

Corporate Finance

Module		Corporate Finance					
Module Code		FIN60135					
Module Coordinator		Sautner, Zacharias					
Last Update		2015/12/04					
Target Group		Programme(s)			Bachelor of Science		
		Term			4. bzw. 7. Semester		
		Compulsory/Elective Module			Compulsory Module		
		Module Duration			1 Semester		
		Credits:			6		
		Frequency			Annually		
		Language of instruction			German		
Workload:	150 h	Contact hours:	60 h	Independent Learning:	45 h	Assignments:	45 h
Prerequisites		Finance 1					
Usability in other Modules/Programmes		Finance Concentration, Accounting Classes					
Intended Learning Outcomes		<p>Knowledge: Having a general understanding of corporate finance related topics, esp. valuation theories and concepts, financing sources of firms and capital structure theories.</p> <p>Skills: Understanding basic principles of asset pricing in equity and bond markets and application of valuation techniques.</p> <p>Competence: Making educated capital budgeting and financing decisions.</p>					

Module Overview	<p>This course focuses on the practical and conceptual problems associated with financial management of the non-financial corporation. The treatment of all areas involves theoretical concepts and the application of these concepts to contemporary business situations for the purpose of corporate decision-making. All topics reflect the impact on the overall value and risk of the company. Topics covered include, but are not limited to: Financial statements and cash flow, time value of money, valuation of equity, capital budgeting and project evaluation techniques.</p> <p>The main textbook for this class will be Berk and DeMarzo (BDM), Corporate Finance (see below for details). We will follow the book closely; additionally there will be cases and other material.</p> <ul style="list-style-type: none"> • Introduction and Basics of Financial Statements Analysis (BDM Chapter 1, 2) • Capital Budgeting (BDM Chapter 7, and other material) • Stock Valuation (BDM Chapter 9, 10) • Capital Structure (BDM 14, 15) • Financial Distress, Managerial Incentives and Information (BDM, 16) • Valuation with Leverage (BDM 18) • Payout Policy (BDM 17) • Long-term Financing; raising Equity and Debt (BDM 23, 24) • Mergers & Acquisitions (BDM 28, and other material) <p>This content is subject to (minor) changes, due to actual circumstances, cases, guest speakers or others.</p>
Forms of teaching, methods and support	Teaching discussion, group work, student presentations, advanced studies
Type of Assessment in the Module and Performance Points	<p>Case Study: 40 Performance points, group work, during the course</p> <p>Presentation Academic Article: 40 Performance points, group work, during the course</p> <p>Written Exa: 40 Performance points, individual work, closed-book, end of the course.</p>
Recommended Literature	<p><u>Course material:</u> Slides will be provided to accompany the lecture, and are posted on the course web site prior to the class.</p> <p><u>Recommended literature:</u> Berk, Jonathan and DeMarzo, Peter:</p> <ul style="list-style-type: none"> • Corporate Finance, 2013, 3rd edition, Pearson Education Limited