

Corporate Finance (GTÜPZ228MA, GTÜPZ1031AB)

for regular students

Syllabus
2017/18 II. semester

Topic

Week/ date	Content of lectures
13/02/2018	Importance of finance in a company, the task of a financial manager
20/02/2018	Analysis of the financial report. The structure of balance sheet and income statement
27/02/2018	Cash flow and ratio analysis
06/03/2018	Static and dynamic investment appraisal methods (NPV, IRR, Payback, Annuity, ARR)
13/03/2018	Drawback and advantages of dynamic methods. Practical issues of investment decisions 1. (capital constraints, working capital)
20/03/2018	Rector holiday
27/03/2018	Practical issues of investment decisions 2. (inflation, timing, lifetime, sophisticated capital allocation methods, WACC calculations)
03/04/2018	Dean holiday
10/04/2018	NPV modell, Investment decisions in an uncertain world - sensitivity analysis
17/04/2018	Principles of financing (MM views, MM-I, MM-II)
24/04/2018	The interaction between investment and financing decisions (ANPV, Miles-Ezzel formula, MM formula)
01/05/2018	National holiday
08/05/2018	Short presentations of financial report 1
15/05/2018	Short presentations of financial report 2

Week/ date	Content of seminars
13/02/2018	Balance sheet and income statement
20/02/2018	Cash flow and ratio analysis Profitability, liquidity and efficiency ratios
27/02/2018	Static investment appraisal methods
06/03/2018	Dynamic investment appraisal methods
13/03/2018	Replacement case study Visnu, Hammid case study
20/03/2018	Rector holiday
27/03/2018	Superinvest case study, Sensitivity case study
03/04/2018	Dean holiday
10/04/2018	Deduction of MM-I
17/04/2018	Lease or buy case study Operational and financial leverage
24/04/2018	Liquid case study
01/05/2018	National holiday
08/05/2018	Baumol, Wilson case study, Debtor's limit case study Profitability of deal
15/05/2018	Case evaluation (marketing campaign, factoring, discount)

Compulsory literature:

TAMOP literature from Corporate Finance

Brealey/Myers: Principles of Corporate Finance

Slides and supplementary readings available at website of department http://gtk.uni-miskolc.hu/uzleti/letoltesek?file_category_id=275&order_type=NAME&view_type=GRID

Offered readings:

Aswath Damodaran: Corporate Finance

Course Assignment

- Prerequisite: Attendance min 70% of total lectures
- Analysis of a financial report (20 points) – 5 points for a word document + 10 points for Excel spreadsheet + 5 point for short presentation You should reach at least 11 points for signature
- Written one exams with Excel at the computer room of Intitute in the examination period (40 points) Maximum 30% of total score comes from theoretical questions, minimum 70% comes from examples. Total score: 60 points
- Evaluation: 0-40 (1) unsatisfactory, 41-50 (2) satisfactory, 51-60 (3) average, 61-70 (4) good, 71-80 (5) excellent

Miskolc, February 5, 2018

Structure of financial report analysis

1. Please choose a registered company from the premim category from your native country and choose a benchmark company.
2. The benchmark company should be a big, well-known international company from the same industry as your chosen company, and its share should be registered in a Stock Exchange.
3. Download their last annual report of these two companies from their website and create an excel sheet by typing the required data (balance sheet and income statement from the current and previous year) into separate worksheet (one for the home company, one for the international one).
4. Make the cash flow and ratio analysis of the chosen companies and determine the “d” indicator.
5. By the P/E ratio please determine the current share value of the home company.
6. Present your results