COMPARATIVE ANALYSIS IN EVALUATING THE COMPANY, THROUGH THE MARKET COMPARISON METHOD

Ioan Bircea, Assoc. Prof., Dr., ”Petru Maior” University of Târgu-Mureş and Daniel Manaţe, Assoc. Prof., Dr., ”Aurel Vlaicu” University of Arad

Abstract: In Romania, based on globalization of financial markets and the crossing of the economic crisis, as well as the government policies developed, the internal and external environment is still hostile to many companies (especially small ones), and as such, they can register financial slippages or even bankruptcy. A solution to continue its activity and to maintain personnel (to refurbish etc.) could be merging, consolidation, sale of shares to other individuals or entities. But all these operations involve estimating the reliably of enterprise value. Based on a statistical study conducted by the authors in Romania, it emerged that two methods are the most encountered in evaluating small and medium sized enterprises, respectively asset-based method (method based on substance) and income-based method (method based on hope). Considering the fact that a prudent investor doesn't offer a higher price than the price of a similar asset traded recently on the market, with all the imperfections of the financial market in Romania, the authors propose the market comparison method for estimating the value of small and medium enterprises.

Keywords: financial diagnosis, bankruptcy, risks, small enterprises, market comparison method

Introduction

During this period, yet still marked by the effects of the economic crisis, many companies in Romania, especially small ones, did not resist the fierce competition onto the market and consequently reduce their volume of activity or even enter into insolvency (since the start of the crisis currently 116.587 companies went into insolvency in Romania). A solution to continue the work, to maintain the personnel, to reuse the technology in the entity, etc. could be merging (even some of the quoted companies taken as a basis for comparison, in the past have merged with international companies), consolidation, the sale of shares or equity to other individuals or companies (there are currently 192.416 companies with foreign capital in Romania) [Bircea, 2013, pp 45]. Market comparison method, due to the limited information on the financial market in Romania (concerning transactions with companies, shares, mergers, division, etc.), it is rarely used.

Why the direct comparison method? Because no one buys a product at a price higher than a similar product traded on the market at a lower price and with equal risks. Basically, the direct comparison method is a logical approach, according to which the value of the assessed enterprise is equal to an activity or return parameter (T) of the assessed company multiplied by a rate of assessment of the comparable company (k) [Bircea, 2013,pp 45] .

COMPARATIVE ANALYSIS FOR SAMPLE SELECTION

Selection of the sample of similar companies traded on the market (according to studies of CMS Corporate and M & A Romania in 2013 the number of M & A in Romania was of 2555, is a million Euros, much lower than some neighboring countries like the Russian

Federation or Poland), is the result of comparative analysis based on quantitative and qualitative criteria [ANEVAR, 2013, pp]. Comparative analysis involves associating two companies, phenomena, economic processes or two levels of the same phenomenon, in order to determine similarities and differences between them, one is considered the reference system (based reporting). Findings of the known through unknown occur via benchmarking. Benjamin Graham indicates that for a correct company's comparison, the criteria to be taken into account are:-profitability; stability; growth; financial position; dividends; price developments [Graham, 2010].

A first criterion in selecting comparable companies is that of the field of activity (NACE code in Romania). You can't compare apples with pears! Also, the company's size is important!

Statistical studies carried out on the American markets NYSE, NASDAQ and AMEX have indicated that the yield (based on trading prices) in the case of companies with small market capitalization is greater than in the case of those with large capitalization [Todea, 2006]. As a result, many companies have included in their portfolio shares of small companies. In the case of small companies, risk is much higher, the loss of a key character can caused bankruptcy of the company, and therefore it has to be taken into account when adjusting multipliers.

