



Course Number: XCPD-684-01

Course Title: Corporate Finance

Meeting Time: Fridays, 6:15p.m. – 9:15p.m.

Saturdays, 9:00a.m. – 4:00p.m.

Meeting Room: Main Campus, Healy 105

COURSE SYLLABUS

Professor: Vlad Babin
Office: Room 200, Clarendon Campus, 3101 Wilson Blvd., Arlington, Virginia
Phone: +1 (202) 415-4841
Email: vb223@georgetown.edu
Office Hours: Friday 5:00p.m. – 6:00p.m., Saturday 4p.m. – 5:00p.m., or by appointment

Optional Text: Fundamentals of Corporate Finance (Standard Edition), by Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan, 9th Edition, McGraw-Hill Irwin, 2010, ISBN-13 9780073382395.

Supplemental Texts/Readings: Wall Street Journal, Financial Times, The Economist, etc.

Note: Please feel free to bring and use financial calculator (Hewlett-Packard or Texas Instruments).

Course Description:

The objective of this course is to introduce students to the theories of the financial decision-making process. Students will gain an understanding of the financial markets and related products, financial statements analysis, the Discounted Cash Flow valuation method (using time value of money), basics of securities pricing, relationship between risk and return, and the Net Present Value method for projects analysis. Also students will review the concept of cost of capital, investment banking, and capital raising process.

Course Goals:

Upon completion of this course, the successful student should be able to:

- Understand the basics of corporate finance decision making
- Compute and interpret commonly used financial ratios
- Compute Discounted Cash Flow (using time value of money)
- Determine the fair value of bonds and stocks
- Understand the basics of risk and return relationship
- Compute the Net Present Value (for project analysis)
- Compute the cost of capital for a company
- Understand the basic techniques of capital budgeting and cash flow estimation

Course Requirements:

All students are expected to come to class and actively participate in discussions and other activities. One test will be administered in this course. It will emphasize your understanding of concepts and tools presented in the course. Test material will come from assigned readings, class lectures, discussions, and homework assignments. Test will be the following format – key definitions, key concepts, and simple numerical problems. Your project will be a brief research paper (financial analysis of a public company of your choice).

Cell phones and other electronic devices: Cell phones and other electronic devices should be turned off or placed on vibrate prior to the start of class.

Lateness/Absentee Policy:

1. Classes will begin promptly at the announced times. You must make every attempt to arrive to class on time to benefit fully from this class. Please arrive on time. Attendance will be taken and it is a part of your grade.
2. Past experience indicates that a strong correlation exists between class attendance and passing grades. All students are responsible for the material covered in each lecture. Absence from a lecture does not alter this responsibility. Students who are absent from class should obtain information regarding assignments and course material covered during their absence from classmates. Students who for medical or other reasons believe that they may find it necessary to leave the classroom during a class or test, must inform the faculty of this possibility in advance. Also students must inform the faculty in advance if they will not be able to take a scheduled quiz or test.

Grading:

A. Grading will be based on the following criteria:

- Test	50%
- Project	15%
- Homework	20%
- Attendance	10%
- Class Participation	5%
Total	100%

Academic Standards and Grades:

All Center for Continuing and Professional Education (CCPE) courses are evaluated on Georgetown University's non-credit grading schema (unless otherwise noted), which is detailed below.

Non-Credit Grading Schema:

(SC) Successfully Completed

Successful completion requires completion of all course requirements and satisfactory attendance as defined by the faculty member. Students must receive at least 70% to get a "SC".

(AT) Attendance Verified

A grade of (AT) indicates that a student was in attendance for a majority of the course, but did not satisfactorily complete all course requirements.

(RE) Registered but Never Attended

A grade of (RE) indicates that a student was enrolled in a course, but failed to physically attend.

(W) Withdrawal

A grade of (W) indicates that a student formally withdrew from a course prior to the start of the course.

CCPE faculty members have the privilege of making final judgment as to a student's grade. Disputes or inconsistencies will be resolved by the Associate Dean or Dean of the School of Continuing Studies.

Religious Observances and Test Policy:

Students who anticipate being absent due to their religious observances must notify the faculty in advance. This will allow the faculty to take these observances into consideration in light of their course tests and assignment schedules. If necessary, students must contact the faculty to work out suitable arrangements for make-ups or other satisfaction of academic requirements.

COURSE OUTLINE

Note: This course outline is tentative and is subject to change by the faculty. Any changes will be announced in class. It is student's responsibility to be aware of any changes.

Week	Dates	Topic	Assignments	Notes
1	03/30	Time Value of Money. DCF Valuation. Bond Pricing.	Lecture notes.	
1	03/31	Risk and Return Relationship (Standard Deviation and Beta). Financial Statement Analysis. Financial Ratios and Their Usage.	Lecture notes. Homework handout. Cases (2) handout.	Pizza!
2	04/13	Net Present Value and Project Analysis.	Lecture notes. Project is due.	Cases discussion
2	04/14	Cost of Capital. Investment Banking and Raising Capital.	Lecture notes. Homework is due.	Test at the end

BEST WISHES AND GOOD LUCK!