

INDICATORS OF INVESTMENT VALUATION IN INNOVATION ERZ

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Transition to new innovation economy in Russia is faced with a problem – small business, its locomotive can use only those funds it had saved before. In order to make access to capital markets easier for them a system investment projects valuation has to be created to obtain a precise picture of future problems of the project. All diversity of classic finance theory is in fact about the choice of a parameter that has to be discounted in the NPV formula (and others based on it) – free cash flow to the firm, free cash flow to equity, EBIT, EBT, etc. There is no place for entrepreneur talent – ability of make a good choice. And any uncertainty is considered to be risk, or its quantitative measure, which increases the discount rate and decreases the NPV. There is though a real options method that is supposed the highly risky component of the project. But first it is used not for the total project, but only to its high risk component, i.e. is suitable for those projects that are not high risk ones in total. Second this method also considers risk a parameter that decreased the value of future cash flows, not increases it. From investor's point of view, risk, or quantitative indicator of uncertainty is an evil, that has to be tolerated, and the higher the risk, the greater the discount rate of future cash flows is. In this paper a set of coefficients based of division of the project into a set of options is proposed