

PRICE AND VALUE OF THE COMPANY



EDUCATION GOALS

- Recognise so-called "expert" business appraisal methods
- Understand the various principles used to calculate goodwill
- Value a company using value creation techniques
- Make investment decisions using IRR appraisal techniques

WORD FROM THE AUTHOR – Franck NICOLAS, Gilles BARJHOUX, Rémy PALIARD, Pascal LANGEVIN

«A company's value is not the same as its price. Assessing a business also depends on factors other than financial figures. This course will help you to understand how to estimate company value. Which strategic factors should be taken into account, and what are the commonly-used expert appraisal techniques? You will also study company valuation techniques based on value creation. You will learn how to apply IRR-based methods to determine whether an investment is profitable or not. »

Level

Intermediate

Expert

3
Modules

5 H



M51 – SO-CALLED "EXPERT" APPRAISAL TECHNIQUES

Objectives education

- Study the various so-called "expert" appraisal techniques
- Learn how to compare two companies with different values

Word from the author

*« Every business will need to calculate its value at some point or another.
You will find here an overview of the various methods that can be used to value a company. »*

Chapters

- Introduction
- Prerequisites for successful valuation
- Asset-based valuation
- Focus on Goodwill
- Profit-based techniques
- The DCF method
- The peer-group (or multiples) method
- Choice of discount rate: WACC

Quiz

M52 – INTRODUCTION IN THE VALUE CREATION

Objectives education

- Understand the concepts of "Return on Capital Employed" and "Weighted Average Cost of Capital"
- Study the various drivers that the manager can use to boost profitability
- Learn how to calculate Yearly Value Creation to support decision making

Word from the author

*« The concept of profitable growth is a talking point for every business leader. Why are company directors the world over discussing profitable growth, and what is the link between the profitable growth objective and value creation?
This, amongst other things, is what you will learn in this module! »*

Chapters

- Preface
- Profitability
- Cost of capital
- Value of the business
- Value creation and decision making
- Conclusion

Practical cases

- Practical case 1 - Calculating YVC (Yearly value creation)
- Practical case 2 - Value of the company and Strategy

M53 – VALUING AN INVESTMENT PROJECT

Objectives education

- Understand the principles of discounting
- Study the main investment appraisal criteria: net present value, internal rate of return, payback period
- Learn how to use appraisal techniques to assess the profitability of an investment

Word from the author

« Every day, businesses make investment decisions that put large amounts of money at stake. This module explains how to analyse these investment decisions from a financial point of view. It is aimed at anyone wanting to understand and apply investment appraisal techniques to determine whether an investment is profitable or not. »

Chapters

- Introduction
- Principles of discounting
- Profitability criteria for a project
- Applying the method

Practical case

- Practical case – “Beleos”

M53 – LA VALORISATION D'UN PROJET D'INVESTISSEMENT

Objectifs pédagogiques

- Comprendre les principes d'actualisation
- Connaître les principaux critères d'évaluation des investissements: valeur actuelle nette, taux de rentabilité interne, délai de récupération
- Savoir mettre en œuvre les techniques permettant d'évaluer la rentabilité d'un investissement

Mot de l'auteur

« Les entreprises prennent, tous les jours, des décisions d'investissement qui mettent en jeu des sommes importantes. Ce module montre comment ces décisions d'investissement doivent être analysées sur le plan financier. Il s'adresse à tous ceux qui veulent connaître et savoir appliquer les méthodes qui permettent de déterminer si un investissement est rentable ou non. »

Chapitres

- Introduction
- Principes d'actualisation
- Les critères de rentabilité d'un projet
- Application pratique

Cas pratique

- Beleos