library : No

Available through Student Association : No

References

Damodaran, A. Damodaran on valuation: Security analysis for investment and corporate finance (Vol. 324; Second edition). John Wiley & Sons.

Course content-related study coaching

Both the instructor and an assistant are available to provide feedback to students. Students can post questions on Ufora and there will be office hours.

Assessment moments

end-of-term and continuous assessment

Examination methods in case of periodic assessment during the first examination period

Written assessment with multiple-choice questions, Written assessment with open-ended questions

Examination methods in case of periodic assessment during the second examination period

Written assessment with multiple-choice questions, Written assessment with open-ended questions

Examination methods in case of permanent assessment

Peer and/or self assessment, Assignment

Possibilities of retake in case of permanent assessment

examination during the second examination period is possible in modified form

Extra information on the examination methods

The final grade is determined by two case studies (50%) and written exam (50%).

The first case study is a group project on valuation of a fictive company (15%; report + peer evaluation). The second case study (35%) is a group project on the valuation of a real-life company. You will have to hand in a valuation report on your valuation analysis and present your valuation analysis. Your grade for the case study is based on a group grade adjusted by your peer evaluation score and performance during the presentation. You will present your case in front of a jury comprising academics and practitioners specialized in business valuation. The exam is a combination of multiple choice (with standard setting) and open questions.

As regards to the peer assessment, the final responsibility remains with the teacher in charge.

If students fail one of the two components ((1) two valuation cases and (2) the written exam) but their overall mathematical result is at least 10/20, the overall score is reduced to the highest failed figure.

Calculation of the examination mark

Permanent evaluation (50%)

End-of-term evaluation (50%)

Facilities for Working Students

Possible after contacting the instructor before the first lecture