In the decision on investing in a specific firm, anticipated financial profitability and risk associated with it, weighs much. As such, this quantitative criterion will have a great significance in the selection of the sample. It is known that actual income obtained (actual financial profitability) on a share or equity, for a period (year, quarter, and month), is determined as follows:

$$\text{Stok return} (R_a) = \frac{\text{Dividend} + (\text{Sales price - current stock price})}{\text{Current stock price}} =$$

$$\frac{\text{Divident}}{\text{Curent stock price}} - \frac{(\text{Sales price - current stock price})}{\text{Current stock price}}$$

$$R_a = \prod_{i=1}^{n}(1 + R_{ai}) - 1$$

and for several periods (for several years)

According to the model presented, the financial profitability of a share is estimated on the base of the cash flow received (dividends) and equity gap (the difference in price between the time of sale and the time of purchase).

But all investors, for the amount invested, wish a big gain at a risk as small as possible!

Table 1:-Calculation of the average return for each share held at one of those comparable companies

Indicators	Company Z				Company X				Company Y			
	Price	Div.	Annual return	Risk	Price	Div.	Annual return	Risk	Price	Div.	Annual return	Risk
	lei	lei	%	%	lei	lei	%	%	lei	lei	%	%

N-3	0,59				0,2				0,68			
N-2	0,61	0	3,38		0,2	0,005	2,5		1	0,3	91,2	
N-1	0,39	0,15	-11,4		0,18	0,01	-5		0,86	0,08	-6,0	
N	0,37	0,36	87,1		0,2	0,01	16,7		0,76	0,04	-7,0	
Returns on average four years[1]			71,3	31			13,6	15			67,13	28

Source: BVB Romania

According to calculations, the highest profitability (71.3%) is for company Z (for three years) for which market risk (based on the standard deviation[2]) is the highest 31%. If we had bought shares in this company in year N to resale them at the beginning of year N-2 we would recorded a gain of 3.38%, while for Y company earnings would have been of 91%. A prudent investor who is not willing to risk so much, buy shares of the company X for which the return is smaller.

The possibility that in case of shares acquisition the actual return is not at the level of the expected profitability may be higher or lower (depending on the economic conjuncture, changes in the sector evolution, managerial decisions, etc.). In the next period, an action may be assigned, according to different scenarios, different levels of return (R_a), each with a certain probability (pi) of achievement. [Pike, Neale, Lisley, 2012, pp 163].

The level of dispersion (σ^2) on possible profitability based on the mean gives the risk measure.

Risk calculated on the basis of previous profitability can be considered a good estimator of future risks, if parameters that characterize the share profitability will have a distribution similar to that referred to above. A prudent investor, given the market options, expects a minimum return equal to the return given on the financial market at a minimal risk (coupon rate on government bonds[3]) [$R_{e\,xpected} = r_f + (R_m - R_f) * \beta$)]. Estimated future profitability and risk both for comparable companies as well as for the evaluated companies first involves fundamental and technical analysis (its trend or the rate it must get on these trends[4]). As an example, in a company in which costs coverage through revenue is low (low profit margin) there is more risky than in another where coverage is much higher. Why? Because there is the possibility that in the future, costs increase due to internal or external causes and therefore record losses. Also, an indebted company or which is to borrow is more risky than a non-levered company. Another not negligible criterion in selecting the comparables is the general trend of development in turnover, profits, stock price etc. and the pace of change. It is fair to select the enterprises with the same direction of the trend (not one with an ascending trend and the other with a descending trend) and with an identical rate of change.

---

[1] **Calculations based on the model presented in the text (R_a)**
[2] **Calculated using the standard deviation for the three years, given the quarterly return**
[3] **For Romania bonds issued by MFP. From this rate margin decreases credit risk rating of the government's credit rating institutions.**
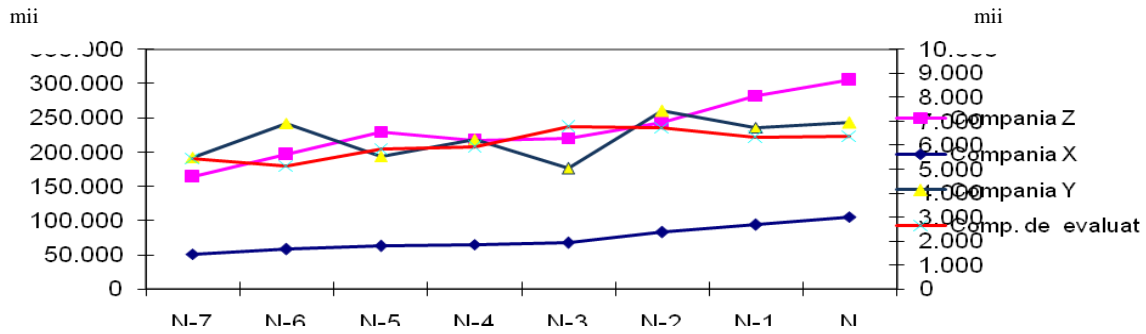[4] **www.kmarket.ro- Mic manual de analiză a acțiunilor**

