



University of International Business and Economics
International Summer Sessions

FIN 340: Corporate Finance

Term: 18 December 2017 – 08 January 2018

Instructor: Xiaofei Pan

Position: Senior Lecturer, University of Wollongong

Academic appointments:

Senior Lecturer, University of Wollongong, Australia

Email: xpan@uow.edu.au.

Class Hours: Monday through Friday, 100 minutes each day

Office Hours: Available by appointment

Teaching Assistant: TBA

Email: TBA

Total Contact Hours: 64 contact hours (45 minutes each, 48 hours in total)

Credit: 4 units

Course Description

This subject examines advanced aspects of the financial management of corporate resources with an emphasis on issues in financial planning and strategy. Topics include firm governance and the role of shareholders and stakeholders, the management of corporate debt and equity, mergers and acquisitions, financial distress and restructuring, and financial architecture and strategies. Special attention is given to the increasing complexity of the business environment and departure from the assumptions of an ideal capital markets.

Course Goals:

This course aims to achieve the following:

1. Demonstrate competence in applying modern corporate finance theory to financial management of corporate resources, financial planning and strategies in real world.
2. Demonstrate an understanding the increasing complexity of the real business environment and departure from the assumptions of an ideal capital markets.
3. Develop and construct corporate financial policies and management strategies, including the

management of corporate debt and equity, mergers and acquisitions, financial distress, restructuring and financial architecture and strategies.

4. Demonstrate the application of the techniques involved in corporate financial management and strategic development.

Required Texts:

Ross, S.A., Westerfield, R.W., Jaffe, J., Lim, J., Tan, R., Wong, H., 2015. Corporate Finance. Asia Global Edition, McGraw Hill.

Attendance: Required

Grading Policy:

Your final grade for the course will be calculated in the following way:

20%	In-session tests (two tests scheduled in classes)
20%	Group assignment
60%	Final exam (Individual)

Grading Scale:

Assignments and examinations will be graded according to the following grade scale:

A	90-100
A-	85-89
B+	82-84
B	78-81
B-	75-77
C+	72-74
C	68-71
C-	64-67
D	60-63
F	below 60

General Expectations:

1. Research skills

A sound knowledge of advanced corporate finance is required. To capture this knowledge you will need to access credible information and apply this to your assignment and presentation. Your ability to demonstrate your understanding of key challenges will depend on how you decipher and evaluate the information these sources provide. Critical analysis of your research findings is essential.

2. Strategic thinking and communication skills

To effectively develop programs that assist managers to achieve their operational objectives you will need to apply corporate finance frameworks strategically and communicate with stakeholders effectively.

For this course, you will be required to present your work in a manner that demonstrates your capacity to understand and make decisions of financing, investment and production.

You will be required to reference your work and apply the corporate finance frameworks presented in the course.

3. Class participation

This class is designed to be interactive. In other words, your opinion will be requested in class - please be prepared to participate. Class discussion is essential to you successfully completing this course as it provides an opportunity for me to provide you with feedback and creates a platform to discuss key components of the course in-depth. To effectively participate in class please read the material provided prior to each session.

When we discuss issues in class please listen carefully to the person presenting their view – this will help you learn from each other's experiences.

The Course Schedule is presented on the following page.

Monday, 18 December 2017	Capital budgeting
Tuesday, 19 December 2017	Capital budgeting (Continue)
Wednesday, 20 December 2017	Risk and return analysis
Thursday, 21 December 2017	Asset pricing models
Friday, 22 December 2017	Cost of capital
Monday, 25 December 2017	Capital structure
Tuesday, 26 December 2017	Discussions about the group assignment In-session test
Wednesday, 27 December 2017	Firm valuation
Thursday, 28 December 2017	Dividend payout policy
Friday, 29 December 2017	Raising capital
Tuesday, 2 January 2018	Leasing
Wednesday, 3 January 2018	Option and corporate finance In-session test
Thursday 4 January 2018 Group assignment due and to be submitted at the beginning of class.	Merger and acquisition
Friday 5 January 2018	Financial distress
Monday 8 January 2018	International finance Financial revisions

Readings and materials:

1. Copeland, T., Weston, J. and Shastri, K. (2004)
Financial Theory and Corporate Policy: International Edition, 4/e, Pearson.
2. Emery and Finnerty,
Corporate Financial Management, Prentice-Hall, Inc., Upper Saddle River, NJ, 1997.
3. Frino, A., Kelly, S., Comerton-Forde, C., Cusack, T. and Wilson, K., 2004,
Introduction to Corporate Finance, 2nd ed., Pearson/Prentice Hall, Sydney.
4. Grinblatt, M. and Titman, S (2002)

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- Financial Markets and Corporate Strategy*, 2nd ed. McGraw-Hill-Irwin.
5. Knox, D. M., Zima, P. and Brown, R. L. 1999,
Mathematics of Finance, 2nd ed., Irwin/McGraw Hill, Sydney.
6. Peacock, R. et al, 2003,
Financial Management, 3rd ed., Prentice Hall, Sydney
7. Peirson, G., Brown, R., Easton, S. and Howard, P. 2002,
Business Finance, 8th Edition, McGraw Hill, Sydney.