

# UNIVERSITÀ DEGLI STUDI DI MILANO-BICOCCA

#### **COURSE SYLLABUS**

### **Corporate Finance**

2324-1-F1601M052

#### Learning objectives

The course aims to develop basic knowledge and skills necessary to operate as a financial analyst professional in the investment community or as a financial manager in the corporate sector.

Beyond basic principles of the discipline, the course will focus on more specific topics, namely business valuation, merger & acquisitions problems and IPO that can help students complete their competences on private equity or corporate banking professional world.

#### **Contents**

The course is based on two main parts.

The first one deals with corporate finance basics covering topics from traditional accounting financial analysis to cost of capital and Modigliani Miller Theorems.

The second part focuses on more advanced topics considering business valuation methods and mergers and acquisitions

#### **Detailed program**

**First Part:** 

Corporate Finance basics:

Industrial and service firm financial function;
Traditional financial analysis (accounting driven);
Cash flows analysis;
Financial planning ;
"Value driven" financial analysis;
Hidden assets: Goodwill and intangibles asset;
Corporate cost of capital; Modigliani & Miller theorems (M&M);
Optimal corporate financial structure
Second part:
Firm and business valuation:
Discounted cash flow method;
Asset side method (enterprise value method);
Equity side method;
Relative valuation with equity multiples;
Equity side multiples;
Asset side multiples
Advanced Corporate finance topics:
Mergers & Acquisitions (M&A) and corporate external growth; <i>Takeover process</i> : basic principles;
Empirical evidence on M&As: what we can learn from financial markets;
M&A fundamentals: acquisition premium and synergies;
External growth dilution effect ;
M&A funding;
M&A financial planning.

## **Prerequisites**

Basic knowledge of accounting.

Basic knowledge of statistics and financial mathematics

Teaching methods
Face-to-face lectures
Case studies
Assessment methods
The final examination is a written exam with five open questions. The maximum grade for each question is 6 points
The final grade is the sum of the grades obtained in each question.
Textbooks and Reading Materials
First part:
D. Watson, A. Head, G. Mantovani, E. Rossi, Corporate Finance. Principles and Practice in Europe, Pearson Italia 2017.
Second part:
A. Damodaran, Damodaran on Valuation. Security Analysis for Investment and Corporate Finance, 2nd Edition John Wiley and Sons, 2006.
Slides and readings posted on the course web pages.
Semester
First semester
Teaching language
Italian

**Sustainable Development Goals** 

INDUSTRY, INNOVATION AND INFRASTRUCTURE