Figure.1- The comparison of turnover evolution of the assessed company to the comparables

In the graph[5] it is noticed the same trend of evolution (growth) of the sales of the evaluated company with that of comparables. The average rate of increase in turnover is different, so for the company evaluated for the period under review it is 2.25% annually (every year against the previous one[6]), and for Y company it is 3.36 %, being the pace of growth closest to the company valued, compared to the X company that is 11% (being the highest). If the internal and external environment does not suffer significant changes then the trend is growing. In the case of net profit evolution it is presented as follows:
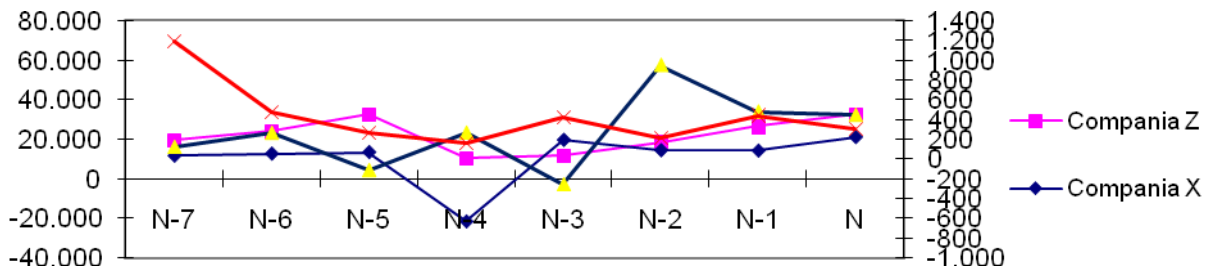

Figure 2- The comparison of net profit evolution of the assessed company to the comparables

It can be noticed from the chart that during the period N-5 and N-4 the companies surveyed are either running losses or a fall in profits, the two periods correspond to the period of economic crisis in Romania. In the case of the assessed company there can be noticed a fall in profit during the crisis and its maintenance in subsequent periods at the same level[7]. For the period studied the average rate of net profit annual growth for comparable companies is over 10% while for the company to assess it is negative (-23%).

If we limit the study to the period after the crisis we would find instead an annual growth rate of 13%.

---

[5] **The period under review is the higher the statistical errors are smaller**
[6] **It can be seen from chart**
[7] **To track scale values y2**
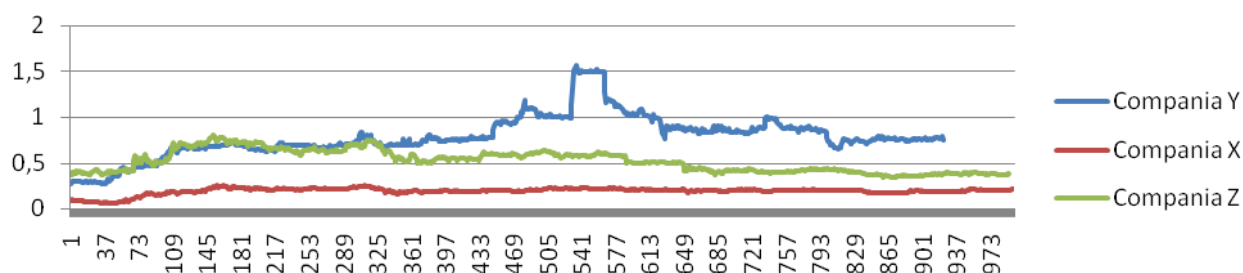
Source: BVB

Figure 3-The evolution of the quota rate of comparables and BET index

In the case of a stock price of those three companies, it records on the long-term an increase and an identical evolution to that of the BET-C index. This similar development of stock price to the BET-C index indicates a strong link with developments onto the stock market as a whole

The long-term perspective is that of growth. On the short term, the stock price can be predicted by means of a detailed technical analysis.

