



NATIONAL RESEARCH  
UNIVERSITY

Faculty of Economic Sciences  
School of Finance

# **CORPORATE FINANCE**

## **Course Information and Outline**

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Moscow, 2020



# WHAT IS CORPORATE FINANCE ABOUT?

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Corporate finance deals with sources of **funding**, the **capital structure** of corporations, the actions that managers take to increase the value of the firm to the shareholders, and the tools and analysis used to **allocate financial resources**



The primary goal of corporate finance is to **maximize shareholder value**



# TYPES OF MANAGEMENT DECISIONS

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Investment  
decisions

Risk  
management  
decisions

Financing  
decisions

Payout  
decisions





# MAIN TOPICS COVERED IN THE COURSE

Investment decisions: capital budgeting and valuation of investment projects

The choice of capital structure: cost of capital and corporate value

Agency cost, asymmetric information and corporate value

Payout policy: dividends and share buybacks

Interrelation of financing and investment decisions: advanced valuation

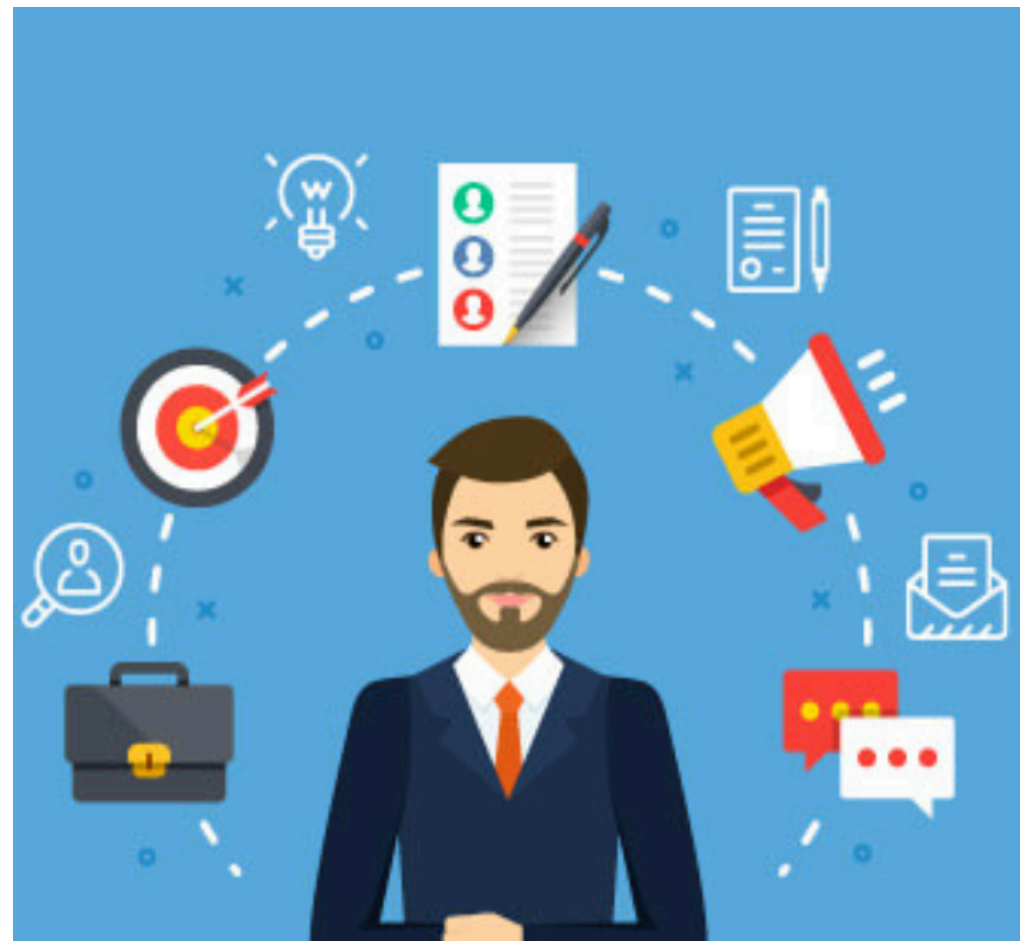
Risk management policy and corporate value

