

COURSE OUTLINE

Year: 2006 -2007

LEVEL: III SEMESTER 2

NAME OF THE SUBJECT: FINANCIAL STRATEGY

No. CREDITS: 6

NAME OF THE TEACHER: RICARDO S. ESTERA

COURSE DESCRIPTION: In today's corporate environment, Acquisition financing, and Mergers and Acquisitions are superior values in any financial job at corporate level.

Topics include: Common and Preferred stock, Warrants and Convertibles, Corporate Debt, Leasing, APV Valuation Project, Financial Planning, Consolidation and Mergers, Methods, Omega's Consolidated Pro-forma, Financial Planning Model ZITEL's acquisition and Management reject the Merger as a Defence Scenario.

COURSE OBJECTIVE: You learn to develop and analyze the company's value using the FCF, DFCF methods, and its IRR and further action plan to achieve the target return. All formulas and methods used EXCEL 2003 programming. PC is required.

COURSE STRUCTURE : 20 classes (2nd. semester) including the mid-term and final exam, each class has a two hours duration. No extra work at home is required.

SYLLABUS:
SEMESTER 2
Year 2007

				<u>Estimated</u>		<u>CLASS SUBJECT</u>
				<u>hours</u>		
08 Jan -12 Jan.	Teaching week	1	Wk 1	2 h		Corporate securities
15 Jan.-19 Jan.	Teaching week	2	Wk 2	2 h		Corporate securities
22 Jan.-26 Jan.	Teaching week	3	Wk 3	2 h		Convertible Bonds and Warrants
29 Jan.-02 Feb.	Teaching week	4	Wk 4	2 h		APV Valuing Project
05 Feb.-09 Feb.	Teaching week	5	Wk 5	2 h		APV Valuing Project
12 Feb.-16 Feb.	Teaching week	6	Wk 6	2 h		NPV Model
19 Feb.-23 Feb.	Teaching week	7	Wk 7	2 h		NPV Model
26 Feb.-02 Mar.	Teaching week	8	Wk 8	2 h		Leasing
05 Mar.-09 Mar.	Teaching week	9	Wk 9	2 h		Financial Planning
12 Mar.-16 Mar.	Teaching week	10	Wk 10	2 h		Financial Planning
20 Mar.-23 Mar.	Teaching week	11	Wk 11	2 h		Omega's acquisition Pro-forma
26 Mar.-30 Mar.	Mid-term exams		Wk 12	2 h		Exams
02 Apr.-06 Apr.	Easter vacation		Wk 13			Vacations
09 Apr.-13 Apr.	Teaching week	12	Wk 14	2 h		ZITEL's Acquisition Project
16 Apr.-20 Apr.	Teaching week	13	Wk 15	2 h		ZITEL's Acquisition Project
23 Apr.-27 Apr.	Teaching week	14	Wk 16	2 h		ZITEL's Acquisition Project
02 May-04 May	Teaching week	15	Wk 17	2 h		Management Reject the Merger Project
07 May-11 May	Teaching week	16	Wk 18	2 h		Management Reject the Merger Project
14 May-18 May	Teaching week	17	Wk 19	2 h		To prepare the final project
21 May-25 May	Teaching week	18	Wk 20	2 h		To prepare the final project
28 May-31 May	Exams		Wk 21	<u>2 h</u>		Final exam
	TOTAL HOURS			40 h		

Course text Book Recommended SEMESTER 1 :

Principles of Corporate Finance by : Richard Brealey - McGraw-Hills

STUDY CASE SEMESTER 1 : LINEAR CORPORATION PROJECT (EXCEL 2003)

Course text Book Recommended SEMESTER 2 :

Principles of Corporate Finance by : Richard Brealey - McGraw-Hills

STUDY CASES SEMESTER 2 : OMEGA's Consolidated Pro-forma (EXCEL 2003)

ZITEL's Acquisition Project (EXCEL 2003)

ZITEL's Management reject the Merger (EXCEL 2003)