


Due to the COVID-19 crisis, the information below is subject to change, in particular that concerning the teaching mode (presential, distance or in a comodal or hybrid format).

5 credits	30.0 h	Q2
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Teacher(s)	Iania Leonardo ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	In this class we value and price small/big, simple/complex, and young/distressed businesses (and projects). Valuation is performed via three main methods/models: intrinsic valuation, relative valuation and contingent valuation. The models are presented with real-world examples so as to capture some of the problems inherent in applying these models. We explore in details the pros and cons of each method and discuss under which circumstances one particular methods is to be preferred relative to another one. The class uses a flipped classroom approach, whereby the students work in small groups that are closely followed by the professor in the execution of their tasks.
Aims	<p><i>During their programs, students of the LSM Master's in management or Master's in Business engineering will have developed the following capabilities</i></p> <p><i>A SCIENTIFIC AND SYSTEMATIC APPROACH</i></p> <p>3.3 Consider problems using a systemic and holistic approach: recognize the different aspects of the situation and their interactions in a dynamic process.</p> <p>1 <i>WORK EFFECTIVELY IN AN INTERNATIONAL AND MULTICULTURAL ENVIRONMENT</i></p> <p>5.2 Understand the international socio-economic dimensions of an organization and identify the associated strategic issues and operational decisions.</p> <p><i>TEAMWORK AND LEADERSHIP</i></p> <p>6.1 Join in and collaborate with team members. Be open and take into consideration the different points of view and ways of thinking, manage differences and conflicts constructively, accept diversity.</p> <p>----</p> <p><i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i></p>
Evaluation methods	<p>Due to the COVID-19 crisis, the information in this section is particularly likely to change.</p> <p>Continuous evaluation</p> <ul style="list-style-type: none"> • Date: will be specified later • Type of evaluation: Group Assignment, Closed-book written test. • Comments: No <p>Evaluation week</p> <ul style="list-style-type: none"> • Oral: No • Written: No • Unavailability or comments: No <p>Examination session</p> <ul style="list-style-type: none"> • Oral: No • Written: No • Unavailability or comments: No
Teaching methods	<p>Due to the COVID-19 crisis, the information in this section is particularly likely to change.</p> <ul style="list-style-type: none"> • Lectures • Flipped-classroom • Teamwork
Content	The content of the course is the following:

	<ul style="list-style-type: none"> • <i>Discounted Cash Flow Valuation</i> <ul style="list-style-type: none"> • Estimating Inputs: Discount Rates, Cash flows, Growth and Terminal Value; • Choosing the Right Model; • Tying up Loose Ends <ul style="list-style-type: none"> • Dealing with Cash, Cross Holdings and Other Assets; • Dealing with Management Options/ Warrants/ Convertibles; • Examples. • <i>Relative Valuation</i> <ul style="list-style-type: none"> • Basics and Tests; • Multiples: Earning multiples, book to value multiples, revenue multiples, sector specific multiples and other multiples; • Choosing the Right Multiple; • Examples. • <i>Asset Based and Liquidation Value</i> • <i>Contingent valuation:</i> <ul style="list-style-type: none"> • Introduction to Option Pricing Applications in Valuation; • Option to delay; • Option to expand; • Option to abandon; • Examples.
Bibliography	Investment Valuation: Tools and Techniques for Determining the Value of any Asset (3rd Edition) , by Aswath Damodaran, Wiley
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Management	GESM2M	5		
Master [120] in Management	GEST2M	5		