Taking into consideration the internal and external factors, with direct or indirect implications on performance and risks, we determine the total risk linked to a share by decomposing it in systematic risk or market risk (to which all the shares on the market are subjected) and unsystematic risk (reflected in financial performance, financial position, cash flows, etc.).

A retrospective analysis of the financial statements (balance sheet, profit and loss account, the annexes to financial statements) offers a true picture of past and present performance, the human, material, financial potential at the disposal of the company, the company's prospects, the systematic risks that it is exposed to. The past is the best prophet of the future-specifies Lord Byron.

Present economic and financial situation, profitability, risk are the results of all the decisions on investments, financing, dividend distribution, exploitation etc., from the moment of creation to present.

As such, for a relevant comparison between the companies and taking into account the availability of published data, we selected and compared a series of financial representative[8] rates with great information power.

Why so many financial rates and why not summarizing to less?

-For the information they each contain! Otherwise, the analyst (especially the inexperienced one) could formulate erroneous conclusions on profitability, economic-financial situation and risk! An eloquent example in this sense is the case of two companies which have the same level of profit (signifying the same result), but the rates of return (remuneration of the production factors) are different. The same effect but with different efforts (the size of capital employed).

According to the criteria presented we selected 4 Romanian listed companies in the same industry. One of the companies was eliminated due to major differences between yield -

---

[8] **Comparisons between companies and different periods are more accurately to be made based on relative values and not on absolute values**.

risk (rate of return, assets and liabilities structure rates, financial balance, payment capacity on long and short term).

Description of a population (sample) based on a feature may be accomplished by means of the average level of individual values provided that the dispersion of these values is not great. To characterize what is essential, and representative for the companies included in the sample, we have calculated the average value (arithmetic mean or harmonic mean when between the values deviation is great) or median of financial ratios (series contains a large number of values). In consequence, we compared the average rates of the company to assess to the average rates of the companies included in the sample

Table 2- Comparison of the rates, in order to assess performance and risk

Comparables	Company. X	Company Y	Company. Z			The comp. evaluated
financial exercise	**Average 4 years**	**Average 4 years**	**Average 4 years**	Average	Median	**Average 3 years**
Profitability Ratios:						
Profit operational-to-Total Cost	20,65	16,2	8,3	15,1	15,9	7,86
Operating margin	17,6	14,85	8,05	13,5	14,2	9,37
Return on invested capital (ROCE)	9,9	14,9	8,94	11,6	10	5,30
Return on equity (ROE)	11	13,45	7	10,9	11	4,28
Indicators of risk of bankruptcy						
Current ratio	4,9	7,95	2,2	5	4,9	4,52
Quick ratio	4,25	7,05	1,85	4,4	4,3	3,15
Total asset/total liabilities	7,75	10,65	3,75	7,4	7,8	7,03
Financial balance (Net cash flow)	>>1	>>1	>1	>1	>1	<1
Debt/EBITDA	1,46	1,38	1,12	1,3	1,4	3,09
Turnover Ratios						
Inventory turnover	6,5	8,4	6,55	7,2	6,7	3,2
Receivables turnover	1,85	1,1	1,2	1,4	1,2	1,5
Accounts payable turnover	4,05	7,3	6,3	5,9	6,3	11,4
Total asset turnover	0,5	0,7	0,6	0,6	0,6	0,6

