

Business Analysis and Valuation



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Agenda

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- Introduction to financial analysis

Basic details

Teacher:	Arturo Capasso
Office:	on-line
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Schedule

	Day	Time	Subject
1	03/05	09,00-10,30	Introduction to the course
2	03/05	11,00-12,30	Financial Analysis
3	05/05	17,00-18,30	Case discussion
4	10/05	09,00-10,30	Cash Flow Analysis
5	10/05	11,00-12,30	Strategic Analysis
6	17/05	09,00-10,30	Valuation – FCFE
7	17/05	11,00-12,30	Valuation – FCFF
8	19/05	15,15-16,45	Report Presentation
9	19/05	17,00-18,30	Report Presentation/Discussion
10	24/05	09,00-10,30	Relative valuation method
11	24/05	11,00-12,30	The market for corporate control
12	26/05	17,00-18,30	Review Session & Discussion

Objectives

- Learn how to use financial information to analyze and value firms;
- Provide information for helping you to understand:
 - *What is contained in financial reports*
 - *Why firms report certain information*
 - *How to be a sophisticated user of this information*
- Learn how to choose (and use) valuation models
- Add to your tool-kit a significant skill to spend in the job market

My purposes

- Make this class relevant, useful, stimulating, fun and enjoyable.
- Do not overload you with irrelevant assignments or make-work tasks.
- Encourage brainstorming and discussions on the several issues that are relevant to company analysis and valuation.
- Provide useful insights on the valuation techniques implemented in several industries with peculiar business models or in venture capital deals.

Contents

Provide up-to-date *applied knowledge of:*

- Analysis of financial statements (reading “between-the-lines” of financial reports);
- Utility and pitfalls of accounting reports;
- Fundamental valuation techniques;
- Understanding valuations in the market for corporate control.

Materials

- Course-pack

There is no required textbook, I will provide handouts and cases before and after each class.

As a guide to valuation issues I suggest the book

“Valuation” by A. Damodaran and the website:

<http://pages.stern.nyu.edu/~adamodar/>

- Slide & Lecture Notes

Accessible through my website prior to each class.

If you are missing material for a particular class, please obtain them from the web to make sure you do not fall behind.

Class preparation

- Short reading assignments from the text and handouts will be provided at the end of each class.
- Some bibliographic reference on the subject to be covered in the next class will be listed in the class handouts.

Grading

Class participation	10%
Analyst report:	20%
Valuation Case	30%
Final exam	40%

Classroom approach

The classes will be as informal as possible (considering we are in distance-learning 😞)

Personally I prefer a wide and active participation. 👍

I am not annoyed by questions and interruptions (reasonably)

I think the best way to teach/learn is through frequent examples.

Therefore, we will discuss interesting “cases” from business history and the today’s financial press on relevant topics

(Please read as much as you can).

