



UNIVERSITÀ  
DEGLI STUDI DI MILANO-BICOCCA

## COURSE SYLLABUS

### Corporate Finance And Financial Analysis - 2

2526-2-E1803M104-T2

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#### Learning objectives

The course introduces the fundamentals of the discipline by reviewing the core principles of corporate finance theory necessary to understand how finance operates within non-financial firms.

In terms of **knowledge and understanding**, students will:

- acquire a solid theoretical foundation on key concepts of corporate finance (such as capital structure, cost of capital, net present value, risk and return, etc.);
- develop greater awareness of the financial issues faced by firms in their relationship with the banking system, with particular attention to the perspective of the bank's client.

In terms of **applying knowledge and understanding**, by the end of the course students will be able to:

- critically analyze major corporate financial decisions, also through basic quantitative tools;
- interpret the dynamics of the bank–firm relationship, assessing financial strategies and choices based on real or simulated cases;
- use the acquired concepts to understand the logic behind funding requests and the evaluation processes carried out by financial institutions.

#### Transversal skills:

**Independent judgment:** Through exercises and case studies, the student will develop the ability to independently evaluate and analyze corporate finance issues

#### Contents

The course aims to develop basic knowledge and skills necessary to operate as a financial manager in the

corporate sector.

The course will focus on classic principles of the theory of corporate finance from corporate cost of capital to Modigliani & Miller theorems and optimal capital structure.

## **Detailed program**

The course develops the following program:

Industrial and service firm financial function;

Accounting financial analysis;

Cash flows analysis;

Financial planning ;

*Hidden assets:* Goodwill and intangibles asset;

Capital budgeting;

Capital Asset Pricing Model:

Corporate cost of capital; Modigliani & Miller theorems (M&M);

Optimal corporate financial structure,

## **Prerequisites**

Basic knowledge of accounting.

Basic knowledge of statistics and financial mathematics

## **Teaching methods**

Teaching method are the following:

Face-to-face lectures (40 hours )

Recorded lectures (delivered on line) (16 hours)

Case studies are discussed in order to apply theoretical concepts of the course programme

## **Assessment methods**

The assessment method in the classe T1 (in which participants are divided according to the first letter of their surname: namely, letters A-Lh)) is a written exam with the following structure:

1. a set of closed end questions (multiple choice)
2. two open questions
3. one numerical exercise in which students apply and solve a given corporate finance problem.

## **Textbooks and Reading Materials**

D. Watson, A. Head, G. Mantovani, E. Rossi, *Corporate Finance. Principles and Practice in Europe*, Pearson Italia, 2017. Ch. 1-11

## **Semester**

Second semester

## **Teaching language**

Italian

## **Sustainable Development Goals**

INDUSTRY, INNOVATION AND INFRASTRUCTURE

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