

## Introduction to Corporate Finance

<b>Course Title</b>	Introduction to Corporate Finance		
<b>Course Code</b>	FIN305	<b>Course Type</b>	Core Business
<b>Credit</b>	3	<b>Contact Hours</b>	45
<b>Prerequisites</b>	None	<b>Co-Requisites</b>	None
<b>Duration</b>	15 weeks	<b>Class Type</b>	Lecture

SolBridge GACCS Objectives	%	Learning Objectives
1. Global Perspective	50	Upon completion of this introductory course, students will be expected to: explain and apply the theory of time value of money; understand asset pricing models; understand the role of risk and explain portfolio theory; explain the efficient market hypothesis; analyze financial statements to determine management effectiveness; analyze capital structures; develop and analyze cash budgets to establish cash management policies; develop working capital policies; analyze and critique inventory management; analyze and critique accounts receivable management. These objectives are consistent with the objectives of the SolBridge International School of Business.
2. Asian Expertise	15	
3. Creative Management Mind	15	
4. Cross Cultural Communication	5	
5. Social Responsibility	15	

### Course Description

The purpose of the course is to make the students familiarize themselves with the basic aspects of corporate finance with a view to maximizing firm value. The course is an introduction to financial management with emphasis on how capital can be raised and allocated within the firm to the advantage of shareholders. Topics will include: financial statement analysis, short-term financial planning, working capital management, evaluation of investment projects, and measurement of the opportunity cost of capital, capital structure, and long-term financing.

### Learning and Teaching Structure

The class instruction will utilize a combination of lectures, class discussions and case studies. Assigned case studies will be required to be submitted by students during the course of the semester. We may also work on a few cases. For each week of class, problems from the textbook or other problems will be assigned. Solutions to these problems will be placed online. If needed, some of these problems may be solved in class during face to face meetings. Emphasis is placed on the sharing of ideas and the seeking of solutions to managerial problems within a finance environment. Therefore, your commitment to attending classes regularly, participating actively in class discussions, and preparing assignments conscientiously is of utmost importance.

Assessment	%	Text and Materials
Attendance	20	Title: Corporate Finance: Core Principles and Applications Edition: 4th Edition (2014) Authors: Stephen Ross, Randolph Westerfield, Jeffrey Jaffe, and Bradford Jordan Publisher: McGraw Hill – Irwin
Case Projects	10	
Research Project	10	
Midterm Examination	25	
Final Examination	35	

### Course content by Week

1	Introduction to the Course, Introduction and Overview of Corporate Finance
2	Financial Statements, Taxes and Cash Flow
3	Financial Statement Analysis
4-6	Discounted Cash Flow Valuation and Problems worked out in class
7	Interest Rates and Bond Valuation
8	Valuing Stocks
9-10	Review and Midterm Exam
11	Risk and Return: Lessons from Market History
12	Risk, Cost of Capital, and Capital Budgeting
13	Real Options Corporate Financial Decisions and Efficient Capital Markets Capital Structure: Basic Concepts
14-15	Review and Final Exam