

# **BUSE-E594 Business Analysis and Valuation**

## **Brief Info**

School of Business, Indiana University Southeast

### **Instructor and Contact Information**

Name: Yan He

[Yan He's Professional Website](#)

Phone: 812-941-2308

Email: [Canvas Inbox](#) (preferred); [IU email](#)

Zoom: Zoom Link (in the left navigation bar of Canvas course site)

Office hours: [see the syllabus of a specific semester](#). Zoom meeting (or office meeting) is by appointment.

### **Course Status, Prerequisites, and Description**

Course status: MSSF Required (Graduate)

Course prerequisites: see requirements for the MSSF program

Suggestions from the instructor

Please try to take BUSE-C522 (or BUS-F302) before this course.

In case your background is overqualified, see [Yan He's Professional Website \(Courses\)](#) for relevant certification exams and other situations.

Course description

IUS bulletin (BUSE-E594): Use of financial statement data to: analyze business strategy, assess accounting policies and estimates for analysis and valuation purposes, evaluate financial performance utilizing financial ratio and cash flow measures, and forecast a firm's future to estimate its value. Resulting information is used in a variety of decision-making contexts.

Please note that the course applies the Discounted Cash Flow (DCF) and other approaches in the valuation of various public companies. The DCF approach uses financial statement and other data to evaluate a firm's financial performance, forecast its free cash flows and many other items in the short- and long-term future, and estimate its value. In terms of the Chartered Financial Analyst (CFA) and Series 86 contents, the course is about equity analysis & valuation.

## **Texts**

Textbook (KGW): Valuation: Measuring and Managing the Value of Companies, university edition, by Tim Koller, Marc Goedhart, and David Wessels, John Wiley & Sons, Inc. Edition: [see the syllabus of a specific semester](#).

Textbook (Damodaran): The Dark Side of Valuation, by Aswath Damodaran, FT Press. Edition: [see the syllabus of a specific semester](#).

## **Course Outline**

T00 Welcome and Course Introduction

T01 Business Value vs. Market Price

T02 Value Drivers and Risk

T03 DCF: Framework

T04 DCF: Historical Performance

T05 DCF: Performance Forecast

T06 DCF: Discount Rates & Final Result

T07 Relative Valuation

T08 Valuing Start-Up & High-Growth Firms

T09 Valuing Declining & Distressed Firms

T10 Valuing Cyclical & Commodity Firms

T11 Valuing Financial & Real Estate Firms