

# Syllabus

## 1. Programme information

1.1. Institution	THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES
1.2. Faculty	Finance and Banking
1.3. Departments	Department of Finance
1.4. Field of study	Finance
1.5. Cycle of studies	Master Studies
1.6. Education type	Full-time
1.7. Study programme	Master of Applied Finance
1.8. Language of study	English
1.9. Academic year	2024-2025

## 2. Information on the discipline

2.1. Name	<b>Business and investment valuation. Risk and return.</b>								
2.2. Code	<b>24.0276IF1.1-0004</b>								
2.3. Year of study	<b>1</b>	2.4. Semester	<b>1</b>	2.5. Type of assessment	<b>Exam</b>	2.6. Status of the discipline	<b>O</b>	2.7. Number of ECTS credits	<b>8</b>
2.8. Leaders	C(C)	<b>prof.univ.dr. DUMITRESCU Dalina</b>					dalina.dumitrescu@fin.ase.ro		
	S(S)	<b>prof.univ.dr. DUMITRESCU Dalina</b>					dalina.dumitrescu@fin.ase.ro		

## 3. Estimated Total Time

3.1. Number of weeks	14.00
3.2. Number of hours per week	4.00 of which
	S(S) 2.00
	C(C) 2.00
3.3. Total hours from curriculum	56.00 of which
	S(S) 28.00
	C(C) 28.00
3.4. Total hours of study per semester (ECTS*25)	200.00
3.5. Total hours of individual study	144.00
<i>Distribution of time for individual study</i>	
Study by the textbook, lecture notes, bibliography and student's own notes	50.00
Additional documentation in the library, on specialized online platforms and in the field	40.00
Preparation of seminars, labs, assignments, portfolios and essays	43.00
Tutorials	
Examinations	9.00
Other activities	2.00

## 4. Prerequisites

4.1. of curriculum	
4.2. of competences	

## 5. Conditions

for the S(S)	The seminars take place, in the campus, in class rooms with multimedia facilities and on the BUES online.ase.ro platform.
for the C(C)	The courses take place, in the campus, in class rooms with multimedia facilities and on the BUES online.ase.ro platform.

## 6. Acquired specific competences

PFESSIONAL	C1	Operating ability with mathematical, financial, statistical and econometric functions
PFESSIONAL	C2	Sourcing, compilation, processing, analysis and synthesis of financial information
PFESSIONAL	C3	Evaluation and quantification of financial risk management
PFESSIONAL	C4	Analysis, profiling and modeling of the behavior of investors on the financial markets
PFESSIONAL	C5	Analysis and modeling of decision making process at micro and macroeconomics level

## 7. Objectives of the discipline

7.1. General objective	The discipline ensures knowledge of the concepts of return and risk quantification and management techniques in the field of investment and company valuation, as well as the explanation and interpretation of the models underlying the decisions in the field of business and investment evaluation.
7.2. Specific objectives	Students will gain knowledge and skills to: - Examine and differentiate approaches to valuation as well as distinguish and assess the basic of risk in evaluation - Estimate Risk free rate, equity risk premium, estimate Risk Parameters and Costs of Financing - Examine and apply basic models in business valuation

## 8. Contents

8.1. C(C)		Teaching/Work methods	Recommendations for students
1	Introduction- course objectives and requirements for the course and for applicative sessions; the recommended bibliography ; grading rules Introduction in valuation	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic.announced on the digital platform in the support- presentation corresponding to each course session.
2	Approaches to valuation	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic.announced on the digital platform in the support- presentation corresponding to each course session.

3	The basic of risk in evaluation	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic.announced on the digital platform in the support- presentation corresponding to each course session.
4	Risk free rate, equity risk premium	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support- presentation corresponding to each course session..
5	Estimating Risk Parameters and Costs of Financing (2)	Student centered course	Two courses. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support- presentation corresponding to each course session.
6	Estimating cash flow in investment decisions (2)	Student centered course	Two courses . The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support- presentation corresponding to each course session.
7	Estimating growth and terminal value in investment decisions	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support- presentation corresponding to each course session.
8	Basic models in business valuation- DCF and Market multiples method ( comparable trade method) (2)	Student centered course	Two courses. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support- presentation corresponding to each course session.

9	Private company valuation	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support-presentation corresponding to each course session.
10	Valuation of the venture capital investments EU rules regarding the investments	Student centered course	One course. The topic of each course is specified in the previous week. It is recommended to prepare in advance the recommended bibliography and the topic announced on the digital platform in the support-presentation corresponding to each course session.
11	Final conclusions and remarks	Student centered course	One course. Wrap-up, details about the final examination, answers to the questions, examples structure of the final exam.

