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Sommario/riassunto

The market approach aims to establish the value of a company based on how similar firms are priced on the stock exchange or through company transactions. Using the market approach, price-related indicators such as price to earnings, sales and book values are utilised. An ever-present problem however, is that different valuation multiples and valuation methodologies tend to provide the analyst with contradictory outputs. The solution to this problem so far has been to claim that the market approach is more art than science, thus providing the analyst with the freedom to alter the multiples a
