Advanced Corporate Finance

Course Description

The last decade has seen fundamental changes in financial markets and financial instruments. Both the theory and practice of corporate finance have been moving ahead with uncommon speed. Participants will be guided through the main areas of modern financial theory, including the pricing of assets and derivatives, corporate financial policy, and corporate control. The course emphasizes the modern fundamentals of the theory of finance and brings the theory to life with contemporary examples.

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1. Financing Decisions and Issuing Securities
   1. Types of Corporate Financing
   2. Corporations and Issuing Shares
   3. Corporations and Issuing Debt Securities
2. Dividend Policy and Capital Structure
   1. What's Your Dividend Policy?
   2. What's Your Debt Policy?
   3. Weighted Average Cost of Capital (WACC)
   4. Corporate and Personal Taxes
   5. Capital Structure and Related Theories
3. Debt Financing and Leasing
   1. Debt Valuation
   2. Rating Debt
   3. Different Kinds of Debt and Hybrid Securities
   4. Leasing as a Form of Corporate Finance
4. Options and Futures
   1. Derivative Financial Instruments, Options and Futures
   2. Valuing Options, the Binomial Model, the Black-Scholes Formula
   3. Real Options
5. Takeovers, Corporate Control, and Governance
   1. Mergers and Acquisitions
   2. LBOs, Management Buyouts, and Going Private
   3. Private Equity and the Venture Capitalist
   4. Empirical Testing of Takeover Success
   5. Corporate Governance and Corporate Control
6. Unsolved Issues and the Future of Finance

6.1 What Do We Know and What Do We Not Know About Finance?

1. The Future of Finance