# Corporate Finance

## Prof. Paolo Fiorillo

***COURSE AIMS AND EXPECTED LEARNING OUTCOMES***

This course aims to provide the basic elements for understanding the main types of corporate finance decisions, with reference to investment and financing choices and capital structure composition. The course combines (i) the strength of theory and core techniques in relation to corporate finance instruments for valuation and (ii) their practical implementation on quantitative data from real financial statements in order to provide a fair evaluation of firms.

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;
* analyse and measure the benefits and risks of the most important financial decisions;
* apply the main techniques to evaluate a firm and its capital.

***COURSE CONTENTS***

* Time value of money, interest rates and opportunity cost of capital.
* Introduction to net present value method and IRR.
* Introduction to financial statement analysis.
* Valuation of bonds, equity securities and business assets.
* Firms’ capital structure in terms of equity-debt composition
* Firms’ valuation from the point of view of shareholders and stakeholders.

***READING LIST***

The syllabus and the textbook will be indicated at the outset of the course and published on the professor's web page.

“Brealey R., Myers S., Allen F. and Edmans A., 2023. *Principles of Corporate Finance*, 14th Edition”. Reference chapters will be indicated by the teacher. Additional material (slides and notes) will be delivered via Blackboard

***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***

To attend this course students should have basic knowledge of financial mathematics and statistics. It will also be useful a basic knowledge of financial instruments (such as bonds and stocks) and financial statements (balance sheets).

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