For a company with a high human, technical, financial potential the probability (pi) to record normally a low performance and have a high risk is small, but not impossible. As such, the capital (assets trained) and its structure (composition) is a requirement to have a specific risk and profitability. For an easier comparison (visual) of the asset structure, we plotted a chart, both for comparable companies as well as the company evaluated.
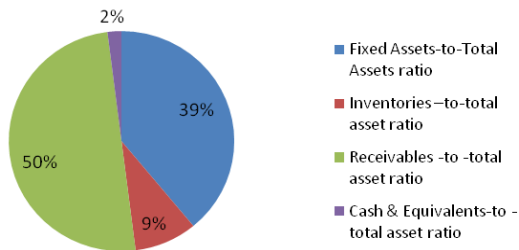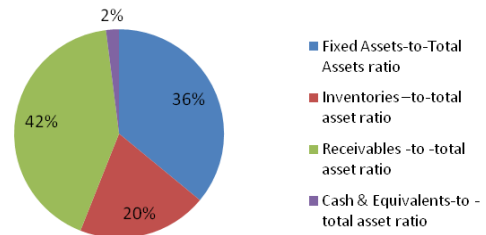
Figure. 4-The structure of comparable assets

Figure 5-The structure of the evaluated company assets

In comparing the rates of the evaluated company's asset structure[9] with the average of the companies selected, one can appreciate that in both cases the investments hold a significant proportion (34%). The same proportion is found at branch level. The concern for investments in a competitive economy (condition for quality products, high productivity, etc.) is a permanent concern of a responsible management.

This fact is reflected also by the growing trend[10] (even if to some companies the value of investments reassessed decreased due of lowering prices on the property market). Their financing, both in the case of comparables and assessed company, shall be made by permanent resources (only one small proportion of firms' use lease financing).

This statement is supported by both the working capital indicator (reflected as a percentage by general liquidity and is over-unit) as well as the financial stability indicator that records a value of 75% for comparables and 85% for the rated company. In agreement with the financial principles, investment financing involves calling the following sources: - own resources (equity) - external sources (finance lease, long-term loans, borrowings from the issuance of bonds, property loan provider, etc.) - or by both (company X).

Option for a particular funding source is based on its cost and the risk assumed. A policy on the temporary resources financing (bank loans, failure to pay suppliers, etc.) even if they have a lower cost (payment of investments are made in present or future from available cash) causes a higher financial risk (there is the possibility that flows arising from the use of investment do not cover due debt payments). According to this graphic (Fig. 4), we can see that the largest share of assets is hold in both cases by current assets (more than 60%) as a result of large receivables (50% for comparable companies and 42% for the evaluated company). This structure is found almost identical throughout the whole analyzed period.

Available money also has a low percentage (2%) both for the assessed company and the companies taken as a comparison. High levels of accounts receivable can be explained either by the volume of sales (NT) by means of rotational speed (number of revolutions). In case of the three comparables the receipts are on average after 275 days and this determines a high value of the accounts receivable. Also, for the company evaluated the average collection of receivables is after 240 days. Instead, the payment of suppliers is on average at 40 days, a period much shorter than the period of collection of receivables, but shorter than that of comparables (which is on average of 65 days). These differences in terms of cash-payment will have consequences for the liquidity and funding needs of the exploitation (N.W.C.)[

---

[9] **Comparing balance sheet between two or more companies shall be based on rates of structure**

[10] **Dynamics is correct to be studied based on Appendix-situation of fixed assets**

Thauvron, 2013, pp 26], . The explanation for the policy adopted regarding payment of providers at shorter terms is the result of the negotiations of contracts with suppliers of raw materials and components. The existing financial structure (over 75% of it is from equity) is the consequence of financial policies, profitability, investment, etc. carried out so far. Indebtedness, in the case of all the studied companies is very low less than 30%, which causes a high autonomy and independence from lenders (low financial risk). As a feature for both analyzed companies and comparative companies is that they do not have long-term debt (statement supported by the borrowing rate which has a very low value).
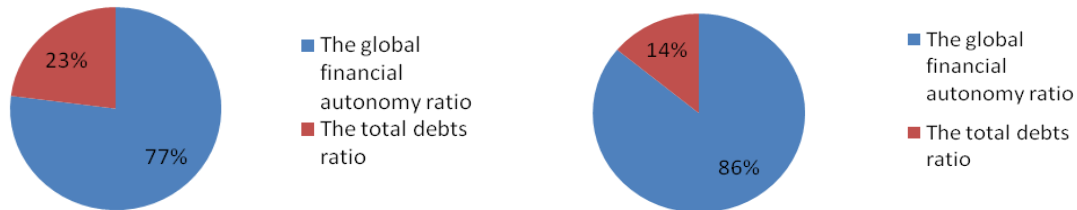

