Learning outcomes

With regard to the qualification category of knowledge and understanding, the course participants are able to:
• provide an overview of the most important valuation methods and to compare these.
• relate corporate finance to other modules such as financial management, portfolio management and derivatives.
• relate corporate planning to corporate valuation and to describe the linkages in their own words.

With regard to the qualification category of abilities, the course participants are able to:
• use their knowledge about planning and valuation methods to develop a professional standard model for corporate valuation which incorporates the principles of financial modeling.
• obtain the data necessary for a corporate valuation from information providers such as Bloomberg or Thomson Reuters and to process the data.
• independently structure complex tasks in corporate valuation and to develop independent modules to solve these tasks.
• critically evaluate the results of the corporate valuation and to clarify any differences.
• interpret the results of the corporate valuation and to independently draw conclusions for corporate finance transactions.
• review the structure of the valuation model and the results of the corporate valuation with the help of a model review.

With regard to the qualification category of competencies, the course participants are able to:
• transfer the results from the corporate valuation to other modules such as financial management, portfolio management and derivatives and to combine them with these modules.
• manage a project in the field of corporate valuation and to develop proprietary solutions in a team of valuation experts.
• compile a transparent and comprehensive documentation of assumptions and methods for a given valuation project.
• structure the process of corporate valuation and to apply the standards of professional financial modeling.
• master theoretical and empirical challenges of corporate valuation.
• apply their knowledge to specific valuation projects and to adjust it to actual valuation situations.
• critically challenge the assumptions, algorithms and results of every valuation approach.
• present and defend the valuation results in front of clients.
## Contents

1. Overview of the Methods of Company Valuation

2. Company Valuation using Discounted Cash Flow Models
   2.1 Basics of Corporate Planning
   2.2 WACC Approach
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      2.2.2 Calculating the Operative Free Cash Flows
      2.2.3 Determining the Cost of Capital
      2.2.4 Calculation of the Company Value
   2.6 Sensitivity Analysis
   2.7 Scenario Analysis

3. Company Valuation using Market Capitalization and Book Value
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   3.3 Valuation Process using Market Capitalization and Book Value
      3.3.1 Obtaining the Required Data
      3.3.2 Calculating the Market Capitalization
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   4.2 Valuation Process with Stock Market Multiples
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   5.2 Comparison of Stock Market and Transaction Multiples
   5.3 Valuation Process with Transaction Multiples
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      5.4.1 Application of the Football Field Graph
      5.4.2 The Modeling Process in Three Steps

## Methods of teaching and study

Literature study, case studies on the implementation of a corporate valuation exercise as well as Excel-based exercises. With the chapter "Corporate Finance" of the textbook "Financial Modeling" and additional literature sources, the course participants have access to a comprehensive set of materials on the topic corporate finance. The implementation of the methods of corporate finance in Excel while considering the standards of financial modeling is presented in a detailed and comprehensive manner.
The case studies help to implement the valuation methods for a given task in a model-based and applied fashion. Excel-based exercises help to critically assess the material studied. Test questions help in the exam preparation. The self-study of the participants is supported via e-learning.

Literature

Recommended literature:

Further Literature: