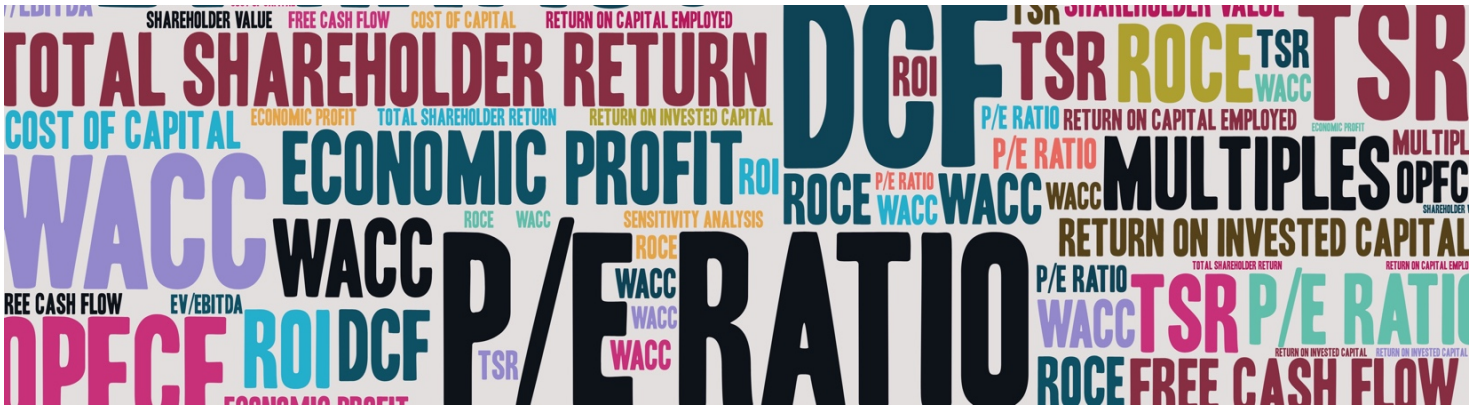

Understanding Company Valuation

2-3 Hours
Online Course

By the end of the course, you will have a good understanding of how listed companies are valued. We look at the whole investment decision-making process, covering discounted cash flow valuation and valuation using multiples; and we look at how companies can communicate with the financial markets with a view to achieving fair value.

OUTCOMES

- Understand the investment decision-making process
- See how companies are valued using discounted cash flow (DCF) techniques
- Appreciate how companies can be valued using a range of multiples
- Understand how analysts and investors build their models
- Make the link between communication and value.

WHAT YOU WILL LEARN

Introduction
- Drivers of company value
- Introduction to fundamental value
- Enterprise or equity?
- The cost of capital

The Investment Appraisal Process
- Context for valuation
- Sector and company prospects
- Financial analysis
- Forecasting
- Valuation methodologies
- Jargon

Absolute Valuation
- Introduction to DCF valuation
- Compounding and discounting
- Case study: Walmart DCF valuation
- DCF for private companies

Relative Valuation
- The price/earnings ratio
- Interpreting multiples
- Using EV multiples
- Valuing assets
- Dividend yield
- Valuing a conglomerate
- Valuation problems
- Case study: Walmart valuation

The Investment Decision
- Example research report
- The recommendation or investment decision

Communicating for Value
- Influencing valuation

Conclusion

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