***Bibliography***

- DAMODARAN, ASWATH, Investment valuation: tools and techniques for determining the value of any asset.3rd ed., John Wiley & Sons,, Hoboken, 2012, cota 136194 sau 658.152 DAM2012., Statele Unite ale Americii
- BAKER, KENT H.; ENGLISH, PHILIP., Capital budgeting valuation: financial analysis for today's investment projects., John Wiley & Sons, Hoboken, 2011, cota 134359 sau 658.154 BAK, Statele Unite ale Americii
- GREGORY, ALAN, Strategic valuation of companies. 2nd ed, Prentice Hall, London, 2001, cota 118018 sau 658.15 GRE, Marea Britanie
- Suport de curs postat pe platforma online.ase.ro
- 

8.2. S(S)		Teaching/Work methods	Recommendations for students
1	Introduction, the grading rules and the requirements for seminars; the selection of the individual essay subject and the date for presentation, how to cope with the minimal standards and the preconditions to enter the exam	Class debates, answers to questions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices.The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.

2	Debates and applications about :Approaches to valuation	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
3	Debates and applications about: The basic of risk	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
4	Debates and applications about:Risk free rate, equity risk premium	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
5	Debates and applications about:Estimation of risk parameters and the financing cost (2)	Class debates of proposed solutions; In each session the basic concepts and models will be reviewed by a 15 minutes test.	Two seminars. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.

6	Debates and applications about:Estimating cash flow in investment decisions (2)	Class debates of proposed solutions; In each session the basic concepts and models will be reviewed by a 15 minutes test.	Two seminars. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
7	Debates and applications about:Estimating growth and terminal value in investment decisions	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session. ;
8	Debates and applications about:Basic models in business valuation - DCF and Comparable trade method(2)	Class debates of proposed solutions;	Two seminars. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
9	Debates and applications about: Private companies valuation Private company valuation	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.

10	Debates and applications about: Valuation of the venture capital investments	Class debates of proposed solutions;	One seminar. Proposed solutions will be formulated for applications and case studies proposed in advance; in the class the proposed variants will be critically debated, and the results will be argued according to the best solving practices. The bibliography for each topic will be announced in advance on the digital platform and in the support-presentation corresponding to each seminar session.
11	Final conclusions and remarks	Class debates about the achievement of the learning goals and objectives and the final grading situation for each student. Wrap-up and final Q&A session regarding the topics of the course	Conclusions and the communication of the final grade for the seminar

### ***Bibliography***

- DAMODARAN, ASWATH, Investment valuation: tools and techniques for determining the value of any asset.3rd ed., John Wiley & Sons., Hoboken, 2012, cota 136194 sau 658.152 DAM2012;, Statele Unite ale Americii
- BAKER, KENT H.; ENGLISH, PHILIP., Capital budgeting valuation: financial analysis for today's investment projects., John Wiley & Sons., Hoboken, 2011, cota 134359 sau 658.154 BAK, Statele Unite ale Americii
- GREGORY, ALAN, Strategic valuation of companies. 2nd ed, Prentice Hall, London, 2001, cota 118018 sau 658.15 GRE, Marea Britanie

## **9. Corroboration of the contents of the discipline with the expectations of the representatives of the epistemic community, of the professional associations and representative employers in the field associated with the programme**

The main topics and the content of the course have been discussed with the professionals from the field and the structure of the course is aligned to the best financial practices in practitioners and companies activity.

## **10. Assessment**

Type of activity	Assessment criteria	Assessment methods	Percentage in the final grade
10.1. S(S)	Activity in session ( seminar)	Presence, active participation , preparation of the proposed solutions for the applications.	10.00
10.2. S(S)	Test for the revision of the acquired knowledge and information – minimum 3 tests	Written in campus tests related to the debated topic.	15.00
10.3. S(S)	Individual essay related to current aspects in the corporate and investment valuation and corresponding presentation using modern softs	Presentation of the essay and the corresponding presentation at the scheduled date.	15.00
10.4. Final assessment	Correctness and completeness in the presentation of topics, ability to correlate and synthesize through an individual approach	Form of examination in campus written exam	60.00
10.5. Modality of grading	Whole notes 1-10		
10.6. Minimum standard of performance	Coping with the minimum standard requires the following: - Participation in at least 2 tests passed during the semester and -Individual essay related to current investms and corporate valuation and the corresponding presentation		

Date of listing,  
10/30/2024

Signature of the discipline leaders,

Date of approval in the  
department

Signature of the Department Director,