

TU-E1131 FINANCIAL MODELING IN STRATEGY AND VENTURING

5 credit units

Course brochure, Fall 2023

September 22, 2022

INTRODUCTION

This course introduces theory and practice of the quantitative analyses and financial modeling needed in new business development, venture capital and private equity investments, mergers and acquisitions, and strategy consulting through readings and real-life cases that are solved in small groups and presented and discussed in seminar sessions. Furthermore, case-based learning is complemented with practical Excel financial modeling practice.

The course is primarily targeted for students majoring in Strategy and Venturing. Because of the intensive group work and hands-on guidance by industry experts, the course is limited to a maximum of 20 students, who are selected based on an entry exam.

SCHEDULE

The seminar sessions will be held in-class (TU5 - 1194-1195) on Thursdays (between October 26 and November 30) from 14:15 to 17:00. An optional Excel modeling workshop will take place on Monday, October 30, from 13:15 to 17:00. More detailed schedule of the course is presented below:

Date	Time	
Monday, October 16 (ylä-aula - 2001)	13:00- 16:00	Entry exam <ul style="list-style-type: none"> Coursebook: Rosenbaum, J. & Pearl, J. (2009/2013) <i>Investment Banking: Valuation, Leveraged Buyouts, and Mergers & Acquisitions</i> (see instructions in the separate Exam Guide available on the course page LINK) The accepted participants will be announced on the course web page by Friday, October 20.
Thursday, October 26 (TU5 - 1194-1195)	14:15- 17:00	Session 1: Introduction and intro case Part 1 <ul style="list-style-type: none"> Introduction to the cases Introduction to financial modeling Group assignment Part 2 Intro case: Financial modeling in new business development <i>(Kun Cao & Henrik Säilä, Reddal Oy)</i>
Monday, October 30 (U344 (Win) - U344)	13:15- 17:00	Excel-modeling workshop (optional). More details to be announced on the course webpage. <ul style="list-style-type: none"> Q&A and troubleshooting of tasks demonstrated in video material available before the workshop <i>(David Wunder)</i>

Thursday, November 2 (TU5 - 1194-1195)	14:15- 17:00	Session 2: Structuring a venture capital investment (<i>Artturi Tarjanne & Sami Karppinen, Nexit Ventures Oy</i>)
Thursday, November 9 (TU5 - 1194-1195)	14:15- 17:00	Session 3: Structuring a buyout investment (<i>Elina Ahlqvist & Ninni Hietaniemi, CapMan Buyout</i>)
Thursday, November 16 (TU5 - 1194-1195)	14:15- 17:00	Session 4: Analyzing buyout exit opportunities (<i>Juha Kauhanen & Anette Luomanperu, Danske Bank Corporate Finance</i>)
Thursday, November 23 (TU5 - 1194-1195)	14:15- 17:00	Session 5: Transformation program for a private equity-owned company (<i>Siddharth Sainath, The Boston Consulting Group</i>)
Thursday, November 30 (TU5 - 1194-1195)	14:15- 17:00	Session 6: Financial analysis of corporate strategy options (<i>Tatu Suontausta, McKinsey & Company</i>)

During each case session, the cases will be presented in groups of three to four people. The presentations should last no more than 15 minutes. The preparations for case sessions are done in student groups between the sessions. Each time four of the five student groups will present their solutions, and one of the groups will act as a 'board' asking questions about the solutions from the presenting groups. At the end of the session, the instructor(s) of the case (industry experts who have been involved in the cases) will, together with Professor Markku Maula, give feedback on the solutions and presentations and comment on the topics of the case. The course will be conducted in English.

Missing a session (a maximum of two) of the course is possible, but all missed sessions have to be compensated by preparing a separate written assignment. Please contact the course coordinator as soon as you know that you are going to miss a session. Further, no more than two students from one group can miss the same session.

PASSING THE COURSE AND GRADING POLICY

The course grade will be determined as follows:

Pre-exam	20%
Case solutions, presentations, and class participation	80%

PREREQUISITES

A prerequisite for the course is the successful completion of any introductory-level corporate finance course.

PRE-EXAM

The entry exam will be arranged physically at the university facilities. It will consist of five (5) calculations (see information in the course book below). In the exam, the steps taken to arrive at the answer should be shown and explained. You may use a basic calculator that has no memory for saving equations. More detailed instructions are provided on the course's MyCourses page, where you can also find the Exam Guide. The book is available in the Aalto University library and bookstore. Please register for the entry exam and the course via SISU (<https://sisu.aalto.fi>).

COURSE MATERIALS

Course book (pre-exam)

Rosenbaum, J. & Pearl, J. (2009/2013) *Investment Banking: Valuation, Leveraged Buyouts, and Mergers & Acquisitions*. Wiley Finance.

2009 ed. ISBN: 978-0-470-44220-3

<http://eu.wiley.com/WileyCDA/WileyTitle/productCd-0470442204.html>

2013 ed. ISBN: 978-1-118-47220-0

<http://eu.wiley.com/WileyCDA/WileyTitle/productCd-1118472209.html>

The book is also available as an e-book from Aalto learning centre:

https://primo.aalto.fi/permalink/358AALTO_INST/ha1cg5/alma999334666706526

Case materials

The case materials will be delivered to the participating students immediately after the previous case session, except for the introductory materials, which are delivered electronically during the first session.

Optional readings

A list of optional readings and other useful resources will be maintained on the course web page. The use of additional literature on the specific aspects of the different types of transactions that are covered in the course is highly recommended.

INFORMATION CHANNELS

The course webpage will be maintained at <https://mycourses.aalto.fi/course/view.php?id=39327>

The latest information related to the course will be sent to course participants via the MyCourse page or e-mail.

ADDITIONAL INFORMATION

Further information about the course is available from the course coordinator David Wunder and Professor Markku Maula. In practical issues, please contact David Wunder.

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