

Syllabus

Instructor: Professor Juan (Julie) Wu

Office: Brooks Hall 433

Phone: (706) 542-0934

Email: juliewu@terry.uga.edu

Office Hours: Tuesday and Thursday 10:50am –11:50 am. or By Appointment

Course Description & Objectives: This course will focus on both the theoretical development of financial concepts and their application to real-world problems. Corporate finance deals with decision-making within the firm. We will cover topics including financial statement analysis, valuation, capital budgeting, real options, capital structure, and dividend policy. Much of the discussions here rely on background information related to time value of money, the risk-return tradeoff, and market efficiency. I expect the course to be a lot of fun, but also a lot of hard work.

Course Materials:

- 1) Required Text: Ross, Westerfield, and Jaffe, Corporate Finance, 8th Ed.
Additional materials will be distributed in class or on the web.
- 2) Financial Calculator: Any financial calculator will suffice, but you are responsible for understanding how to operate it. Students should know how to operate their calculators prior to exams. Calculator manuals are NOT authorized references for examinations.

Lectures:

9:30-10:45	TR	Caldwell	107
2:00-3:15	TR	Sanford	112
3:30-4:45	TR	Sanford	112

Exams, projects and grading:

- 1) Nature of exams – There will be 3 exams
 1. **Exam 1 (25%), all sections, 09/17/2008, 7-9pm, Brooks Hall 145**
 2. **Exam 2 (25%), all sections, 10/15/2008, 7-9pm, Brooks Hall 145.**
 3. **Final exam (35%), in your lecture room (see http://www.reg.uga.edu/or.nsf/html/Fall_Exam_Schedule for your schedule)**
 4. Questions will be mainly conceptual in nature with a mixture of short-answer, work-out problems, multiple choice, and true-false. The exams will not necessarily ask you to simply repeat information we covered in class. Rather, they are designed to make you think and apply the knowledge you gain from the course.
- 2) Class projects
 1. Individual project (5%)
 2. Team project (10%)
- 3) Grading errors – If you believe that any of your work is graded or recorded incorrectly, you may submit a written request (email is okay) for review within one week of the time the graded work is distributed. You will be notified when the response to your request is available.
- 4) Make-up exams – Absence from the exams will not be excused except for the most serious reasons. Such serious circumstances must be validated in writing by an

appropriately accredited professional (e.g. medical doctor etc.). If the absence is not excused according to the university guidelines, the exam grade will be recorded as zero. The make-up exam should be taken within one week after the regularly-scheduled exam time.

Keys to Success:

- 1) Class participation – I do not take roll, but I do expect students to come to class and take an active role in discussions. In order to do so, students are expected to read the assigned material prior to the date it is covered in class. This will both facilitate your learning and aid in preparation for exams.
- 2) Practice, practice, practice – I will work some problems in class and recommend some others for you to work on your own. These problems and practices are not required, but working them will greatly improve your chances of performing well on exams. I will distribute the solutions for these questions.

Instructor Availability: I am available in my office during the stated office hours. If, for some reason, I should be unavailable during that time, I will make every effort to notify you in advance. Please make an effort to limit office visits to these times. If it is impossible for you to make my office hours, I would appreciate an appointment being made ahead of time. Students are expected to make an attempt to understand the material outside of class before coming for help.

Honor Code: All academic work must meet the standards contained in “A Culture of Honesty” (<http://www.uga.edu/ovpi/honesty/acadhon.htm>). All students are responsible to inform themselves about those standards before performing any academic task.

FINA4200- Corporate Finance Theory
 FALL 2008

(Tentative and subject to changes)

Wk	Date	Topics	Chapter
1	8/19, 8/21	Introduction, financial statement analysis	1,2
2	8/26, 8/28	Valuation	4,5
3	9/2, 9/4	Capital budgeting	6
4	9/9, 9/11	Capital budgeting	7
5	9/16, 9/18	Review, Exam 1	
6	9/23, 9/25	Risk and return	9
7	9/30, 10/2	Risk and return	10
8	10/7, 10/9	Cost of capital	12
9	10/14, 10/16	Review, Exam 2	
10	10/21, 10/23	Capital structure	13
11	10/28, 10/30	Capital structure	15,16
12	11/4, 11/6	Dividend policy	18
13	11/11, 11/13	Long-term financing	19
14	11/18, 11/20	Real options	22
15	11/25, 11/27	Thanksgiving break	
16	12/2, 12/4	Real options, Review	23
17	12/9	12.9 no class--Friday classes are held.	
17	12/11	Final exam for 2:00pm class *	
18	12/16	Final exam for 9:30am and 3:30pm class*	

* http://www.reg.uga.edu/or.nsf/html/Fall_Exam_Schedule