



Course and Examination Fact Sheet: Autumn Semester 2021

10,272: Corporate Finance

ECTS credits: 4

Overview examination/s

(binding regulations see below)

Decentral - Written examination (with defined exam duration) (50%)

Examination time: term time

Decentral - examination paper written at home (in groups - all given the same grades) (50%)

Examination time: term time

Attached courses

Timetable -- Language -- Lecturer

[10,272,1,00 Corporate Finance](#) -- Englisch -- [Arnold Marc](#)

Course information

Course prerequisites

It is strongly recommended that students have successfully passed a Corporate Finance course before registering for the doctoral course *Corporate Finance*.

Learning objectives

The course covers the main topics of Corporate Finance. Students learn to recognize and intuitively understand the most important problems in the context of financing a corporation. In addition, they learn to apply tools to solve these problems. The course also focuses on teaching the students how to conduct research in Theoretical Corporate Finance.

Course content

The course *Corporate Finance* covers the most important concepts of Theoretical Corporate Finance. The lecturer first explains the basic problems related to the financing of corporations. Theoretical solution concepts are then developed in class to solve these problems. The lecturer also works through illustrative examples and practical applications to make sure that the students understand the main ideas of the models. Finally, the course explores the current research boundaries in Theoretical Corporate Finance and provides guidance for new research projects in this field.

The following topics are covered by the course:

- Discrete and continuous time models of corporate finance
- Important aspects of the corporate capital structure
- Evaluation of corporate credit risk
- Financing under asymmetric information
- Agency problems in Corporate Finance
- Mergers and Acquisitions
- Research in Theoretical Corporate Finance

At the end of the course, students will be able to recognize and analyze the most important challenges related to the financing and the risk management of corporations by using modern corporate finance models. The main goal of the course is to teach students to implement and structure models to conduct research in theoretical corporate finance. The lecturer also aims at inducing students to recognize promising research ideas.

Course structure and indications of the learning and teaching design

The course takes place on a weekly four hour basis in the second part of the semester after the break. The course incorporates



interactive discussions, problem solving, and an in-class conference.

Course literature

- Tirole, Jean (2006): The Theory of Corporate Finance. New Jersey: Princeton University Press
- Bolton, Patrick and Dewatripont, Mathias (2005): Contract Theory. Cambridge: Massachusetts Institute of Technology
- All papers, articles and references published on the Canvas Page of the course.

Additional course information

In the case of the President's Board having to implement new directives due to the SARS-CoV-2 pandemic in AS2021, the course information listed above will be changed as follows:

- **The course is conducted online via the platform Zoom;**
- **The recordings of the course are available for 30 day;**
- **The lecturer informs via Canvas on the changed implementation modalities of the course.**

The examination information listed below would be changed as follows:

- **The presentations and written examination are conducted online and are being recorded.**

Examination information

Examination sub part/s

1. Examination sub part (1/2)

Examination time and form

Decentral - Written examination (with defined exam duration) (50%)

Examination time: term time

Remark

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Examination-aid rule

Extended Closed Book

The use of aids is limited; any additional aids permitted are exhaustively listed under "Supplementary aids". Basically, the following is applicable:

- At such examinations, all the pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without hand-written notes are admissible. Any other pocket calculator models and any electronic dictionaries are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as notebooks, tablets, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

Supplementary aids

None

Examination languages

Question language: English

Answer language: English

2. Examination sub part (2/2)



Examination time and form

Decentral - examination paper written at home (in groups - all given the same grades) (50%)

Examination time: term time

Remark

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Examination-aid rule

Term papers

Written work must be written without outside help according to the known citation standards, and a declaration of authorship must be attached, which is available as a template on the StudentWeb.

Documentation (quotations, bibliography, etc.) must be carried out universally and consistently according to the requirements of the chosen/specified citation standard such as e.g. APA or MLA.

The legal standard is recommended for legal work (cf. by way of example: FORSTMOSER, P., OGOREK R., SCHINDLER B., Juristisches Arbeiten: Eine Anleitung für Studierende (the latest edition in each case), or according to the recommendations of the Law School).

The reference sources of information (paraphrases, quotations, etc.) that has been taken over literally or in the sense of the original text must be integrated into the text in accordance with the requirements of the citation standard used. Informative and bibliographical notes must be included as footnotes (recommendations and standards e.g. in METZGER, C., Lern- und Arbeitsstrategien (latest edition)).

For all written work at the University of St.Gallen, the indication of page numbers is mandatory, regardless of the standard chosen. Where page numbers are missing in sources, the precise designation must be made differently: chapter or section title, section number, article, etc.

Supplementary aids

None

Examination languages

Question language: English

Answer language: English

Examination content

The written exam covers all topics that are discussed during class. Additionally, all topics and articles referred to on the Canvas page of the course are relevant.

The group examination paper entails a project with a modelling exercise. Each group consists of two students. In the project, the students apply the concepts of the class to develop a new idea with a model.

Examination relevant literature

- Tirole, Jean (2006): The Theory of Corporate Finance. New Jersey: Princeton University Press
- Bolton, Patrick and Dewatripont, Mathias (2005): Contract Theory. Cambridge: Massachusetts Institute of Technology
- All papers, articles and material published on the Canvas page of the course until the 14.12.2021.
- All topics discussed in the lecture are an integrated part of the final written examination.



Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW51) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 42 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 34 (Thursday, 26 August 2021);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 42 (Monday, 18 October 2021);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 42 (Monday, 18 October 2021);

Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the registration period in CW 45 (Monday, 8 November 2021).