SUBJECT DATASHEET

Valuation of Businesses

BMEGT35ML70

I. SUBJECT DESCRIPTION

1. SUBJECT DATA

Subject name
Valuation of Businesses

ID (subject code)	BMEGT35ML70

Type of subject
Contact lessons

Course types and lessons

Type	*Lessons*
Lecture	1
Practice	0
Laboratory	0

Type of assessment
exam grade

Number of credits
3

Subject Coordinator

Name	*Position*	*Contact details*
Szallerné Sereg Nikolett	assistant lecturer	sereg.nikolett@gtk.bme.hu

Educational organisational unit for the subject
Department of Finance

Subject website
https://edu.gtk.bme.hu

Language of the subject
magyar - HU

Curricular role of the subject, recommended number of terms
Programme: **Master of Science in Accounting**
Subject Role: **Compulsory**
Recommended semester: **3**

Direct prerequisites

Strong	nincs - none
Weak	nincs - none
Parallel	nincs - none
Exclusion	nincs - none

Validity of the Subject Description
Approved by the Faculty Board of Faculty of Economic and Social Sciences, Decree No: 5881478/13/2024 registration number. Valid from: 11.12.2024.

2. OBJECTIVES AND LEARNING OUTCOMES

Objectives

The aim of the course is to offer an introduction into basic approaches and methods of business valuation. Key challenges and limitations of each method will also be presented. Participants may gain an understanding of both the income- (cash flow-) based, multiple-based and asset-based approaches. They will review the process and rules of financial analysis and planning, as well those of estimating the cost of capital. We also cover unique challenges of special valuation tasks and the application of discounts and premiums. The aim of the course is to make the students able to solve daily valuation tasks using the knowledge gained.

Academic results

Knowledge

1. The student is familiar with the aims and the toolset of business valuation,
2. the methods of financial statement analysis and prediction,
3. the cost of capital estimation techniques,
4. the unique challenges of the different valuation tasks,
5. the process and critical steps of business valuation.

Skills

1. The student is able to plan, organise, and perform her(his) study process on her (his) own,
2. find and review the relevant literature of the subject,
3. perform calculations needed to a support decision making.
4. use a critical approach and filter the information available,
5. identify connections among financial and valuation models.

Attitude

1. The student is open to review and adapt innovations of finance,
2. co-operates with his fellow students and instructors during the learning process,
3. eager to extend her (his) knowledge,
4. takes profit of the opportunities offered by the IT equipment and tools.

Independence and responsibility

1. The student is open to accept well-based critics,
2. co-operates with her (his) fellow students when solving tasks,
3. has a good overview of the importance of her (his) responsibility and can estimate the consequences of her(his) decisions.
4. is able to take decisions on her (his) own,
5. can make well-based judgements during her (his) decision process,

Teaching methodology

Lectures, written and oral communication, use of IT tools and techniques, optional tasks alone and in groups.

Materials supporting learning

- Koller, Tim – Goedhart, Marc – Wessels, David (2020): Valuation: Measuring and Managing the Value of Companies (Wiley Finance) 7th Edition, Wiley
- Pratt, Shannon P. (2008): Valuing a Business: The Analysis and Appraisal of Closely Held Companies (McGraw-Hill Library of Investment and Finance), 5th Edition, McGraw-Hill Education
- Damodaran, Aswath (2012): Investment Valuation: Tools and Techniques for Determining the Value of Any Asset, 3rd Edition, Wiley
- Damodaran, Aswath (2018): Dark Side of Valuation, The: Valuing Young, Distressed, and Complex Businesses: Valuing Young, Distressed, and Complex Businesses 3rd Edition, Pearson FT Press

II. SUBJECT REQUIREMENTS

TESTING AND ASSESSMENT OF LEARNING PERFORMANCE

General Rules

Assessment of the learning outcomes described under 2.2. is based on written exam.

Performance assessment methods

written exam

Percentage of performance assessments, conducted during the study period, within the rating

Percentage of exam elements within the rating

- **written exam**: 100

Conditions for obtaining a signature, validity of the signature

according to TVSZ

Issuing grades

Excellent	95
Very good	87-94
Good	75-86
Satisfactory	63-74
Pass	50-62
Fail	0-49

Retake and late completion

according to TVSZ

Coursework required for the completion of the subject

participation	9
preparing for the exam	81
total	90

Approval and validity of subject requirements

Consulted with the Faculty Student Representative Committee, approved by the Vice Dean for Education, valid from: 04.11.2024.

III. COURSE CURRICULUM

THEMATIC UNITS AND FURTHER DETAILS

Topics covered during the term

Subject includes the topics detailed in the course syllabus to ensure learning outcomes listed under 2.2. can be achieved.

1 Vállalatértékelés alapjai
2 DCF alapú vállalatértékelés
3 Vállalatértékelési esettanulmány
4 Üzleti ötlet értékelése, kockázatelemzés
5 Kockázatelemzési esettanulmány
6 Relatív és eszközalapú vállalatértékelés

Additional lecturers

Approval and validity of subject requirements