



Course and Examination Fact Sheet: Autumn Semester 2017

7,118: Excel-based Financial Modelling for Financial Statement Analysis and Corporate Valuation

ECTS credits: 3

Overview examination/s

(binding regulations see below)

Decentral - Written examination (50%, 60 mins.)

Decentral - Group examination paper (all given the same grades) (50%)

Attached courses

Timetable -- Language -- Lecturer

[7,118,1.00 Excel-based Financial Modelling for Financial Statement Analysis and Corporate Valuation](#) -- Englisch -- [Kustner Clemens](#)

Course information

Course prerequisites

Prerequisites for the course are:

- Financial accounting skills: Students should be familiar with the content and structure of financial statements (balance sheet, profit and loss statement, cash flow statement) and how they are interlinked
- Corporate valuation skills: Students should be familiar with the basic concepts of corporate valuation and/or financial securities analysis and valuation
- Robust Excel skills: Students need to be familiar with the main functionalities of Excel

Course content

Excel-based financial modelling is a core required skill for professional areas such as Corporate Development, Mergers & Acquisitions, Equity Research and Asset Management.

This course provides you – the „student analyst“ – with a comprehensive set of tools to perform the following tasks **in Excel**:

- Build a fully **integrated financial model**, comprising historic and prospective financial statements (balance sheet, profit and loss account, cash flow statement)
- Using your Excel-based financial model, perform an in-depth **financial statement analysis and forecast future pay-offs**
- **Convert forecasts into valuations** and use Excel functionalities to **analyze the implications of different macro and operational performance scenarios** on a corporate valuation
- **Use fundamental valuation analysis to challenge any observable market price**, with the objective to identify undervalued and overvalued assets



This course is primarily about „doing“. You will spend approximately three quarters of the scheduled time on implementing the tasks outlined above in Excel spreadsheets.

A good financial model also requires good model inputs. For this reason the modelling work of this course is anchored in a conceptual framework that helps you to understand how businesses work, how they generate value, and how this value is shown – or hidden – in financial statements. The framework helps you translate your knowledge of a business into a valuation and gives you the security that your analysis is a sound one.

After completion of this course you will be able to perform almost any financial modelling task and to translate your accounting and Excel knowledge into valuation models for many different financial assets.

Course structure

The course comprises six modules which, step by step, provide students with the necessary skills to build a state of the art financial model.

Course literature

Stephen H. Penman: Financial Statement Analysis and Securities Valuation

Clemens Kustner / Ulrich Krings: Richtig Geld verdienen mit Fundamental-Analyse

Course materials

Additional course information



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Examination information

Examination sub part/s

1. Examination sub part (1/2)

Examination time and form

Decentral - Written examination (50%, 60 mins.)

Remark

Exam is Excel-based.

Examination-aid rule

Open Book

Students are free to choose aids but will have to comply with the following restrictions:

- At such examinations, all the pocket calculators of the Texas Instruments **TI-30 series** are admissible. Any other pocket calculator models are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as electronic dictionaries, notebooks, tablets, PDAs, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

Supplementary aids

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Examination languages

Question language: English

Answer language: English

2. Examination sub part (2/2)

Examination time and form

Decentral - Group examination paper (all given the same grades) (50%)

Remark

Financial Model & Report

Examination-aid rule

Term papers

- Term papers must be written without anyone else's help and in accordance with the known quotation standards, and they must contain a declaration of authorship.
- The documentation of sources (quotations, bibliography) has to be done throughout and consistently in accordance with the APA or MLA standards. The indications of the sources of information taken over verbatim or in paraphrase (quotations) must be integrated into the text in accordance with the precepts of the applicable quotation standard, while informative and bibliographical notes must be added as footnotes (recommendations and standards can be found, for example, in METZGER, C. (2015), *Lern- und Arbeitsstrategien* (11th ed., 4th printing). Aarau: Sauerländer).
- For any work written at the HSG, the indication of the page numbers both according to the MLA and the APA standard is never optional.
- Where there are no page numbers in sources, precise references must be provided in a different way: titles of chapters or sections, section numbers, acts, scenes, verses, etc.
- For papers in law, the legal standard is recommended (by way of example, cf. FORSTMOSER, P., OGOREK R. et SCHINDLER B. (2014), *Juristisches Arbeiten: Eine Anleitung für Studierende* (5. Auflage), Zürich: Schulthess, or the recommendations of the Law School).



Supplementary aids

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Examination languages

Question language: English

Answer language: English

Examination content

All content covered during the course.

In particular development, analysis, testing and interpretation of an analysis and valuation spreadsheet and its results including the following modules:

- Appropriately structured and reformulated historical and prospective financial statements;
- A performance and growth analysis module

- Financial forecasting
- DCF, RE, AEG, and LBO modules,
- A sensitivity analysis module;
- A reverse engineering module;
- Other modelling and analysis topics covered during the course.

Examination relevant literature

Handouts; excel models discussed in class

Stephen H. Penman's book "Financial Statement Analysis & Security Valuation", Chapters 4 - 16



Please note

We would like to point out to you that this fact sheet has absolute priority over other information such as StudyNet, faculty members' personal databases, information provided in lectures, etc.

When will the fact sheets become binding?

- Information about courses and examination time (central/decentral and grading form): from the start of the bidding process on 24 August 2017
- Information about decentral examinations (examination-aid rule, examination content, examination relevant literature): after the 4th semester week on 16 October 2017
- Information about central examinations (examination-aid rule, examination content, examination relevant literature): from the start of the enrolment period for the examinations on 06 November 2017

Please look at the fact sheet once more after these deadlines have expired.