

Introduction to corporate finance

ECTS : 0

Description du contenu de l'enseignement :

Overview: This course aims to provide an in-depth understanding of the financial principles, practices and strategies used by corporate finance departments. The course is designed to prepare students to analyse financial decisions, evaluate financial performance and understand the implications of financial choices on the overall health of the business.

Sessions:

Session 1: Introduction to the concept of value creation and financial analysis(lecture: 3 hours)

Definition and importance of corporate finance

Maximising shareholder value

Reading and interpreting financial statements

Analysis of financial ratios: liquidity, solvency, profitability

Session 2: Investment decision (lecture: 3 hours)

Analysis of investment projects: NPV, IRR, payback period

Investment portfolio management

Session 3: Financing decision 1/2 (lecture: 3 hours)

Sources of financing: equity, debt and leverage effect

Cost of capital: cost of equity, cost of debt, weighted average cost of capital (WACC)

Session 4: Financing decision 2/2 (lecture: 3 hours)

Optimal capital structure: Modigliani-Miller, Hamada theories

Continuous assessment

Session 5: Company valuation 1/2 (lecture: 3 hours)

Valuation techniques: patrimonial approach, comparables method, Discounted Cash flow method (part 1)

Session 6: Company valuation 2/2 (lecture: 3 hours)

Valuation technique: Discounted Cash flow method (part 2)

Structuring of a Leverage Buy Out

Compétence à acquérir :

- Understand the fundamentals of corporate finance and their practical application
- Develop skills in financial evaluation and financial resource management
- Analyse a company's investment and financing decisions
- Understand the concepts of financial risk management
- Study financial strategies for maximising shareholder value

Mode de contrôle des connaissances :

20% continuous assessment and 80% final exam (after the last course: 2 hours)

Bibliographie, lectures recommandées :

Berk J. & DeMarzo P. (2020), *Corporate Finance*, Pearson

Brealey R. A., Myers, S. C. & Allen, F. (2017), *Principles of Corporate Finance*, Mc Graw Hill

Vernimmen P., Quiry P. & Le Fur Y. (2022), *Corporate finance*, Wiley

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