

SUBJECT TEACHING GUIDE

G912 - Corporate Finance

DOUBLE DEGREE IN ADMINISTRATION AND BUSINESS MANAGEMENT AND ECONOMICS

Degree in Business Administration and Management

Academic year 2023-2024

1. IDENTIFYING DATA					
Degree	DOUBLE DEGREE IN ADMINISTRATION AND BUSINESS MANAGEMENT AND ECONOMICS Degree in Business Administration and Management			Type and Year	Optional. Year 5 Optional. Year 4
Faculty	Faculty of Economics and Business Studies				
Discipline	Subject Area: Applied Finance				
Course unit title and code	G912 - Corporate Finance				
Number of ECTS credits allocated	6	Term	Semester based (2)		
Web					
Language of instruction	Spanish	English Friendly	No	Mode of delivery	Face-to-face

Department	DPTO. ADMINISTRACION DE EMPRESAS				
Name of lecturer	BELEN DIAZ DIAZ				
E-mail	belen.diaz@unican.es				
Office	Edificio de las Facultades de Derecho y Ciencias Económicas y Empresariales. Planta: + 2. DESPACHO (E212)				
Other lecturers	PATRICIA CERECEDO SANDOVAL				

3.1 LEARNING OUTCOMES
- To be able to value a company using different methodologies
- To be able to justify different M&A operations
- To be able to determine most appropriate method of payment and to evaluate the consequences of choosing one or another.
- To be able to detect other reestructuration operations and their consequences.

4. OBJECTIVES

To show the students how M&A are accomplished focusing on financial management and to show the most recent methodologies of companies valuation.

6. SUBJECT PROGRAM

CONTENTS

1	<p>1: COMPANIES VALUATION</p> <p>Chapter 1. Free Cash Flow</p> <p>1.1. The free cash flow</p> <p>1.2. The Weighted Average Cost of Capital</p> <p>1.3. Discounted Free Cash Flow</p> <p>1.4. Valuation of shares</p> <p>Chapter 2. Dividends and Multipliers</p> <p>2.1. Equity ratios: Gordon Model , PER, P / CF, Price to book value</p> <p>2.2. EV Ratios</p> <p>2.3. Dynamic ratios</p> <p>2.4. Relative ratios</p> <p>Chapter 3. Real Options</p> <p>Chapter 4. Special cases</p> <p>4.1. Valuation of an unlisted company</p> <p>4.2. Valuation of internet companies</p> <p>4.3. Brand valuation</p> <p>4.4. Valuation of Real Estate</p>
2	<p>2. MERGERS AND ACQUISITIONS</p> <p>Chapter 5. Economic Reasons for Mergers and Acquisitions</p> <p>Chapter 6. Friendly takeovers</p> <p>Chapter 7. Hostile takeovers</p> <p>7.1. Attack tactics</p> <p>7.2. Defense mechanisms</p>
3	<p>3: LBO AND RESTRUCTURING</p> <p>Chapter 8. Purchase of companies through financial leverage (LBO)</p> <p>Chapter 9. Other forms of corporate restructuring: IPO, sell off and spin off, share repurchase.</p>

7. ASSESSMENT METHODS AND CRITERIA

Description	Type	Final Eval.	Reassessn	%
Works in groups	Work	No	Yes	25,00
Evaluation activities in class	Others	No	No	15,00
Final Exam	Written exam	Yes	Yes	60,00
TOTAL				100,00
Observations				
<p>The course is designed to follow a criterion of continuous assessment throughout the semester, so that the continued attendance is necessary for optimal performance. A daily control of attendance will be made, but the mere attendance will not be part of the evaluation.</p> <p>Once the different grades obtained in each evaluation methods are considered, and the relevant weighting is applied, the subject will be passed with a rating equal to or greater than 5 points out of 10.</p> <p>To perform the work and group activities, students should form groups of 3 members during the first 2 weeks of class.</p> <p>For the September exam the same evaluation criteria will be applied, keeping the note of the group work and of the evaluation activities developed in class, but only during the academic year in which they were made.</p>				
Observations for part-time students				
Part-time students will be evaluated by a single theoretical-practical exam of the whole subject, which will represent 100% of the mark.				

8. BIBLIOGRAPHY AND TEACHING MATERIALS

BASIC

Mascareñas, J. (2005): *Fusiones y Adquisiciones de Empresas*. McGraw Hill. Madrid. 4^a ed.