



## Syllabus

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| Academic Year | 2022/2023                                  |
| Program       | Strategic Management                       |
| course        | Financial Statement Analysis and Valuation |
| Term          | II semester                                |
| Year          | 1  |
| SSD           | SECS - P/09                                |
| Credits       | 6  |

### INSTRUCTIONAL GOALS

The course has the objective to lead students to build operative, excel-based models for financial analysis, capital budgeting decisions, calculation of the cost of capital, company valuation. To reach this objective, the course will strengthen the theoretical and methodological bases of the students and present data cases to apply theories and methods to real world problems.

### INTENDED LEARNING OUTCOMES

They describe what a learner is expected to know, understand and be able to demonstrate after completion of a learning path.

#### **Knowledge and understanding:**

The course will strengthen the theoretical and methodological foundations of financial analysis and business valuation. It will offer also practical tools to manage real financial problems.

#### **Applying knowledge and understanding:**

Students will be able to assess the role of the financial manager and the impact of his decisions on company's value creation process, to apply investment decision making techniques, within different scenarios and uncertainty; to apply the main analytical tools, functions, and online resources for business and financial modeling.

#### **Making judgements:**

Students are expected to acquire the ability to collect and interpret real financial data to deal with financial analysis, investment decision analysis and to judge company's value creation process. The Course will lead students to solve and manage real business cases both at Corporate and Business levels.

#### **Communications Skills:**

Students will develop the ability to communicate the problem solving and the financial analysis both in written form (texts and exercises) and in oral form by attending individual and group teaching activities. The enhancement of written and oral communication skills will be also encouraged by the optional participation in group work and business cases' analysis during the Course. The communication skills will be oriented to the critical analysis and solution of financial management problems within the company in different economic and business contexts, as well as to the development of active and critical comparisons with respect to the business issues addressed.



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**Learning skills:**

Students will acquire the knowledge and analysis tools that will allow them to deal with financial problems in a complex and dynamic context. Students will acquire the basic theoretical and practical knowledge to act as independent financial analyst. They will be able to develop discernment skills of the various problems relating to investments and the acquisition of financial resources by companies following strictly financial logics; these skills will be preparatory to the development of further advanced specialized knowledge which can be acquired through both further studies foreseen in the Degree Program and the learning experiences in the workplace.

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**Pre-requisites**

- Financial Mathematics and quantitative methods
- Accounting and performance measurement
- Basics of capital budgeting
- Cost of capital
- Financial structure
- Excel function

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**Course content****FINANCIAL STATEMENT ANALYSIS**

1) Balance sheet and Income statement

2) Financial statement analysis

**ADVANCED CAPITAL BUDGETING**

1) Free cash flow models

2) Sensitivity analysis

**RISK AND THE COST OF CAPITAL**

1) Capital markets and the pricing of risk

2) Applications and estimation of Capital asset pricing model

3) Alternative models of systematic risk

**CAPITAL STRUCTURE AND VALUATION**

1) WACC

2) Adjusted Present Value

3) Flow to Equity

4) Business Valuation

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**Reference Books**

Berk, J., DeMarzo, P. (2020). Corporate Finance (Fifth, Global Ed.). Pearson  
Papers and articles provided by the instructor

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**Teaching Methods**

- Traditional lectures
- Individual exercises
- Cases studies
- Presentations and assignments
- Lab sessions

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**Assessment**

- written test

- assignments/project work executed during the course

The written exam is targeted at appraising the theoretical and practical comprehension of the topics covered. The evaluation will be based on the assessment of the knowledge of the theoretical contents and on the students capability to apply them for the solution of practical financial problems, multiple choice questions and open questions.



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Students' participation during lectures is strongly encouraged also with the (optional) participation to assignments and project works. It will be considered in the final assessment.

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