

Subject card

Subject name and code	Corporate Finance and Equity Valuation, PG_00124896						
Field of study	Finance and Accounting						
Date of commencement of studies	October 2024		Academic year of realisation of subject		2024/2025		
Education level	postgraduate studies		Subject group		Obligatory subject group in the field of study Subject group related to scientific research in the field of study		
Mode of study	full-time studies		Mode of delivery		at the university		
Year of study	1		Language of instruction		English		
Semester of study	2		ECTS credits		7.0		
Learning profile	academic		Assessment form				
Conducting unit	Katedra Finansów Przedsiębiorstw -> Faculty of Management						
Name and surname of lecturer (lecturers)	Subject supervisor		dr hab. Julia Koralun-Bereźnicka				
	Teachers						
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	15.0	30.0	0.0	0.0	0.0	45
	E-learning hours included: 0.0						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan		Participation in consultation hours		Self-study	SUM
	Number of study hours	45		30.0		100.0	175
Subject objectives	The aim of the course is to familiarise students with various equity valuation methods and underlying corporate finance concepts, as well as to develop the ability to apply selected methods of business valuation in practice.						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRMU2_K02] Cooperation: - the student can harmoniously interact and work in a group, assuming various roles in the group, including leadership and supervision of the group, - can agree with the group on goals and division of tasks, - is open-minded, respecting the differences of other team members.	The student can collaborate effectively and work harmoniously within a group on topics such as the cost of capital, dividends, share repurchases, and various equity valuation methods. They can assume different roles, including leadership and supervision, and agree on goals and task distribution with the group. The student is open-minded and respects the diversity of other team members.	[SK2] presentation/project/paper/report [SK3] text preparation/written work [SK8] observation of student's independent or team work
	[FiRMU2_K03] Communication: - the student can present his/her view/ issue in a way that others can understand, - courageously (but prudently) expresses his opinion, is not afraid to ask questions, - can participate culturally in the discussion, - can give constructive criticism, - can communicate on specialized topics in finance and accounting with a diverse audience.	Student demonstrates effective communication skills by presenting complex financial and accounting topics clearly and understandably to diverse audiences. They confidently express their opinions, ask pertinent questions, participate respectfully in discussions, provide constructive criticism, and engage in specialized discussions on topics such as cost of capital, dividends, share repurchases, and various valuation methods.	[SK1] oral statement/conversation/discussion [SK2] presentation/project/paper/report [SK5] implementation of a problem task
	[FiRMU2_W08] The student has in-depth knowledge of the formation and economic functioning of organizations commercial and public, their forms, phases of development, as well as financial conditions determining their value and economic success.	Student possesses advanced knowledge of corporate operations and factors influencing their value. They can apply this knowledge in the context of corporate finance and asset valuation, particularly in assessing cost of capital, dividends, share repurchases, and various equity valuation methods and approaches.	[SW4] test/exam - oral or written [SW2] presentation/project/paper/report [SW3] text preparation/written work
	[FiRMU2_W07] The student knows in detail the principles of project evaluation of finance and accounting (profitability of investment projects, assessment of the financial situation of the organization, risk assessment, threat of bankruptcy). The student can identify risks associated with the activities of the organization and correctly determine their consequences and methods of mitigation with the skillful use of theoretical knowledge using a specific research method.	Student thoroughly understands the principles of evaluating financial ventures, including profitability, assessing organizational financial situations, and risk evaluation. They can identify financial risks faced by enterprises, determine their consequences, and propose mitigation methods, utilising theoretical knowledge and specific research methods related to cost of capital, dividends, share repurchases, and various equity valuation approaches.	[SW4] test/exam - oral or written [SW1] oral statement/conversation/discussion [SW2] presentation/project/paper/report
	[FiRMU2_U06] The student creatively uses the acquired knowledge in various scopes and forms to solve problems in finance and accounting that arise in business practice. The student knows the limitations of the usefulness of the applied knowledge.	The student can creatively apply acquired knowledge to solve problems related to the cost of capital, dividends, share repurchases, and various equity valuation methods in practical business settings, while being aware of the limitations of the applied knowledge.	[SU2] presentation/project/paper/report [SU3] text preparation/written work [SU4] test/exam - oral or written [SU8] observation of student's independent or team work
	[FiRMU2_U09] The student can use a foreign language at the B2+ level of proficiency of the Common European Framework of Reference for Languages and specialized terminology. The student has an in-depth ability to prepare written works, oral speeches and presentations in a modern foreign language on specific issues in his/her specialty, using basic theoretical approaches and various sources of information.	The student proficiently uses a foreign language at B2+ level, employing specialized terminology in preparing written papers, oral presentations, and speeches. They apply this skill to discuss detailed topics in Corporate Finance and Equity Valuation, including cost of capital, dividends, share repurchases, and various valuation methods, utilizing theoretical frameworks and diverse information sources effectively.	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report [SU4] test/exam - oral or written [SU8] observation of student's independent or team work

	Course outcome	Subject outcome	Method of verification
	[FiRMU2_W09] The student knows and understands grammatical structures and vocabulary thoroughly within his/ her specialty in a foreign language at B2+ level.	Student has a deep understanding of grammatical structures and vocabulary in a foreign language at the B2+ level within the context of their specialization. They can apply this knowledge in the field of Corporate Finance and Equity Valuation, encompassing topics such as cost of capital, dividends, share repurchases, and various equity valuation methods.	[SW4] test/exam - oral or written [SW1] oral statement/ conversation/discussion [SW2] presentation/project/paper/ report
	[FiRMU2_U03] The student can analyse in depth the causes, course and effects of processes and phenomena in finance and accounting using advanced theories and appropriate social sciences methods. Can verify simple research hypotheses. Can collect data using information technology.	The student is able to deeply analyze the causes, course, and effects of financial processes and phenomena related to the cost of capital, dividends, share repurchases, and equity valuation using advanced theories and methods from the social sciences. The student can verify research hypotheses regarding these issues and effectively gather data using information technology.	[SU2] presentation/project/paper/ report [SU3] text preparation/written work [SU4] test/exam - oral or written
Subject contents	<div>1. Cost of capital: weighted average cost of capital, tax effect, alternative methods of calculating the weights used in the WACC; marginal cost of capital, optimal capital budget, the role of marginal cost of capital in determining the net present value of a project, cost of debt capital according to yield-to-maturity approach and the debt-rating approach; cost of noncallable, nonconvertible preferred stock; cost of equity capital according to capital asset pricing model approach, the dividend discount model approach, and the bond-yield-plus risk-premium approach; beta, country risk premiums, marginal cost of capital schedule, flotation costs.</div> <div>2. <div>Dividends and share repurchases: regular cash dividends, extra dividends, stock dividends, stock splits, reverse stock splits, dividend payment chronology, share repurchase methods; the effect of a share repurchase on earnings per share, the effect of a share repurchase on book value per share.</div></div> <div>3. Various valuation methods and approaches: Discounted Dividend Valuation Models; Free Cash Flow Valuation Models; Residual Income Valuation; Market-Based Valuation</div>		
Prerequisites and co-requisites	Fundamentals of financial statement analysis and quantitative methods.		
Assessment methods and criteria	Subject passing criteria	Passing threshold	Percentage of the final grade
	2 written tests	51.0%	25.0%
	individual work based on academic paper	51.0%	12.5%
	equity valuation group work	51.0%	12.5%
	written exam	51.0%	50.0%
Recommended reading	Basic literature	<div>1. Pinto J.E., Henry E., Robinson T.R., Stowe J.D. (2009), CFA Equity Asset Valuation, Second Edition, Wiley.</div> <div>2. M.R. Clayman, M.S. Fridson, G.H. Troughton (2012), Corporate Finance. A Practical Approach, CFA Institute, Wiley.</div>	
	Supplementary literature	Koralun-Bereżnicka J. (2013), Corporate Performance. A Ratio-Based Approach to Country and Industry Analyses, Springer.	
	eResources addresses	Adresy na platformie eNauczanie:	
Example issues/ example questions/ tasks being completed	Sample topics and issues will be presented during the course.		
Work placement	Not applicable		

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