

Syllabus

Course Title	COMPANY VALUATION
Instructor	Christian Schopper
Email	christian.schopper@aon.at
Office Hours	For consultations, approach me either before or after class.
Credits	2 US credits (4 ECTS credits)
Module	Financial Management
Term	Spring 2026
Course Level	MSc Finance elective. All students are required to take the course for grades. This course is delivered with a class cap of 25 students (please note that no exceptions will be made on this).
Prerequisites	Financial Management (or a similar introductory course in finance) and Financial Reporting & Control (or a similar introductory course in accounting).
Course Drop	As described by the Regulations of the MS in Finance program: Overview of the MS in Finance Department of Economics and Business (ceu.edu)

Course description

This course in **Company Valuation** (the “Course”) will not only address various analysis and valuation approaches for stand-alone assets and entities—based on the three main methodologies of **Comparable Company Analysis** (Comps), **Precedent Transactions**, and **Discounted Cash Flow** (DCF) Analysis—but will also focus **on transaction-related value creation**, such as in the context of **M&A** and **capital markets** activities.

At the core of the Course are case studies that require participants to make analytically sound and thoughtful executive management decisions in complex situations. Participants will be expected to consider diverse investor perspectives and interests, stakeholder-imposed limitations, potential legal and corporate governance constraints, and alternative approaches to value creation.

The Course will be highly intensive and emphasize **group work, interaction, and discussion** in the classroom. Throughout the Course, Corporate Finance concepts previously introduced and discussed in earlier CEU courses will be applied.

Course requirements, grading, and attendance policies

Participation

- Full and timely participation in all classes is **mandatory** and a prerequisite for grading.
- To be able to actively participate, students must:
 - Prepare all assigned literature; and
 - Submit each Case Study Assignment and Financial Modeling Assignment at least 12 hours prior to the respective session.

- Case Study Assignments and Financial Modeling Assignments will be completed on an **individual** basis.

Grading

- Grading will be dependent upon the **quality** of preparation and submissions of the Case Study Assignments, as well as the active participation and qualitative participation in class room discussions.
- With a total score of a maximum of 100 points achievable, grading follows CEU's standard guidelines:

Grade	Name	Austrian equivalent	Points
A	Outstanding	Excellent (1)	100-96
A-	Excellent	Excellent (1)	95-88
B+	Good	Good (2)	87-80
B	Fair	Satisfactory (3)	79-71
B-	Satisfactory	Sufficient (4)	70-63
C+	Minimum	Pass Sufficient (4)	62-58
F	Fail	Insufficient (5)	57-0

- Points distribution:
 - Classroom participation: up to 18 points (2 points per session).
 - Case Study Assignments: up to 66 points (11 points per mandatory hand-in).
 - Financial Modelling Assignments: up to 16 points (8 points per mandatory hand-in).
 - Bonus points: up to 3 additional points per presentation in class.

Attitude

- The Course is intensive and requires substantial time, effort, energy, and concentration. However, our aim is to learn and enjoy the process. A professional attitude is therefore essential:
 - You are expected to thoroughly work through all relevant sections of Schopper / Corporate Finance Concepts (3rd edition, 2024) **prior** to the Course.
 - You must prepare and submit each Case Study and / or Financial Modeling Assignment 12 hours **prior** to the respective session, attend all classes on time, and actively participate.
 - You must always bring to class:
 - A financial calculator;
 - The current Case Study and / or Financial Modeling Assignment; and
 - Your presentation material on a USB stick.
- Mobile phones and other devices must be switched off for the entire duration of each session — without exception. Chatting on social media or similar during class will result in **instant disqualification** from the Course.

Financial Modeling Assignments

- You are required to submit PowerPoint / Excel presentations for a total of 2 financial models.
- The Financial Modeling Assignments will be distributed and reviewed during **Session #1**. In essence, you will be asked to optimize the balance sheet and funding structure of a company at different stages of its life cycle by calibrating various financial drivers that

influence the **income statement, balance sheet, and cash flow statement**. This exercise will be conducted using a **fully integrated financial model**.

