

ECON 3019 公司理財
CORPORATE FINANCE

COURSE SYLLABUS

Spring 2021

INSTRUCTOR: YILIN WU (吳儀玲)

TA: 紀元豪

OFFICE LOCATION:	Room 855
OFFICE HOURS:	Thursday 1:10-3:10 pm. Outside this time period please do contact me to set an appointment and we will meet at any point during the week in my office
OFFICE PHONE:	02-3366-8354
INSTRUCTOR E-MAIL ADDRESS:	yilinwu@ntu.edu.tw
TA E-MAIL ADDRESS:	r09323050@ntu.edu.tw
COURSE WEB PAGE:	CEIBA
CLASS HOURS:	Thursday: AM. 9:10-12:10
CLASS ROOM:	社科 502

A. OVERVIEW OF THE COURSE

The course provides a broad overview of the corporate finance. As such, this course will be mostly descriptive and will involve some elementary corporate finance theories and very basic high school math.

B. PREREQUISITES

1. QF214101, QF 214102, 財務管理
2. High school math

C. TEXTBOOK(S)

1. Textbook (not required): Principles of Corporate Finance, 13th Edition, by Brealey 、Myers 、Allen, McGraw-Hill, 2019, ISBN 978-1260013900
2. Corporate Finance, 3rd edition, by Ivo Welch, Prentice Hall 2014, ISBN 978-0321-587275

D. GRADING

1. **Weekly Problem sets**

- a. The problem sets from the Ross 、Westerfield 、Jaffe 、Jordan's textbook and Brealey 、Myers 、Allen's will be assigned on a weekly basis during the semester. The main purpose of the problem sets is to increase your understanding of the material and to help you prepare for the exams.

- b. The problem sets *will not be collected and graded*. The problem sets and solutions will be posted on the blackboard.

2. Midterm and Final Exams

- a. A typical exam format would include a mixed of quantitative and qualitative problems in the forms of computation questions, multiple choice questions, short essay and questions, true and false questions, covering lecture notes, text chapters and assignments.
- b. The midterm-examination is closed book, but you are permitted to bring a calculator and a "crib sheet" with notes and/or formulae. You may use two sides of an A4 page.
- c. The final examination is closed book, but you are permitted to bring a calculator and a "crib sheet" with notes and/or formulae. You may use two sides of **two** A4 pages
- d. Exams are scheduled according to school so that you can plan around these dates. Please do not ask to be excused from exams as makeup is rarely given.
- e. If you want to submit a regrade request, please do it within one week after the graded exam is handed back to do so. You have to hand back (1) your exam and (2) a brief memo detailing your concerns. The exam will be regraded in full.
- f. I hate to say, but have to. For those who cheat in the midterm and final examinations, even if Professor Wu is not present, the proctor(s) has all AUTHORITY to decide if you are cheating in the exam. **Once it is decided, you get zero score for this course without any further dispute.**

3. Grade Structure

- a. Midterm Exam 45%
- b. Final Exam 45%
- c. Class participation 10%
- d. As you can see from the grade distribution, you have to work hard THROUGHOUT the course in order to receive a good grade.

Course Schedule and Reading List for Corporate Finance Course

PART I: An overview of Capital Structure and Payout Policy

Lecture Note 1: Firm Valuation under MM **02/25/2021**

- Brealey. Myers. Allen Ch. 14, Ch. 15, Ch. 17, Ch.18, Ch.19

Lecture Note 2: Dividend and Other Payouts **03/18/2021**

- Brealey. Myers. Allen Ch. 16

PART 2: Real Options

Lecture Note 3: Options and State Prices **04/08/2021**

- Encourage students to read Chs.1, 2, 3, 9, 10, 11, 12, 18, 20, and 21 of Fundamentals of Derivatives Markets, Prentice- Hall, 2009, by Robert L McDonald
- Brealey. Myers. Allen Ch. 20, Ch.21

Lecture Note 4: Real Options **04/29/2021**

- Brealey. Myers. Allen Ch. 22

PART 3: Debt and Security Design

Lecture Note 5: Valuation under Asymmetric Information and Agency Costs **04/29/2021**

- Brealey. Myers. Allen Ch. 18

Lecture Note 6: Warrants and Convertibles and Other Hybrid Financing Contracts **05/13/2021**

- Brealey. Myers. Allen Ch. 24

Midterm Exam: Lecture Notes 1-5 **05/20/2021**

PART 4: Compensation Design

Lecture Note 7: IPOs, SEOs, and Venture Capital **05/27/2021**

- Brealey. Myers. Allen Ch. 15

PART 5: Mergers and Acquisitions

Lecture Note 8: Mergers and Acquisitions **06/03/2021**

- Brealey. Myers. Allen Ch. 31

PART 6: Corporate Restructuring

Lecture Note 9: Financial Distress and Corporate Restructuring **06/10/2021**

- Brealey. Myers. Allen Ch. 32

PART 7: Corporate Control and International Corporate Governance

Lecture Note 10: Corporate Control and International Corporate Governance and Protection of Shareholder's Interest **06/10/2021**

- Brealey. Myers. Allen Ch. 33

PART 8: Liquidity Management

Lecture Note 11: Corporate Liquidity Management **06/10/2021**

- Brealey. Myers. Allen Ch. 30

Final Exam: Lecture Notes 1-11 **06/17/2021**