

## 28E29000 – Advanced Corporate Finance

# Syllabus 2017

\*\*\* Preliminary and subject to change \*\*\*

Updated August 17, 2017

**Course objective.** The goal of this course is to expand and deepen the participants' knowledge of corporate finance. The course develops a broad conceptual framework of agency considerations useful in understanding a wide variety of real-world financial policies. The course requires a solid understanding of introductory and intermediate corporate finance and, while the purpose of the course is not to study mathematics, the material is technical and involves a significant amount of theory.

**Prerequisites.** Corporate Finance (28C00100). This course is an advanced level course for MSc students.

**Instructor.** Assistant Professor Petri Jylhä. Office: Chydenia G208, email: petri.jylha@aalto.fi, phone: 050 446 1801.

**Material.** All course material is available on the MyCourse page. There is no required textbook, but “Theory of Corporate Finance” by Jean Tirole (2006, Princeton University Press) is a very useful complement to the lecture material. Links to academic articles are provided in the lecture slides.

**Lectures.** Lectures are on Mondays and Wednesdays at 10:15–12:00 from 11.9. to 18.10. All lectures are in Chydenia H324.

**Exercises.** Exercise sessions are on Mondays at 13:15–15:00 from 18.9. to 16.10. There are five exercise sets due at 10:00 on every Monday from 18.9. to 16.10. Exercise sets are done in groups of up to three students. Collaboration between groups is prohibited. Each exercise set constitutes 10% of the course grade.

**Exams.** The closed book exam covers the material of lectures and exercises. The exam constitutes 50% of the course grade. Check WebOodi for the exam schedule. Remember to register to the exam.

**Grading.** Each exercise set constitutes 10% of the course grade. There five exercise sets constituting in total 50% of the course grade. The exam constitutes

the remaining 50% of the grade. In order to pass the course, a student needs to achieve a minimum of 20 (out of 50) points in the exam and a minimum of 50 (out of 100) points for the exam, exercise sets, and case studies combined.

**Scholastic honesty.** Adherence to highest standards of scholastic honesty is expected. Examples of scholastic dishonesty are collaboration between coursework groups, presenting coursework answers downloaded from the internet as own work without proper citation, and sharing answers during the final exam. Any violations are taken very seriously.

**Schedule.** This schedule is tentative and subject to change.

Date	Agenda
Mon 11.9.	<i>Lecture 1:</i> Introduction, Background
Wed 13.9.	<i>Lecture 2:</i> Moral hazard
Mon 18.9.	<i>Lecture 3:</i> Moral hazard <i>Exercise set 1</i> due at 10:00
Wed 20.9.	<i>Lecture 4:</i> Moral hazard
Mon 25.9.	<i>Lecture 5:</i> Asymmetric information <i>Exercise set 2</i> due at 10:00
Wed 27.9.	<i>Lecture 6:</i> Guest lecture by Tuukka Seppä, Boston Consulting Group
Mon 2.10.	<i>Lecture 7:</i> Asymmetric information <i>Exercise set 3</i> due at 10:00
Wed 4.10.	<i>Lecture 8:</i> Asymmetric information
Mon 9.10.	<i>Lecture 9:</i> Corporate governance <i>Exercise set 4</i> due at 10:00
Wed 11.10.	<i>Lecture 10:</i> Corporate governance
Mon 16.10.	<i>Lecture 11:</i> Empirical corporate finance research <i>Exercise set 5</i> due at 10:00
Wed 18.10.	<i>Lecture 12:</i> Revision