



# CORPORATE FINANCE

## General data

Course code:	B19GM17E
ECTS credits:	7
Type of the course:	Core course
Semester:	Fall, Semester 3
Course restrictions:	-
Course leader (with availabilities):	<b>Alexandra Posza, Dr.</b> <a href="mailto:poszaa@ktk.pte.hu">poszaa@ktk.pte.hu</a> +36 72 501 599/ 23141
Further lecturer(s) (with availabilities):	

## 1. Description and aims

The module aims to provide students with deepened knowledge and skills to equip them for a career in finance. It also develops the student's competence in applying a range of financial analytical skills and valuation techniques, helps students understand the complexity of financial statements and enhances the development of the students' existing skills base, allowing for a cumulative learning experience.

## 2. Intended Learning Outcomes (ILOs)

Upon the successful completion of this course, students should be able to:

1. Explain the development of financial theories (*PILO1*);
2. Analyse risks embedded in operating, investment and financial decisions (*PILO2*);
3. Evaluate the results of financial statement analysis, capital budgeting, and security valuation models (*PILO3*);
4. Assess the applicability and the limitations of financial models in practice(*PILO2*);
5. Deduct effective small-scale research (library use, information elicitation and handling, etc.) (*PILO4*);
6. Test and analyse financial models and theories on datasets (*PILO3*);
7. Assess metrics to cope with uncertainty in financial decision making(*PILO3*);

*(The remarks in brackets express each CILO's connection to the Program Intended Learning Outcomes (PILOs).)*

## 3. Content, schedule

The discussion of topics is divided into the following topics, and the related core learning material is displayed in the bracket:

1. Introduction to Finance (1)
2. Time Value of Money (1)
3. Risk and Return (1)
4. Bond Valuation (1)



5. Stock Valuation (1)
6. Cost of Capital (WACC) (1)
7. Capital Budgeting (1)
8. Financial Statement Analysis and Growth (2)
9. Working Capital Management (2)
10. Capital Structure and Leverage (2)
11. Dividend Policy (2)
12. Green and Sustainable Corporate Finance (SCF) (3)

### 13. Learning and teaching strategy, methodology

*Principal teaching methodologies: lecture, in-class discussion, case study analysis, quizzes, step by step solution of exercises during the seminars, live business cases*

There are key elements in this module, which use a range of different strategies to achieve the objectives: The teaching session enables students to understand theoretical and analytical material (CILO1, CILO2). The projects and case studies provide opportunities for students to practice skills (CILO3, CILO4) and apply knowledge developed during the session (CILO6, CILO7), deepening theoretical background and critical thinking (CILO5).

### 14. Assessment

*Formative assessment elements:* Oral feedback on in-class activities, discussion of the solution of practice exercises solved during the classes, review of the links between security valuation and capital budgeting (Project 1), feedback on model application errors (Project 2), feedback on research topic proposition (Project 3).

*Summative assessment elements:*

Individual Assessment		100%	Group Assessment		0%	
Name of the element	Weight	Type	Details	Retake opportunity	Req.*	Related CILOs
Project 1	20%	coursework	In-class task based on topics 4-7, written, individual work	one retake opportunity	No	2,3,4,6,7
Project 2	20%	coursework	In-class task based on topics 8-11, written, individual work	one retake opportunity	No	2,3,4,6,7
Project 3	10%	coursework	A literature survey based on topic 12 (minimum ten citations, use of academic databases), written, individual work	No	No	5
Final exam	50%	exam	Final exam based on topic 1-11, length of exam: 1,5 hours	one retake opportunity	yes	1, 3, 6

\* Req.: Completion of the element is required to pass the course, irrespective of the performance in other elements.



## 15. Learning materials

### Essential

1. BERK, J. - DEMARZO, P. - HARFORD, J. (2014), Fundamentals of Corporate Finance. Pearson. 3<sup>rd</sup> edition, global edition.
2. KUTI, M. (2016): Financial Analysis, e-book, University of Pécs, Faculty of Business and Economics.
3. SACHS, J. D. – Woo, W. T. – Yoshino, N. - Taghizadeh-Hesary, F. (2019): Handbook of Green Finance. Springer.

### Recommended

1. Damodaran, A. (2011): Applied Corporate Finance. Wiley.
2. Brealey, R. A. – Myers, S. C. (2003): Principles of Corporate Finance. McGraw-Hill. 7<sup>th</sup> edition.
3. Thompson, S. (2021): Green and Sustainable Finance: Principles and Practice. Kogan Page. 1<sup>st</sup> edition.

## 16. Further information

<b>International</b> aspects embedded with the course
Theoretical models, Global edition book, international case studies and case examples during the class
<b>Ethics, Responsibility &amp; Sustainability (ERS)</b> aspects embedded with the course
One topic of the module is dedicated to sustainability (green and sustainable corporate finance), and the module's topics explicitly contain ethical and social aspects. One of the case studies focuses on impact investing. Theoretical models, ERS aspects of the topics international case study, international case examples during the class, Students create a literature survey about Green and Sustainable Finance (Project 3)
<b>Connections to the world of practice</b> of the course
Guest speakers demonstrate how companies manage business finance in practice; case studies; Students analyze companies' financial performance by using real data that are collected by the students from databases.