Figure 6- Financial structure of the comparable company   **Figure 7-Financial structure of the evaluated company**

For an easier comparison of the financial structure of the company assessed and the mean of the comparables we compared their graphic representations. According to the graphic we can appreciate that equity of the company assessed and of reference companies has a high share of more than 75%, which assures a higher security in its relations with third parties.

Its high level is a consequence of the increase of retained earnings (undistributed profit from previous financial years) and equity increase. The average proportion of the annual result in the equity (return on equity) in the case of company evaluated is 4.28%, which is low compared with that of comparable firms which is 10.9%.

According to accounts, every penny invested in company shares to be valued will bring a profit of 0,043 lei much small than in companies of references (0.1 lei) or other company traded on the market. As such, the market price for shares in the company evaluated will be lower than that of comparable ones. A direct influence on the financial profitability and the financial risk it has financial structure.

In the case of companies investigated the total asset value is slightly higher than that of the equity $\left(\dfrac{\text{Total asset}}{\text{Shareholders Equity}} = 1,2 \right)$ and hence the multiplications of the economic profitability have no significant influence on return of equity.

Financing of borrowed resources at the expense of self-financing[11] is for the benefit of shareholders and associated partners when the amount borrowed for the company produces an income much higher than its cost (economic profitability is higher than the interest rate ROCE > Interest rate), even if the financial risk increases (a high degree of indebtedness). Consequently, the manager, employees, etc. that use these assets (own and borrowed capital) have as their task to achieve a higher profitability (at least at the level of the interest rates).

In real terms, the rate of economic return on capital invested must remunerate the capital invested at the level of the minimum rate of return in the economy (average interest

---

[11] **Cost of own resources (opportunity cost) is greater than the cost of borrowed resources (interest)**

rate) and the economic and financial risk took by the capital providers and (shareholders and creditors of the enterprise).

This rate that highlights the return on assets employed can be assimilated with the internal rate of return of old and new investments of the company [Stancu , 1997, pp 494] .

In this case, in the company evaluated the economic profitability is much lower (5,30%) compared with that of the comparables (11.6%). Low economic profitability (5,30%) can be explained both by the low level of operating profit margin (7,65%) and the rotational speed of the total assets[12] (0.68 rev.).
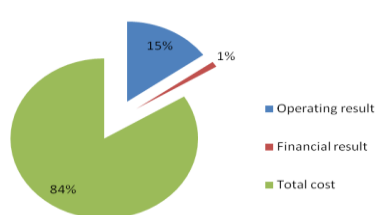

Fig.8- The proportion of the results in the turnover of the comparables
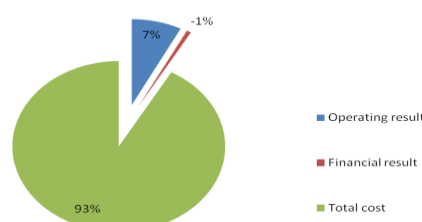
Fig. 9- The proportion of the results in the turnover of the in evaluated company

The comparison between the results of the evaluated company and the comparables[13], according to the graphic representation of return on costs, shows a better cost management. Any money spent for comparable companies will result in a gain of 0.16 lei while for the company to assess is just 0.06 lei.

Return on capital employed in the company evaluated is bigger than the return on equity. Indebtedness in this situation is not in the interests of shareholders, because through the activity carried out for the invested amounts the rentability (5.30%) is lower than the cost of credit (average of 9%). The same situation is found in the case of comparables. Any debt in the case of these companies increases the financial risk (leverage).