- You will assume the perspective of a **Chief Financial Officer (CFO)** and develop an **optimal financial strategy**, taking into account the specific requirements of both debt and equity investors. You will summarize your analysis and results, addressing the following points:
 - What are the major strategic and financial issues to be resolved?
 - What is your recommendation, and how should it be implemented?
 - Provide snapshots of the financial model (i.e., income statement, balance sheet, and cash flow statement).
- Submit presentations via **email** to christian.schopper@aon.at **no later than 12 hours prior** to the respective session, and bring a copy on a USB stick to class.
 - Downloading presentations during class has proven inefficient and takes away from discussion time.
- Two to three students will be randomly selected to **present** their conclusions **in class** (max. 5 minutes), followed by a Q&A session.
 - It is strongly recommended to rehearse presentations beforehand, as the 5-minute time limit is strict.
- A maximum of 8 points will be awarded for each Financial Modeling Assignment. Presenters may earn up to 3 additional bonus points for the quality of their verbal presentation.

Case Study Assignments

- You are required to submit PowerPoint presentations for a total of 6 case studies.
- Grading will be conducted on an **individual** basis.
- The volume, structure, and number of slides are at your discretion (ideally not exceeding 10 slides, excluding appendices). Quality and creativity take precedence over quantity.
 - Often, for assignments, creativity is key — provided conclusions are supported by analysis, data, or financial modeling (to be included in an appendix).
 - A suggested presentation structure:
 - Analytical status quo / current situation
 - Identification of key issues
 - Evaluation of feasible alternatives
 - Recommended action and rationale
 - Next steps
 - Appendix
- Submit presentations via **email** to christian.schopper@aon.at **no later than 12 hours prior** to the respective session, and bring a copy on a USB stick to class.
 - Downloading presentations during class has proven inefficient and takes away from discussion time.
- Two to three students will be randomly selected to **present** their conclusions **in class** (max. 15 minutes), followed by a Q&A session.
 - It is strongly recommended to rehearse presentations beforehand, as the 15-minute time limit is strict.
- A maximum of 11 points will be awarded for each written Case Study Assignment. Presenters may earn up to 3 additional bonus points for the quality of their verbal presentation.

Case Study 1: The **Wilson Lumber Co.** is faced with a need for increased bank financing due to its rapid sales growth and low profitability. Students must determine the reasons for the rising

bank borrowing, estimate the amount of borrowing needed, and assess the attractiveness of the loan to the bank.

Case Study 2: Instacart is an online grocery delivery platform that is seeking to go public through an initial public offering (IPO). Instacart has hired an investment bank to be its lead bookrunner, and the bank is responsible for coming up with an IPO price range. Maya Martinez, an investment banking analyst at the firm, has been tasked with building financial models to come up with an appropriate share range for the firm's managing directors to present at the IPO roadshow.

Case Study 3: Pacific Grove Spice Company is a profitable, rapidly growing manufacturer, marketer, and distributor of quality spices and seasonings. The company's business model requires significant investment in accounts receivable, inventory, and fixed assets to support sales. Although the company is profitable and all of its net income is reinvested in the firm, the firm must utilize significant amounts of debt to fund the necessary growth in assets to support sales. The bank is concerned about the total amount of interest-bearing debt on Pacific's balance sheet and has asked the company to provide a plan to reduce it. Debra Peterson, president and CEO, believes the current four-year financial projections are reasonable and attainable. She is also considering three opportunities: sponsoring a cable cooking show, raising new capital by selling shares of common stock, and acquiring a privately owned spice company...

Your task is among others to analyze the company's financial projections to determine if the reduction in debt meets the bank's requirements, to analyze the opportunities and consider their individual and combined impacts on the company's financial position.

Case Study 4: Blaine Kitchenware is a diversified mid-sized manufacturer of kitchen tools and contemplates a stock repurchase in response to an unsolicited takeover. The company must determine the optimal debt capacity and capital structure, and subsequently estimate the resulting change in firm value and stock price

Case Study 5: In January 2012, Ellen Kullman, CEO and chairman of **DuPont**, must decide whether to retain or sell the company's Performance Coatings (DPC) division. The case focuses on a publicly listed corporation's decision to divest a large division and asks students to compare the division's value if it remains under DuPont's control or is sold to an outside party. The transaction size of approximately \$4 billion is too large for potential strategic buyers in the industry, making private equity (PE) firms the most likely bidders. The case is designed to illustrate and discuss the differences between a public company's valuation based on unlevered free cash flows and a PE sponsor's valuation based on residual (levered) cash flows.

