

Vesalius College
Course description

Course title: (Corporate) Finance

Course code: BUS 321E

Teacher responsible: Prof. dr. Joël Branson

Course description:

The course is organised around the theme of shareholder wealth maximisation for private sector companies. All financial decisions are linked to the impact they have on the value of the firm. The course starts with a discussion of the theory of valuation (for both fixed income and equity securities, emphasising the role of risk). Later on, it provides tools for financial analysis and forecasting, covers some theoretical and practical aspects of the capital investment decision and deals with the determinants of optimal capital structure and cost of capital. Also, ways of managing working capital efficiently are described in detail. Finally, attention is paid to international financial management topics, corporate restructuring problems and latest developments.

Course objectives:

Companies have to be careful in the allocation of their resources. Students must learn to understand these constraints and adopt techniques to manage them, thus achieving the objectives of the organisation in the most efficient manner. The major objective of this course is to provide the theory and tools essential to the analysis and the solution of those problems that have significant financial consequences for a typical company. Whether students choose a career in finance or do not choose to major in this field, they will always be confronted with important financial decisions. For lots of these decisions, the things learned in this course may give them a useful edge over the uninformed majority.

Grade weighting scheme:

Attendance and participation	10%
Homework assignments	15%
Presentation	10%
Paper	10%
Midterm exam	20%
Final exam	35%

Used course material (handbooks, readers, readings, newspapers, magazines) and references:

The textbook for the course is:

James R. McGuigan, William J. Kretlow and R. Charles Moyer, *Contemporary Financial Management*. Tenth Edition. Thomson South-Western, 2006.

Other course material – if applicable- is distributed either via Pointcarré or in class.