Operating risk is much higher than in the case of comparable companies. As we have shown, higher revenue than costs, but which provides a low profit margin, results in a lower safety of it functioning. Statistically it was found that for the companies with a lower profit margin (trade companies) there is a higher rotational speed and vice versa, those with a higher profit margin have a slower rotational speed. We can conclude that the financial return[14] is the result of the financial structure $\left(\dfrac{\text{Total Asset}}{\text{Shareholders Equity}} \right)$, the way of the asset management $\left(\dfrac{\text{Net turnover}}{\text{Total asset}} \right)$ as well as the price-cost policy $\left(\dfrac{\text{Net profit}}{\text{Shareholders Equity}} \right)$. Sales resulted using available assets are reflected by the speed of rotation of the assets.

The risk of investing in a share is appreciated by the possibility to recover the amount invested in the event of closure (financial solvency). In this case it is checked if all debts are covered by the liquidity that would result from the sale of assets, the remaining amounts being

---

[12] **Receivables not collected on time causes a low speed of current assets**
[13] **Comparison of the results reflected in the income statement will be made in the relative value. More specifically the relationship between of a result and turnover.**
[14] **The DuPont (model developed by DuPont Corporation in 1920)**

divided between shareholders or associated partners. In the case of the evaluated company and the comparables liabilities are fully covered at least 7 times the risk of insolvency being reduced. Even in case of liquidation and dissolution of a corporation, the transaction values may be lower than the book values, the big difference provides debts cover. The risk as outstanding obligations due less than one year (term solvency) can not be honored is reflected in the overall liquidity and low liquidity.

If cash and accounts receivable will cover these debts, suppliers, staff, creditors, state budget etc. are ensured to a certain extent that receivables will be paid in the short term.

If the inventory, receivables, cash cover the debts on short terms more than 2.5 times, can not be regarded as a positive phenomenon. It can be either due to difficulties to sell stocks or some unpaid debts on time, or payment periods to suppliers too close. To avoid wrong interpretation of the resulted value it is correct to correlate this value with the value of the rotational speed and necessary working capital. In the case of studied companies these values are high (over 4 times) due to receivables collection and payment of suppliers terms.

How accurate the policies were implemented in the firm (investment, financing, operations, profitability etc.), to some extend will be shown by the financial balances. Remaining surplus from permanent resources (FR), after financing investments, represent a safety margin to finance operating activities. Since the permanent capital is higher than the investments this reserve should support operating activities in the hardest times for the company. In some cases this surplus is not enough (due to low profit) to cover the financing operational needs (stocks too large and uncollected debts on time, suppliers payment to a reduced term etc.) as such the company uses the short term loans. Synthetic indicator that reflects the level of its financial imbalance one time is net cash. A positive cash flow indicates the cover of operating needs from the working capital and the remaining being reflected in the available cash. A drawback of net cash is that it can be positive (even though it reflects a financial balance) even when working capital is negative! Situation where the necessary working capital is negative and in absolute value it is greater than the working capital needed ( ).

Working capital is negative either when cash is insufficient to pay the debts or when there are negotiated longer payment terms (than the terms of inventory storage and debt collection). In the first case the repeated nonpayment of this debt the situation will become chronic leading to insolvency of the company. As we mentioned, it is right that the analysis these indicators of financial equilibrium level to be correlated with liquidity indicators and the speed of rotation

In case of the company evaluated working capital need is not covered by the working capital, net treasury being negative. To meet the term obligations the company is obliged to borrow on short term. In consequence, the company is exposed to a higher financial risk than the comparables.

Low profit leads to a working capital insufficient to cover the working capital need (determined by the high level of debts relative to current liabilities).

The financial imbalance was reflected in a relative form by the ratio of available cash and bank loans due less than one year. The reasoning was based on the fact that, Net cash flow (Net treasury) = Working capital – working capital need or Net cash flow (Net

treasury)=Cash and Bank – Financial current debts, so we reported the first term of the equation to the second term.

In the case of comparable companies due to higher efficiency, working capital covers the operational need ensuring a positive treasury (financial stability).

