# Corporate Finance

## Prof. Massimo Giardina

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

To supply basic knowledge about:

– Financial analysis.

– Earnings, capital and financial aggregates of businesses.

– Financing options for businesses.

– Short-, medium- and long-term financing instruments.

– Extraordinary finance operations

At the end of the teaching, the student will be able to:

– Identify the quantities present in a company.

– To recognize the optimal pro tempore solutions to implement by the enterprise in order to reach the attainment of the economic and financial balances.

– to distinguish the peculiarities of ordinary and extraordinary finance transactions.

– Describe the optimal operations deriving from the performed analysis

– To express an opinion on the adequacy of the made solutions.

***COURSE CONTENT***

Section 1

– Corporate finance options

– Reclassification of the balance sheet and income statement.

– Indicators of profitability, liquidity and capital solidity.

– Trend of financial flows.

– The concept of working capital.

– The concept of weighted average cost of capital (WACC) and financial leverage.

Section 2

– Overdraft investigation and the Risk centre.

– Payment instruments and instruments for collection of receipts.

– Current account credit facility, bill discounting, and advances against invoices.

– Factoring.

– The financing of fixed capital: mortgages, financial leases, operating leases.

Section 3

– Business crisis

– The process of stock market listing.
– Private Asset tools

– Leveraged buyouts.

***READING LIST***

Material supplied by the professor in class and accessible on the professor's personal web page.

M. Giardina *Corso di Finanza Aziendale.* Taken from*:*  M. Dallocchio, A. Salvi*, Finanza Aziendale;* G. Forestieri*, Corporate & Investment banking;* EGEA, Milan (only available at “Vita e Pensiero” bookshop).

G. Forestieri, *Corporate & Investment banking,* Egea, Milan.

M. Borroni-M. Oriani, *Le operazioni bancarie,* Il Mulino, Bologna, last edition.

***TEACHING METHOD***

Lectures and possible testimonies of operators in the sector.

***ASSESSMENT METHOD AND CRITERIA***

Assessment is by oral exam: For question one, the lecturer will choose to address either section two or three of the course, and the candidate will then choose the topic of discussion from within this section. Question two will focus on a topic chosen by the lecturer from the section not addressed in question one. Question three will address section one of the course. All questions are weighted equally.

The final mark will be out of 30 and reflect the accuracy and quality of candidates’ responses (70%), as well as the communicative skill, ability to justify statements, analysis and judgment demonstrated during the exam.

The lecturer may choose to give the examination in written form adopting the same standards as the oral exam.

***NOTES AND PREREQUISITES***

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.