SUBJECT DATASHEET

COMPANY VALUATION

BMEGT35A118

I. SUBJECT DESCRIPTION

1. SUBJECT DATA

Subject name
COMPANY VALUATION

ID (subject code)	BMEGT35A118

Type of subject
contact lessons

Course types and lessons

Type	*Lessons*
Lecture	4
Practice	0
Laboratory	0

Type of assessment
exam grade

Number of credits
5

Subject Coordinator

Name	*Position*	*Contact details*
Dr. Bethlendi András	associate professor	bethlendi.andras@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: **Finance and Accounting Bachelor's Programme from 2019/20/Term 1**
Subject Role: **Compulsory for the specialisation**
Recommended semester: **4**

Direct prerequisites

Strong	None
Weak	None
Parallel	None
Exclusion	None

Validity of the Subject Description
Approved by the Faculty Board of Economic and Social Science (11/25/2020) with the decision on the 581083/2/202 (Agenda 13.) registration number that is valid from 01/02/2021.

2. OBJECTIVES AND LEARNING OUTCOMES

Objectives

The subject is designed to give students a broad overview of goals, processes as well as tools of company valuation and get them acquainted with valuation techniques. The subject deals with the examination of analyzing financial statements, forecasting future cashflows, calculating the cost of capital. and applying sensitivity analyses. Teaching focuses on enabling students to adapt their theoretical knowledge in practice and solve issues arising during the daily valuation process.

Academic results

Knowledge

1. the goals and toolkits of company valuation,
2. the methods of the analysis of company's financial statements and planning,
3. the possible ways of determining the cost of capital,
4. the special features of certain evaluation situations and methods,
5. the process and crucial points of company evaluation.

Skills

1. plan and organize independent learning,
2. comprehend and use the professional literature of the topic,
3. approach and select information available critically,
4. recognize the contexts behind financial decisions,
5. make calculations to support decisions.

Attitude

1. are open to learn and adapt the innovations in finance,
2. collaborate with their instructors and student mates during the learning process,
3. gain knowledge and information,
4. take use of ICT tools.

Independence and responsibility

1. are open to accept reliable critical remarks,
2. collaborate with other students in performing assignments during the learning process,
3. are able to make independent decisions,
4. are capable of reasonable consideration in the financial decision-making processs,
5. can weigh the significance of their responsibilities and foresee the consequences of their decisions

Teaching methodology

Lectures, verbal and written communication, use of ICT tools and techniques.

Materials supporting learning

- Minden fontos információ és kötelező tananyag a tárgy honlapján lesz elérhető.
- All important information and required study materials will be available on the subject website.
- Ajánlott: Copeland, Tom – Koller, Tim – Murrin, Jack: Vállalatértékelés. Értékteremtés és értékmaximáló vállalat-vezetés, Budapest, Panem, 1999. A fordítás az második kiadás alapján készült! Ezért inkább az ötödik kiadás eredetiben:
- Koller, Tim – Goedhart, Marc – Wessels, David: Valuation, Measuring and managing the value of companies, fifth
- edition, John Wiley & Sons, New York, 2010.
- Damodaran, Aswath: A befektetések értékelése, Panem, Budapest, 2006
- Damodaran, Aswath: Applied Corporate Finance, 4th Edition, John Wiley & Sons, New York, 2014
- Damodaran, Aswath: A vállalatértékelés kézikönyve, Alinea Kiadó, Budapest, 2015.
- Juhász Péter: Vállalatértékelési számítások, Budapesti Corvinus Egyetem, 2018.
- Rappaport, Alfred: A tulajdonosi érték – Útmutató vállalatvezetőknek és befektetőknek, Alinea, 200

II. SUBJECT REQUIREMENTS

TESTING AND ASSESSMENT OF LEARNING PERFORMANCE

General Rules

Learning outcomes under 2.2. are to be assessed by the written exam in the examination period.

Performance assessment methods

A) Detailed description of mid-term perfor-mance assessment: Performance is not to be assessed during the semester. B)Performance is to be assessed by the written exam at the end of the semester in the examination period. Duration: 90 minutes The test focuses on the practical adaptation of the knowledge students gained in the learning process, which does not exclude testing the theoretical knowledge.

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

Percentage of exam elements within the rating

- **Év végi írásbeli vizsga**: 100%

Conditions for obtaining a signature, validity of the signature

TVSZ szerint

Issuing grades

Excellent	95
Very good	85–95
Good	73–84
Satisfactory	60-72
Pass	50–59
Fail	50

Retake and late completion

TVSZ szerint

Coursework required for the completion of the subject

participation in contact lessons	14×4 = 56
preparation for the exam	94
total	150

Approval and validity of subject requirements

Consulted with the Faculty Student Representative Committee, approved Dr. Lógó Emma , Vice Dean for Education Valid from 01/02/2021.

III. COURSE CURRICULUM

THEMATIC UNITS AND FURTHER DETAILS

Topics covered during the term

A 2.2. pontban megfogalmazott tanulási eredmények eléréséhez a tantárgy a következő tematikai blokkokból áll. Az egyes félévekben meghirdetett
kurzusok sillabuszaiban e témaelemeket ütemezzük a naptári és egyéb adottságok szerint.

1 The goal and methods of the company valuation
2 Analyzing financial statements. Factors creating value to companies
3 Cash-flow statement. Value drivers
4 Financial planning and modelling
5 Cash-flow based valuation techniques
6 Calculating residual value. Calculating the cost of capital
7 Sensitivity analysis
8 Discounted cash flow (DCF) valuation method
9 EVA valuation model
10 Asset based valuation approaches
11 Risk analysis for projects
12 Discounts and premia
13 M&A
14 Special valuation situations. Summary of the course

Additional lecturers

Approval and validity of subject requirements