

Business Valuation Methods

Code: 105771
ECTS Credits: 6

2025/2026

Degree	Type	Year
Accounting and Finances	OP	4

Contact

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Teaching groups languages

You can view this information at the [end](#) of this document.

Prerequisites

This is an optional fourth-year subject; students must have taken subjects in the areas of Accounting and Finance.

Objectives and Contextualisation

The objective of the subject is to understand how to arrive at a rational valuation of a company or organization. To achieve this, it is necessary to:

1. Know the main methods of company valuation.
2. Study the advantages and limitations of each method
3. Select the most appropriate valuation method according to the type of company and context.
4. Prepare solid and well-argued valuation reports.

Learning Outcomes

1. CM16 (Competence) Critically analyse the principles, values and procedures governing the practice of the profession.
2. CM17 (Competence) Determine the financial system used in each of the financial operations, as well as the fixed and variable expenses affecting said operation.
3. KM16 (Knowledge) Recognise which types of organisations allow for appropriate value maximisation.
4. SM09 (Skill) Assess the formation of value of company shares.
5. SM11 (Skill) Identify the functioning of the financial system and the different financial intermediaries, the regulatory bodies and functions, the methods used in pricing, the specific financial operations and the micro and macroeconomic functions of the participants.

Content

1. Introduction to business valuation.

- 1.1. What is valuation? Value and price.
- 1.2. Valuation contexts. Why is a valuation needed?
- 1.3. Overview of the main business valuation methods.
2. Methods based on the company's balance sheet.
 - 2.1. Book value; liquidation value and substantial value.
3. Methods based on multiples.
 - 3.1. Use of the PER ratio.
 - 3.2. Other multiples.
4. Methods based on discounted cash flows.
 - 4.1. Which cash flows?
 - 4.2. The discount rate.
 - 4.3. The analysis horizon.
 - 4.4. Gordon-Shapiro model adapted to business valuation.
5. Valuation of companies using real options.
6. Adaptation of valuation methodologies to the case of SMEs.
7. The case of startup valuation.
8. Valuation of companies and strategic analysis.
 - 8.1. The links between strategy and finance.

Activities and Methodology

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Master classes	25	1	CM16, CM17, KM16, SM09, SM11, CM16
Resolution of exercises in the classroom and analysis of cases	24.5	0.98	CM17, SM09, SM11, CM17
Type: Supervised			
Tutorials	10	0.4	CM16, CM17, KM16, SM09, SM11, CM16
Type: Autonomous			
Search of documents	10	0.4	SM09, SM11, SM09
Solving cases and exercises	36.5	1.46	SM09, SM11, SM09

The planned type of teaching for the subject will be face-to-face.

Approximately half of the teaching activity is theoretical and the other half practical. The theoretical part is based on lectures with the help of audiovisual resources and readings. The practical part is based on solving exercises in the classroom and analyzing cases. Part of the student's work is autonomous and is based on the preparation of assignments and the completion of specific cases on the content of the subject.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

Assessment

Continuous Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Evaluative activity	30%	1.5	0.06	CM16, CM17, KM16, SM09, SM11
Final exam	40%	2	0.08	CM16, CM17, KM16, SM09, SM11
Monitoring activities	30%	0	0	CM16, CM17, KM16, SM09, SM11

"This subject/module does not offer the option for comprehensive evaluation."

The final grade of the subject will consist of the weighted average of three scores:

1. Course follow-up. The correct follow-up of the course requires the attendance in class and the accomplishment and delivery of the practical cases, as much those realized autonomously as those carried out to the laboratory practices, besides the realization of the activities programmed during the course by each of the topics. Throughout the course, all these aspects will be controlled and that will result in a score that will represent 30% of the final mark of the course.

2. Evaluative activity. At the middle of the course there will be a test about the contents of the first part of the course. This score will represent 30% of the final mark. Obtaining a rating of 5 or more allows students to pass this part of the syllabus.

3. Final exam(see the exam calendar of the Faculty). Students will be assessed based on the contents of the second part of the course, which can be passed if they obtain a grade of 5 or higher. In this case the mark of the exam will represent 40% of the final mark of the course. On the same date that this exam there will be an additional test for students who have not passed the evaluative activity cited in 2. Obtaining a rating of 5 or more allows students to pass this part of the subject.

To pass the subject, it is necessary to obtain a minimum grade of 5 in the weighted average of the three notes that form the course evaluation (see points 1, 2 and 3 above).

If the weighted average mentioned in the previous point is lower than 3,5, the student will have to repeat the subject next year. Otherwise the student can accomplish the recovery process described below (Retake Process).

A student is considered "Not evaluable" to the subject as long as he has not participated in any of the assessment activities. Therefore, it is considered that if a student does any part of the activities of course evaluation cited above, can no longer opt for a "Not evaluable".

Calendar of evaluation activities

The dates of the evaluation activities (exercises, assignments ...) will be announced well in advance during the semester.

The dates of the midterm and final exams are scheduled in the assessment calendar of the Faculty.

"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity." **Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB).** Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' rescheduleat

https://eformularis.uab.cat/group/deganat_feie/nou-reprogramacio-de-proves

Grade revision process

After all grading activities have ended students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

Retake Process

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." Section 3 of Article 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.8.

The date of the retake exam is posted in the calendar of evaluation activities of the Faculty. Students taking this exam and passing will get a grade of 5 for the subject. For the students that do not pass the retake, the grade will remain unchanged, and hence, will fail the course.

Use of AI

For this subject, the use of Artificial Intelligence (AI) technologies is allowed exclusively in bibliographic or information search, text correction or translation tasks. The student will have to clearly identify which parts have been generated with this technology, specify the tools used and include a critical reflection on how they have influenced the process and the final result of the activity. Lack of transparency in the use of AI in this assessable activity will be considered a lack of academic honesty and may result in a partial or total penalty in the grade of the activity, or greater penalties in cases of seriousness.

Irregularities in evaluation activities

Despite other disciplinary measures deemed appropriate, and in accordance with current academic regulations, *"whenever a student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of occurrence of various irregularities in the evaluation of the same subject, the final grade of this subject will be 0".* **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

Bibliography

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AECA (2023). El proceso de valoración de *startups*. Documento n.º 19. Asociación Española de Contabilidad y Administración de Empresas.

Brealey, R; Myers, S, Allen, F. (2020): Principios de Finanzas Corporativas. McGraw Hill. 13ª edición. (Existe versión digital)

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De la Torre, Antonio y F. Jiménez (2014): Valoración de empresas y análisis bursátil. Ed. Pirámide.

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Menéndez, C. y S. Guerrero (1996): "Estudio de aplicabilidad de los diferentes métodos de valoración". AECA Documento nº 5. Asociación Española de Contabilidad y Administración de Empresas.

Software

Microsoft Excel

Groups and Languages

Please note that this information is provisional until 30 November 2025. You can check it through this [link](#). To consult the language you will need to enter the CODE of the subject.