

Exam Financial Statement Analysis and Security Valuation January 2021

1. ROE disaggregation of Adidas 2019
 - a. Calculate the disaggregation
 - b. Interpret your results (RNOA was bigger than ROE because negative NNO?)
 - c. New IFRS 16 used in 2019, what is the impact on the balance sheet and income statement?
 - d. Calculate cash conversion cycle
 - e. Estimate OCI if you know a dividend of X was paid out
 - f. Calculate the bad debt expense (=change in uncollectible allowance)
2. Valuation of pharmaceutical company
 - a. ROPI valuation
 - b. If the stock price is €200 what would be your conclusion? Give reasons
 - c. Calculate Tobin's Q ($=VL/NOA$?)
3. Taxes of Snapchat, US firm
 - a. Why did DTA increase? (Loss carryforwards)
 - b. Why does a DTL occur for PPE? (accelerated depreciation)
 - c. How are valuation allowances recognized for this US firm? (separate gross valuation allowance, whereas in IFRS it is net amount)
 - d. How to interpret valuation allowance given the size of it for Snapchat?
 - e. How did valuation allowances impact net income?
4. Financial Statements
 - a. In which financial statement(s) do we find info on stock issuance and repurchases?
Equity and cash flow?
 - b. In which financial statement(s) do we find info on unearned revenues?
Balance sheet and cash flow?
 - c. In which financial statement(s) do we find info on internally generated brands?
Not recognised (Non gaap)
5. Other questions
 - a. SG&A and COGS: how are they categorized in relation to fixed and variable costs approach (unavoidable costs). How is it useful for FSA?
 - b. Fair value accounting is allowed, but firms are reluctant to use it. Give two reasons why.
 - c. ?