Special topics of Investment Appraisal

Course Outline
Academic Semester: 2025/26

1. General

School	**School of Finance and Statistics**		
Academic Unit	**Department of Banking and Financial Management**		
Level of Studies	**Undergraduate**		
Course Code	**ΧΡΕΘΑΕ**		
Semester	**5th or 7th**		
Course Title	**Special topics of Investment Appraisal**		
	Idependent Teaching Activities	Weekly Teaching Hours	Credits
	Lectures	**4**	**7,5**
Course Type	**Special Background**		
Prerequite Courses			
Language of Instruction and Examinations	**Greek**		
Is the course offered to Erasmus Students?			
Url (Eclass)	**https://eclass.unipi.gr/modules/auth/courses.php?fc=64**		

2. Learning Outcomes

Learning Outcomes

The main purpose of this course is to introduce students to the basic principles of investment evaluation methods in a simple, intuitive, and practical way. The main goal is the detailed development of all the available financial methods of economic evaluation of the various investment programs that have an important role in the prosperity, efficiency and development of businesses, due to their short-term and long-term effects on its operation and the sacrifice of capital that their implementation requires. As part of the teaching of the course, a detailed analysis of all stages of investment evaluation will be carried out, starting from the identification and selection process of investment programs and continuing to the time horizon of the program, the frequency and adjustment of cash flows to the respective risk of the program, the comparison of alternative investment programs and finally the correct choice of the most profitable investment program which will have the greatest added value to the company. Finally, the main purpose of the course is its practical application, using Excel, of all the financial evaluation methods that determine the acceptance of investment programs.

With the successful completion of the course, students will be sufficiently capable to:

- Understand the time value of money
- Group the various forms of cash flows of an investment in fixed assets
- Evaluate and rank capital investments using various techniques
- Assess whether an investment is beneficial by applying all stages of investment evaluation
- Compare investments with different characteristics
- Consider the frequency of cash flows and adjust them to the risk of the investment
- Assess to what extent changes in financial parameters can affect the expected result of the financial program
- Perform sensitivity analysis, scenario analysis and monte carlo simulation

- Apply probabilistic approaches to investment analysis
- Value the real options embedded in investment plans
- Evaluate financial leasing

General Competences

- Analysis and synthesis of data and information, with the use of the necessary technology
- Adapting to new situations
- Decision-making
- Project planning and management
- Criticism and self-criticism
- Production of free, creative and inductive thinking

3. Syllabus

1. Review of the use of Net Present Value and other traditional valuation criteria under conditions of certainty
2. Rules for making an investment decision – emphasis on the rule of Net Present Value and determination of cash flows considering: depreciation, taxes, interest and inflation
3. Sensitivity analysis and scenario analysis
4. Breakeven analysis
5. Monte Carlo simulation
6. Real options and decision trees
7. Valuation of leasing

4. Teaching and Learning Methods - Evaluation

<table>
<tr><td>Delivery</td><td>Face-to-face in a classroom</td></tr>
<tr><td>Use of Information and Communications Technology</td><td>Using of PowerPoint slides

The slides-notes of the lectures are offered in electronic form to the students through an electronic platform (e-class)

Communication with students via email</td></tr>
<tr><td>Teaching Methods</td><td><table><tr><th>Activity</th><th>Semester Workload</th></tr><tr><td>Lectures</td><td>52</td></tr><tr><td>Independent Study</td><td>135,5</td></tr><tr><td>Course Total</td><td>187,5</td></tr></table></td></tr>
<tr><td>Student Performance Evaluation</td><td>Written final exam (100%) including:
Multiple Choice Questions
Closed-ended questions
Essay Questions
Problem solving
The written exam lasts 3.0 hours. The individual

assessment points are explicitly listed next to each question.</td></tr>
</table>

5. Attached Bibliography

Suggested Bibliography

Benninga S., Principles of Finance with Excel, 2nd Edition

Brealey, R., Myers, S., Allen, F., & Edmans, A., Principles of Corporate Finance, McGraw-Hill, latest edition

Damodaran A., Applied Corporate Finance, Wiley, latest edition

Hillier D., Ross S., Westerfield R., Jaffe J., Jordan B., Corporate Finance, McGraw-Hill, latest edition

Ross S., Westerfield R., Jaffe J, Jordan B., Core Principles and Applications of Corporate Finance, McGraw-Hill, latest edition

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