Case Study 6: Andy Thomas, chief executive officer of **Craft Brew Alliance, Inc.**, based in Portland, Oregon, was waiting for Anheuser-Busch InBev SA/NV president Marcelo Michaelis to decide whether to exercise a pay-or-play option to buy the firm for US\$24.50 per share or pay them \$20 million. With the option expiring in two weeks, Thomas and Michaelis finalized their valuation analysis. If Michaelis didn't exercise the option, then Thomas would need to be prepared to evaluate a counteroffer or remain independent. However, an activist investor was pushing for a sale. The case discusses the rise of the US craft beer market and the world's largest beer company's decision to assemble a portfolio of craft beer brands. The case provides information to complete a valuation analysis from both perspectives.

Course contents

Content

This Course explores the principles of business analysis and valuation, focusing on how businesses, equity, and enterprise value are assessed in various transaction-related constellations. Participants will learn the main valuation approaches and techniques—both intrinsic and relative—and evaluate their respective strengths, limitations, and appropriate applications.

Key topics include:

- Discounted Cash Flow (DCF) analysis
- Comparable market multiples
- Comparable transaction multiples
- Liquidation and terminal value
- Valuation in perspective of: Stand-Alone, M&A, LBO
- Capital Structure Optimisation

Additional topics include:

- Financial statement analysis
- Industry and competitive analysis
- Financial forecasting
- Complex transaction constellations

Learning Approach

Learning will primarily build on your existing knowledge of Corporate Finance principles and apply these through case study exercises. Lecture components will complement the case work as needed. Learning therefore takes place both through **individual preparation** and **active classroom engagement**.

Learning Outcomes

The Course prepares participants to address challenges associated with a range of analytical and valuation approaches for assets and enterprises. By applying the tools and concepts introduced throughout the Course, participants will be able to:

- Distinguish between the main analysis and valuation approaches and techniques.
- Understand the strengths and limitations of each approach.
- Identify and analyze the key parameters driving valuations, including the calculation of **cost of equity**, **cost of debt**, and the **weighted average cost of capital (WACC)**.
- Address common issues related to leverage and financing.
- Determine which valuation technique or approach is most appropriate in different situations.
- Evaluate value creation in transaction-related propositions.

Valuation concepts will be explored in the context of specific situations such as **start-ups**, **private equity transactions**, **IPOs**, and **M&A activities**.

Schedule

	7.Jänner 2026	8.Jänner 2026	9.Jänner 2026	14.Jänner 2026	15.Jänner 2026	16.Jänner 2026	21.Jänner 2026	22.Jänner 2026	23.Jänner 2026
08:50			Company Valuation						Craft Brew Alliance M&A
10:30									
10:50									
12:30									
13:30						Modelling Assignment Valuation		Du Pont LBO	
15:10									
15:40	Corporate Analysis	Wilson Lumber Credit Worthiness		Instacart IPO Valuation	Pacific Grove Funding Alternatives		Blaine Kitchen Capital Structure		
17:20									
17:40	Corporate Analysis			Modelling Assignment Capital Structure			Modelling Assignment Valuation		
19:20									
	Interactive Lecture Case Study								

Course materials

Preparation

- All relevant themes and topics covered in the Course can be found in the textbook: Schopper, Corporate Finance Concepts, 3rd edition (2024). **You are expected to thoroughly read and work through all relevant sections prior to the start of the Course.**
- Other useful references include general Corporate Finance textbooks, such as those authored by Aswath Damodaran.
- Please be mindful of the intensity of the Course: Preparing **each** Case Study Assignment can realistically be expected to require **a minimum of 4–5 hours**.

Bio

Information regarding my background can be found on www.christianschopper.com

Academic integrity policy

Cheating, plagiarism, and any other violations of academic ethics at CEU are not tolerated and will lead to immediate disqualification.