

To read this content please select one of the options below:

Add to cart

32.00€ (excl. tax)
30 days to view and download

Access through your institution

Access and purchase options

Valuing companies by cash flow discounting: ten methods and nine theories

[Pablo Fernández](#)

[Managerial Finance](#)

ISSN: 0307-4358
Article publication date: 2 October 2007
Standard
Serial
Number.)

DOWNLOADS

11611

Abstract

Purpose

The aim of this paper is to answer the question: Do discounted cash flows valuation methods provide always the same value?

Design/methodology/approach

This paper is a summarized compendium of ten methods including: free cash flow; equity cash flow; capital cash flow; adjusted present value; business's risk-adjusted free cash flow and equity cash flow; risk-free rate-adjusted free cash flow and equity cash flow; economic profit; and economic value added.

Findings

All ten methods always give the same value.

Research limitations/implications

The disagreements among the various theories of firm valuation arise from the calculation of the value of the tax shields (VTS). The paper analyses nine different theories.

Originality/value

The paper is an analysis of ten methods of company valuation using discounted cash flows and nine different theories about the VTS.

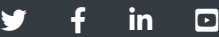
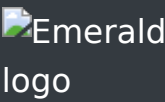
Keywords



Fernández, P. (2007), "Valuing companies by cash flow discounting: ten methods and nine theories", [Managerial Finance](#), Vol. 33 No. 11, pp. 853-876.
<https://doi.org/10.1108/03074350710823827>

 Download as .RIS

Publisher: Emerald Group Publishing Limited
Copyright © 2007, Emerald Group Publishing Limited



© 2024 Emerald Publishing Limited

Services

- [Authors](#)
- [Editors](#)
- [Librarians](#)
- [Researchers](#)
- [Reviewers](#)

About

- [About Emerald](#)
- [Working for Emerald](#)
- [Contact us](#)
- [Publication sitemap](#)

Policies and information

- [Privacy notice](#)
- [Site policies](#)
- [Modern Slavery Act](#)
- [Chair of Trustees governance statement](#)
- [Accessibility](#)