APPLIES TO ACADEMIC YEAR 2015/2016

GRA 6541 Advanced Corporate Finance

Programme
Master of Science in Business, Master of Science in Business (Finance), Master of Science in Financial Economics, Specialization Course

Responsible for the course
Danielle Zhang

Department
Department of Financial Economics

Term
According to study plan

ECTS Credits
6

Language of instruction
English

Introduction
This course deals with contemporary issues in corporate financial theory and related empirics. We will focus on capital structure, corporate financial strategy, payout policy, and corporate restructuring. Many of the topics studied are in fast-changing areas of practice and regulation. The course covers selected classic and current theoretical and empirical research to introduce you to the latest developments in the field.

Learning outcome
The main objective is to provide an advanced background and deeper understanding in the mainstream issues of modern corporate finance. The course covers some theoretical and legal issues, but we will mainly focus on empirical research and insights. For group assignments, you will apply your knowledge and your skills to two different types of tasks in the field of corporate finance, namely panel data regressions and event study. You will also have opportunities to work in groups and present academic journal articles, cases, and your own results for the assignment.

Prerequisites
GRA 6031 Microeconomics or equivalent
All courses in the Masters programme will assume that students have fulfilled the admission requirements for the programme. In addition, courses in second, third and/or fourth semester can have spesific prerequisites and will assume that students have followed normal study progression. For double degree and exchange students, please note that equivalent courses are accepted.

Compulsory reading

Collection of articles:
Academic journal articles constitute the primary material for the course. The reading list will be available online at the beginning of the course.

Other:
During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

Recommended reading
Books:
Berk, Jonathan, Peter DeMarzo. 2014. Corporate finance. 3rd ed. Pearson. (Chapter 14, 15, 16, 17, 23, 24, 25, 28)
Copeland, Thomas E., J. Fred Weston and Kuldeep Shastri. 2013. Financial theory and corporate policy. 4th rev. ed.. Pearson Addison-Wesley. (Chapter 12, 13, 15, 16, 17, 18, 20)
Ogden, Joseph P., Frank C. Jen, Philip F. O'Connor. 2003. Advanced corporate finance : policies and strategies. Prentice Hall. Chapter 3-6, 9,11-14,16-18

Course outline
- Capital Structure
- Bankruptcy and reorganization

- IPO and Private Equity
- Dividend and share repurchase
- M&A and refocusing
- Behavioral Corporate Finance
- Theoretical Corporate Finance

Computer-based tools
Eviews
R
SAS
SPSS
Stata

Learning process and workload
A course of 6 ECTS credits corresponds to a workload of 160-180 hours.

Lectures and class discussions. Students are expected to prepare for the lecture by reading assigned papers and participate actively in the discussions. There will be two empirical group assignments and one group presentation. Most learning will take place through student discussions of articles and cases and two group assignments.

Please note that it is the student’s own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning.

Examination
The course grade will be based on the following activities and weights: Presentation 10%, Assignment 40% and written examination 2 hours 50%.

Form of assessment	Weight	Group size
Presentation	10%	
Assignment	40%	
Written examination 2 hours	50%	

Specific information regarding student assessment will be provided in class. This information may be relevant to requirements for term papers or other hand-ins, and/or where class participation can be one of several components of the overall assessment. This is a course with continuous assessment (several exam components) and one final exam code. Each exam component is graded using points on a scale from 0-100. The final grade for the course is based on the aggregated mark of the course components. Each component is weighted as detailed in the course description. Students who fail to participate in one/some/all exam components will get a lower grade or may fail the course. You will find detailed information about the points system and the mapping scale in the student portal @bi.

Examination code(s)
GRA 65411 continuous assessment accounts for 100% of the grade in GRA 6541

Examination support materials
BI approved exam calculator
Bilingual dictionary
Permitted examination support materials for written examinations are detailed under examination information in the student portal @bi. The section on support materials and the use of calculators and dictionaries should be paid special attention to.

Re-sit examination
It is only possible to retake an examination when the course is next taught. The assessment in some courses is based on more than one exam code. Where this is the case, you may retake only the assessed components of one of these exam codes. All retaken examinations will incur an additional fee. Please note that you need to retake the latest version of the course with updated course literature and assessment. Please make sure that you have familiarised yourself with the latest course description.

Additional information
Honor Code
Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted

by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask.