

COURSE OUTLINE

Year: 2006 -2007

LEVEL: III High Performance, SEMESTER 2

NAME OF THE SUBJECT: Managerial Finance

No. CREDITS: 6

NAME OF THE TEACHER: RICARDO S. ESTERA

COURSE DESCRIPTION: Restructuring company assets in a competitive environment, Acquisition Financing, Introduction to Mergers & Acquisitions (M&A), Valuation analysis, and how a Capital Risk corporation analyze and set-up the price per share of the target company to be bought.

Restructuring and M&A are daily disclosed in financial newspapers.

Topics include: Restructuring a corporation, Internal expansion, Expansion by combination, Consolidation and Mergers, Methods of valuation such as: Free Cash Flow (FCF), DFCF and Sources and Uses of Funds.

COURSE OBJECTIVE: You learn to develop the methods to restructure a corporation and in Mergers & Acquisitions how to value a Company using the FCF and other methods. 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

					Estimated	
					hours	<u>CLASS SUBJECT</u>
08 Jan -12 Jan.	Teaching week	1	Wk	1	2 h	Acquisition Financing, Pro-forma
15 Jan.-19 Jan.	Teaching week	2	Wk	2	2 h	Acquisition Financing
22 Jan.-26 Jan.	Teaching week	3	Wk	3	2 h	Acquisition Financing
29 Jan.-02 Feb.	Teaching week	4	Wk	4	2 h	Acquisition Financing
05 Feb.-09 Feb.	Teaching week	5	Wk	5	2 h	Corporate expansion and combination
12 Feb.-16 Feb.	Teaching week	6	Wk	6	2 h	Expansion by combination, procedure
19 Feb.-23 Feb.	Teaching week	7	Wk	7	2 h	Consolidation, procedure
26 Feb.-02 Mar.	Teaching week	8	Wk	8	2 h	Merger, Methods of valuation
05 Mar.-09 Mar.	Teaching week	9	Wk	9	2 h	Valuation of tangible/intangible assets,
12 Mar.-16 Mar.	Teaching week	10	Wk	10	2 h	Cost of Capital analysis and methods
20 Mar.-23 Mar.	Teaching week	11	Wk	11	2 h	Capital Risk, NPV and IRR
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	Alpha-Aluminium Project (Capital risk)
16 Apr.-20 Apr.	Teaching week	13	Wk	15	2 h	Alpha-Aluminium Project
23 Apr.-27 Apr.	Teaching week	14	Wk	16	2 h	Alpha-Aluminium Project
02 May-04 May	Teaching week	15	Wk	17	2 h	Alpha-Aluminium Project
07 May-11 May	Teaching week	16	Wk	18	2 h	Alpha-Aluminium 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	2 h	Final exam
	<u>TOTAL HOURS</u>				<u>40 h</u>	

Course text Book Recommended SEMESTER 2 :

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

STUDY CASES SEMESTER 2 : ACQUISITION FINANCING

(EXCEL 2003)

ALPHA-ALUMINIUM PROJECT

(EXCEL 2003)