# . – Corporate Finance

## Prof. Francesca Pampurini

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to supply the basic elements for understanding the main types of corporate finance decisions, with reference to both investment and financing. The course combines (i) the strength of theory and core techniques in relation to corporate finance instruments for asset and liability management (namely, debt and capital instruments, capital budgeting, investment valuation and pricing of risks) and (ii) the realities of corporate operations and concrete ways for running the financial areas of Italian companies.

At the end of this course the student will be able to:

* recognise and understand the most important financial issues regarding the life of a company and to supply an interpretation from the standpoint of both the party financed and the party providing the financing;
* formulate analyses measure the benefits and risks of the most important financial decisions, with particular reference to investment projects and capital budgeting;
* identify and measure the main risks financial in investment projects.

***COURSE CONTENT***

* -Time value of money.
* Interest rates.
* Introduction to net present value method.
* Valuation of investment project and alternative criteria with net present value method.
* Valuation of equity securities, bonds and business assets.
* Capital markets and pricing of risk.
* Risk-return ratio.
* Opportunity cost of capital and capital budgeting.

***READING LIST***

R. Brealy-S. Myers-F. Allen-S. Sandri, *Principi di finanza aziendale 1*, last edition, McGraw-Hill.

The syllabus with the chapters of the texts to be used for the course will be indicated at the outset of the course and published on the professor's web page.

***TEACHING METHOD***

The course contemplates lectures and assignments on the technical aspects of the course.

***ASSESSMENT METHOD AND CRITERIA***

The assessment of the knowledge and skills acquired by the students will be carried out with a written examination based on open end questions and numerical exercises. The exam will be graded in thirtieths (pass grade at least 18/30). Oral examinations will not be allowed.

The written examination will be evaluated taking into account the exactness and the quality of the answers and on the basis of the suitability of the language and the ability to explain statements, investigations and opinions.

***NOTES AND PREREQUISITES***

To attend this course students should have basic knowledge of financial mathematical topics related to interest rates, capitalization and annuities. Moreover, mathematical and statistical basic knowledge is required.

***OFFICE HOURS FOR STUDENTS***

Office hours are available on the web page of the professor: <http://docenti.unicatt.it/>