



# UNIVERSITY OF NICOSIA

## ΠΑΝΕΠΙΣΤΗΜΙΟ ΛΕΥΚΩΣΙΑΣ

<b>Course Code</b> FIN-366	<b>Course Title</b> Corporate Finance	<b>Credits (ECTS)</b> 6
<b>Department</b> Economics and Finance	<b>Semester</b> Fall - Spring	<b>Prerequisites</b> FIN-266
<b>Type of Course</b> Required	<b>Field</b> Finance	<b>Language of Instruction</b> English
<b>Level of Course</b> Undergraduate	<b>Year of Study</b> 3 <sup>rd</sup> – 3 <sup>4th</sup>	<b>Lecturer(s)</b> Dr Sapuric Svetlana
<b>Mode of Delivery</b> Face-to-face	<b>Work Placement</b> N/A	<b>Co-requisites</b> None
<b>Recommended Optional Programme Components:</b> N/A		

### Objectives of the Course:

The main objectives of the course are to:

- Provide an overview of the key corporate finance principles.
- Understand how the principles of valuation, capital budgeting, risk, capital structure, dividend policy and long-term debts are used in Corporate Finance.
- Show how financial markets interact with the concept of Corporate Finance.
- Develop the ability to use the above underlying concepts in Corporate Finance.
- Use theory to address practical problem solving.

### Learning Outcomes:

After completion of the course students are expected to be able to:

1. Identify the importance and role of corporate finance.
2. Discuss how the analysis of financial statements can be used as an analysis tool in Corporate Finance.
3. Calculate and apply valuation techniques, advanced capital budgeting, return and risk techniques (using CAPM and Arbitrage principles).
4. Explain how to use debt in corporate capital structure including the issue of securities and other debt capital.
5. Examine the use of Options, warrants, convertibles, leasing and derivatives instruments as tools in corporate finance.
6. Identify the importance of dividend policy and its impact on corporate finance decisions.
7. Explain how mergers and acquisitions can be used and their implications to the long term capital of companies.

**Course Contents:**

1. Advanced bond and stock valuation.
2. Advanced capital budgeting.
3. Return and Risk. CAPM and Arbitrage Pricing method.
4. Corporate Financing.
5. Use of debt in capital structure.
6. Issuance of securities.
7. Advanced dividend policy.
8. Options, warrants, convertibles and leasing.
9. Derivatives.
10. Mergers and acquisitions.
11. Financing decisions and market efficiency.

**Learning and Teaching Methods:**

Lectures, Case Study Analysis and Discussion, In-Class Exercises, Homework Exercises, Assignment.

**Assessment Methods:**

Homework, Assignment, Mid-semester Exam, Final Exam.

**Required Textbooks/Reading:**

<b>Authors</b>	<b>Title</b>	<b>Publisher</b>	<b>Year</b>	<b>ISBN</b>
Richard Pike and Bill Neale	Corporate Finance and Investments	Prentice Hall	2006	0-273-69561-4

**Recommended Textbooks/Reading:**

<b>Authors</b>	<b>Title</b>	<b>Publisher</b>	<b>Year</b>	<b>ISBN</b>
Jonath Berk and Peter DeMarzo	Corporate Finance	Pearson Education	2008	0-321-41680-5
Marios Christou	Lecture Notes	University of Nicosia, Department of Finance and Economics	2009	