

Syllabus CDHK					
Faculty	Economics and Management, Sino-German School for Postgraduate Studies (CDHK)				
Title	Corporate Finance				
Course Form	Lecture <input checked="" type="checkbox"/>	Exercise <input type="checkbox"/>	seminar <input type="checkbox"/>	Workshop <input type="checkbox"/>	Others <input type="checkbox"/>
Semester	Year 2017	SS <input checked="" type="checkbox"/>	WS <input type="checkbox"/>		
Responsible	Mr. XU Qin		Lecturer: Mr. XU Qin		
Contact data	Email: Xu.Qin@tongji.edu.cn		Tel./Fax.: -		
Consulting Hour	By appointment				

### 1. Date/Time/Room

Siping Campus

### 2. Learning Target

This is a finance course that is required for the students majoring in Business or Management Science. It is therefore designed to cover those areas of finance that are important to all future managers whether they specialize in finance or not. At the end of the course you will be able to value a firm, and hence, have a good understand of various financial decisions adding value to the firm.

We emphasize both principles and their applications, as opposed to pure theorizing or mindless number calculating. That is to say, you should not only understand various principals and methods in the unifying framework of the Law of One Price, but also develop problem-solving skills based on a good understanding of the relevant principals and methods, as well as the underlying business environment.

*The course covers...(in% - Sum = 100)*

<i>Prof. competence</i>	50	<i>Method. competence</i>	50	<i>System competence</i>	0	<i>Social competence</i>	0
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### 3. Course Content Description

This course covers the following topics: General framework for valuation; The free cash flow method for firm valuation; Risk and return and estimation of cost of capital; Valuation of leveraged firms.

Course Schedule:

Week 1: Financial Decision Making and The Law of One Price

Week 2: The Time Value Of Money

Week 3: Valuing Bonds

Week 4: investment decision rules

Week 5: no course

Week 6: fundamentals of Capital budgeting

Week 7: valuing Stocks

Week 8: midterm exam

Week 9: optimal Portfolio Choice and the Capital asset Pricing model

Week 10: Estimating the Cost of Capital



Week 11: investor behavior and Capital market Efficiency  
 Week 12: Capital Structure in a Perfect market  
 Week 13: debt and Taxes  
 Week 14: financial distress, managerial incentives, and information  
 Week 15: Payout Policy  
 Week 16: Capital budgeting and valuation with leverage  
 Week 17: valuation and financial modeling: a Case Study  
 Week 18: Final exam

#### 4. Language

English

#### 5. Workload

Readings: 16 hours  
 Lectures: 24 hours  
 Home Assignments: 16 hours  
 Exams: 4 hours  
 Total: 60 hours

<i>ECTS Credit Points</i>	2 ECTS
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#### Note:

The European Credit Transfer and Accumulation System (ECTS) is a student-centered system based on the student workload required to achieve the objectives of a program of study. One ECTS stands for around 30 working hours. Student workload in ECTS consists of the time required to complete all planned learning activities such as: attending lectures, seminars, laboratory classes; independent study; preparation of projects, dissertations, examinations and so forth.

#### 6. Exam Form

The final grades would be calculated according to the following weights: Class Participation, 10%; Written assignments, 20%; Midterm exam, 30%; Final exam, 40%.

##### **Class Participation (10 points)**

Students are expected to be prepared for every class and participate in class discussions. Students should have thoroughly prepared any assigned problems or cases, reviewed previous lecture notes, and be willing to answer and ask questions during class. Sharing your expertise when relevant is good participation, as is asking questions that help other class members.

Every absence without any acceptable reasons cost you 2 credit points; every absence with good reasons would cost you 1 credit point. If your absence points were over 5, you'll get a final grade of FAIL.

##### **Home or in-class written Assignments (20 points)**

In-class assignments may take place occasionally, mostly for the purpose of checking absence.

Home assignment sets (problems or cases) would be send to you at least one week before the due date of your submitting the solutions via email. You may be required to give an oral presentation in class.

##### **Midterm and final Exams (30 points and 40 points, respectively)**

Both exams are closed-book exams, except that software like excel can be allowed to calculate during the exams. Both exams must be taken on time, there are no make-up exams. Student ID must be written on the papers.



### Re-grading policy

Mistakes can be made in grading. If you believe that there has been a significant mistake in the grading of your assignments or exams, you should contact me via emails within one week after the receipt of the grade. You should explain to me in detail where and why you think the grading was done incorrectly. I will re-grade your entire assignment or exam, so your grade may go up or down as a result.

### Extra Bonus

You can earn up to 5 extra credit points by submitting your original research papers in the field of corporate finance before the final exam. But your overall credit points will be no more than 100.

### Academic dishonesty or Cheating

If you were caught cheating in one exam (midterm or final), or if your submitted original research paper were proved to be plagiarizing, you will automatically FAIL the course. No excuses!

Academic dishonesty takes place whenever a student attempts to take credit for work that is not his/her own or violates test-taking rules. Examples of academic dishonesty during test taking include looking at other student's work, passing answers among students or using unauthorized notes. When students sitting next to each other have identical answers, especially the same mistakes, this may indicate academic dishonesty.

### 7. Literature, Scripts

Print-material available?	<input checked="" type="checkbox"/>	Not required but recommended text book	Jonathan Berk and Peter DeMarzo. Corporate finance, 3rd edition, Global edition, Pearson, 2014.
Digital material available?	<input checked="" type="checkbox"/>	through email	Including lecture notes, assignments, etc.

**Obligatory Lecture:** No.

### 8. Others

#### Prerequisite

principal of accounting, and a little probability and statistics.

#### Changes to the syllabus

Changes to the syllabus may be made during the term – students are responsible for attending class and being aware of any relevant changes.