Production activity, marketing, supply, policies of account receivable collection, and payment of suppliers, is explained also by the length of a cycle of exploitation.

A low speed a receivables indicates possible difficulty in collecting receivables and liquidity problems. Liquidity is affected, especially in the case of leveraged firms and of repayment of credits. As such, a company which doesn't have the ability to pay due installments is more risky than one that has this capability. Credit repayment by contracting new loans will worsen the financial situation of the company bringing it ultimately to bankruptcy.

As a result of the analysis carried out we can deliver the following diagnosis:-profit margin, return on capital, return on capital employed much lower than the average of comparables; -economic risk higher than in case of comparables; -the financial imbalance reflected by the net cash flow .

A sound financial situation of the company is appreciated by Benjamin Graham when:-the general liquidity is greater than 2 and total debts must not exceed equity 2 times;-ordinary shares have generated profits for the past ten years, an increase of at least one third of the profit per share in the last three years; a moderate average price-profit report bigger than 15 times;

CONCLUSIONS

Globalisation of the financial markets requires a common language in evaluation, the application of similar evaluation methods, comparisons with listed companies on major stock exchanges of the world[15]. Unfortunately these comparisons are reduced, because they involve first a series of corrections of both the financial statements as well as indicators included in the calculation of financial ratios. In this sense we have to take into account the efforts of organizations or associations to require its members in the work done to follow the international valuation standards and financial reporting. Also, the corrections applied must take into account the situation of the economy, the economic mechanisms of the respective State, the financial laws, government policies, etc which are harder to know.

Even though on the financial market in Romania are sold a limited number of companies, and the information is limited, the market comparison method must not be ignored. As with any assessment method, it has advantages and disadvantages. The problems faced by those who apply these methods are related to:-selecting comparable companies[16]; -comparative analysis- estimating corrections. The key to success in a more accurate estimate of the price is the selection of the sample of comparable enterprise. Selected sample is the result of fundamental and technical analysis.

---

[15] **The enterprises listed on BVB (the reglemented stock exchange) have the obligation to follow the International Financial Reporting Standards starting with the financial year 2012**
[16] **The following standards are more frequently used internationally: International Financial Reporting Standards (IFRS), General Accepted Accounting Principles (GAPP)**

The positive or negative adjustments will apply to multipliers and their corrected values will fall within the values range of comparables multipliers. This lessens the "creativity" in establishing the corrections. In extreme and well justified cases the multipliers may be out of range [S.Pratt, 2005, pp.140]

Many transactions involving unlisted Romanian companies have failed, due to suspicions regarding the selling price. Ignoring the professional and competent evaluator blocks many transactions, increases maintenance expenses of a property which does not produce profits, involves, ultimately, a degradation of that property and a transaction at a lower price (in net figures, without taking into account the erosion of the national currency through inflation) than the price at which the transaction could have been made at the time when the intention appeared [Bircea, 2005, pp 329].

Bibliography

1. Bircea Ioan- Direct comparison method in evaluating a non-listed Roumanian company, Oeconomica, 2013, Tg Mureş
2. Bircea I, Evaluarea întreprinderii, Ed. Dacia Cluj-Napoca, 2005, pp. 329
3. Benjamin Graham –Investitorul inteligent, Ed. C.H. Beck, Bucureşti, 2010
4. Shannon P. Pratt, Abordarea prin piaţă a evaluării întreprinderilor, John Wiley&Sons, New Jersey,2005
5. Stacu I-Finanţe, Ediţia a doua, Ed. Economică, Bucureşti, 1997
6. Richard Pike, Bill Neale, Linsley Philip, CORPORATE FINANCE AND INVESTEMENT, Rotolito Lombarda Italy, 2012
7. Todea Alexandru, Investiţii, Casa Cărţii de Ştiinţă, Cluj Napoca. 2006
8. Thauvron Arnaud, Evaluation d'Entreprise, Economica, Paris, 2013
9. SEV 200- Standardele de evaluare a bunurilor din România, ANEVAR, 2014,