School of Economics and Management

NEKN95, Finance: Managerial Finance, 7.5 credits
Finans: Företagsvärdering, 7,5 högskolepoäng
Second Cycle / Avancerad nivå

Details of approval

The syllabus was approved by The Board of the Department of Economics on 2019-06-11 and was last revised on 2022-09-13. The revised syllabus applies from 2022-09-13, autumn semester 2022.

General Information

This is a single subject master course in finance belonging to the Master Programme in Finance. The course is either obligatory or optional within a number of master programmes at Lund University..

Language of instruction: English
Teaching may be in Swedish if all registered students have a good knowledge of Swedish.

Main field of studies	Depth of study relative to the degree requirements
Finance	A1N, Second cycle, has only first-cycle course/s as entry requirements

Learning outcomes

Knowledge and understanding
Students shall:

- have demonstrated knowledge of business valuation, especially in analysing the company's value creation, designing a valuation model, calculating the cost of capital, and evaluating, interpreting and presenting the results of a company valuation,
- have demonstrated knowledge of creating value, especially value-driver and measuring value Creation

Competence and skills

Students shall:

- have demonstrated the ability to identify problems and situations in which the studied theories and models can be applied,
- be able to communicate the results, their analysis and conclusions of an empirical investigation in a clear and concise way.

Judgement and approach

Students shall have demonstrated the ability to use theories and models for valuing companies and to analyze the company's value creation.

Course content

This course is about business valuation and how to measure and manage value creation. The course will make the participants familiar with different income and cash flow-based present value techniques to assess firm value. Participants will use financial data for business analysis and valuation. The ultimate test of a company's strategy is whether it creates economic value for shareholders. The course will make the students familiar with different models to measure value creation and will emphasise links between economic value creation and business valuation. Relative valuation is also covered. This is a common valuation technique where financial ratios used to derive business value. The course emphasizes developing the participants' skills in developing advanced models for evaluation in Excel.

Course design

1. Teaching: Tuition consists of lectures, exercises and work on practical problems.

Assessment

1. Examination: Examination consists of a written exam and an assignment dealing with the valuation of a real-world company. The valuation assignment is carried out in groups. The written exam takes place at the end of the course. There will be further opportunities for examination close to this date. In addition, there is an
2. Limitations on the number of examination opportunities: –

The University views plagiarism and other academic dishonesty very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

Subcourses that are part of this course can be found in an appendix at the end of this

document.

Grades

Marking scale: Fail, E, D, C, B, A.
1. Grade (Definition), Points or percentage out of maximum points, Characteristic
A (Excellent), 85–100, A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.
B (Very good), 75–84, A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.
C (Good), 65–74, The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
D (Satisfactory), 55–64, The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
E (Sufficient), 50–54, The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.
U (Fail), 0–49, The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.
Students have to receive a grade of E or higher in order to pass a course.

2. Weighting grades from different parts of the course: –

3. Grading scales for different parts of the course: –

Entry requirements

Students admitted to the Master Programmes in Finance are qualified for this course. Students admitted to the Master Programme in Economics who have completed at least 45 ECTS-credits at the master level, which must include NEKN81 Foundations of Finance, NEKN82 Empirical Finance and NEKN93 Theory of Corporate Finance, are qualified for this course. Other students must have at least 90 ECTS-credits in business administration, including a course in basic business administration of 30 ECTS-credits or an equivalent course.

Further information

1. Transitional regulations: –
2. Limitations in the period of validity: –
3. Limitations: This course may not be included in the same degree as BUSN87 "Managerial Finance" or NEKN94 "Managerial Finance".
4. Similar courses: –
5. Limitations in renewed examination: –

Subcourses in NEKN95, Finance: Managerial Finance

Applies from V20

2001   Managerial Finance, 7,5 hp
          Grading scale: Fail, E, D, C, B, A