

## Syllabus

### Course description

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| <b>Course title</b>               | <b>ADVANCED CORPORATE FINANCE</b> |
| <b>Course code</b>                | <b>25401</b>                      |
| <b>Scientific sector</b>          | SECS-P/09                         |
| <b>Degree</b>                     | LM-77 Accounting and Finance      |
| <b>Semester and academic year</b> | 2nd semester 2022-2023            |
| <b>Year</b>                       | 1                                 |
| <b>Credits</b>                    | 9                                 |
| <b>Modular</b>                    | No                                |

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| <b>Total lecturing hours</b> | 54  |
| <b>Total lab hours</b>       | -   |
| <b>Total exercise hours</b>  | -   |
| <b>Attendance</b>            | Highly recommended, but not compulsory.   |
| <b>Prerequisites</b>         | Financial analysis, corporate finance or any introductory course in finance that covers basic concepts in financial analysis, capital budgeting and firm valuation.               |
| <b>Course page</b>           | <a href="https://www.unibz.it/en/faculties/economics-management/master-accounting-finance/">https://www.unibz.it/en/faculties/economics-management/master-accounting-finance/</a> |

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| <b>Specific educational objectives</b> | <p>Advanced Corporate Finance is a first-year course for students attending the M.Sc. in Accounting and Finance. The course is designed to provide an advanced background to capital structure and capital raising transactions. We will start by understanding the financing needs of a corporation (demand-side approach) to how these needs can be satisfied by investment banks and commercial banks (supply-side approach). A set of key concepts and theories will be developed and employed throughout the course.</p> <p>After completing this course, students should be able to:</p> <ul style="list-style-type: none"> <li>-Describe and understand the various types of financial instruments used to finance firms.</li> <li>-Describe and understand the practical steps involved in raising corporate financing.</li> <li>-Suggest a suitable capital structure for any firm.</li> </ul> |
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|  | -Critically evaluate the effects of information and agency problems on the firms' financial policies and capital structure. |
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| <b>Lecturers</b>                    | Per Linus Siming<br>Office SER E408<br><a href="mailto:perlinus.siming@unibz.it">perlinus.siming@unibz.it</a><br><br><a href="https://www.unibz.it/en/faculties/economics-management/academic-staff/person/40068-per-linus-siming">https://www.unibz.it/en/faculties/economics-management/academic-staff/person/40068-per-linus-siming</a>                |
| <b>Lecturers' Scientific sector</b> | 13/B4 - SECS-P/11   |
| <b>Teaching language</b>            | English   |
| <b>Office hours</b>                 | 27 hours scheduled  |
| <b>Lecturing assistant</b>          | -   |
| <b>Teaching assistant</b>           | -   |
| <b>List of topics covered</b>       | Capital structure in perfect and imperfect financial markets; Capital structure trade-offs; Debt and equity holder conflicts; Mechanics of raising equity and debt financing; The role of financial institutions such as banks and institutional investors in financing firms; Capital raising transactions such as initial and seasoned public offerings |
| <b>Teaching format</b>              | Frontal lectures and case study discussions.  |

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| <b>Learning outcomes</b> | <p><b>LEARNING OUTCOMES:</b></p> <p><u>Knowledge and understanding:</u></p> <ul style="list-style-type: none"> <li>• Knowledge and understanding of the methodologies necessary for analyzing corporate financial decisions. Students will learn how to compare the costs and benefits of alternative financing solutions and be able to propose and defend the different solutions.</li> </ul> <p><u>Applying knowledge and understanding:</u></p> <ul style="list-style-type: none"> <li>• Ability to use modern finance theory, financial models and analysis applied to capital raising decisions. Understanding how financial markets and intermediaries work to supply capital to business activities.</li> </ul> <p><u>Making judgement:</u></p> <ul style="list-style-type: none"> <li>• Ability to use the adequate tools in the analysis of complex situation and in making decisions.</li> </ul> |
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|  | <p><u>Communication skills:</u></p> <ul style="list-style-type: none"> <li>• Ability to communicate the results of complex analyses also to non-experts.</li> <li>• Ability to analyze and think about sound capital raising decisions, and to defend these decisions with analytical reasoning.</li> </ul> <p><u>Learning skills:</u></p> <ul style="list-style-type: none"> <li>• Ability to search for and find the financial and economic information necessary to make informed decisions as a financial manager, financial advisor or consultant</li> </ul> |
| <b>Assessment</b>  | <p>The assessment is the same for both attending and non-attending students. Grades are entirely based on a final closed-book written exam. Students have the possibility to sit a voluntary mid-term exam that can account for part of the final exam.</p>   |
| <b>Assessment language</b>                                 | English   |
| <b>Evaluation criteria and criteria for awarding marks</b> | <p>The exam structure will include multiple-choice questions, open-ended questions, and quantitative problems. Marks for quantitative questions will be awarded based on the correctness of calculations. Marks for open-ended and analytical questions will be awarded based on how well the argumentation/reasoning links to the course-concepts. Full marks for multiple-choice questions will be given if the correct option was selected.</p>  |
| <b>Required readings</b>                                   | <p>Jonathan Berk &amp; Peter DeMarzo, "Corporate Finance", Pearson (any edition can be used).</p> <p>Xavier Giroud, Holger M. Mueller, Alex Stomper &amp; Arne Westerkamp, "Snow and Leverage", The Review of Financial Studies, Volume 25, Issue 3, March 2012, Pages 680–710 (available through the library).</p>   |
| <b>Supplementary readings</b>                              | <p>David P. Stowell, "Investment Banks, Hedge Funds, and Private Equity", Elsevier (any edition can be used).</p>   |