Mergers and acquisitions (M&A)



# TRACKS IN CORPORATE FINANCE

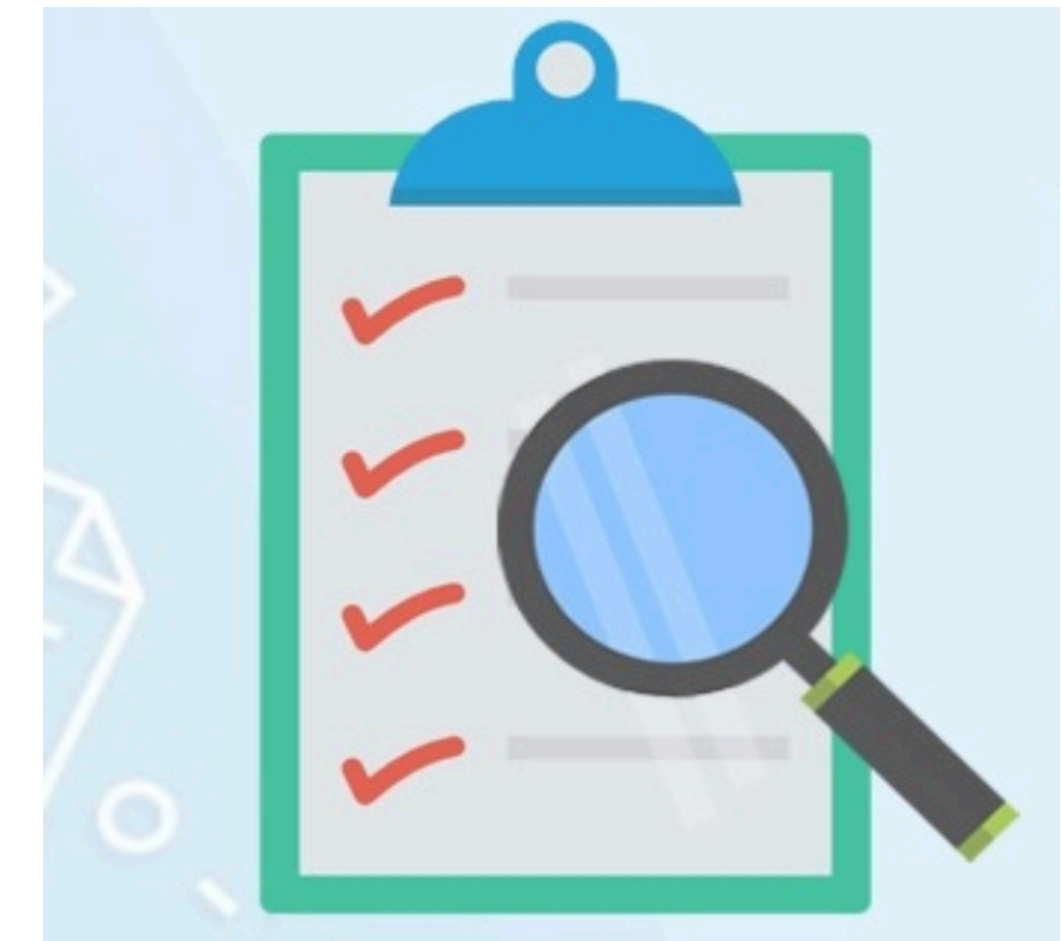
**In the Corporate Finance course, you will learn how to...**



**Make reasonable  
corporate decisions  
(manager)**



**Choose proper stocks  
to buy and sell  
(investor)**



**Conduct research in  
corporate finance  
(academic)**



# PREREQUISITES

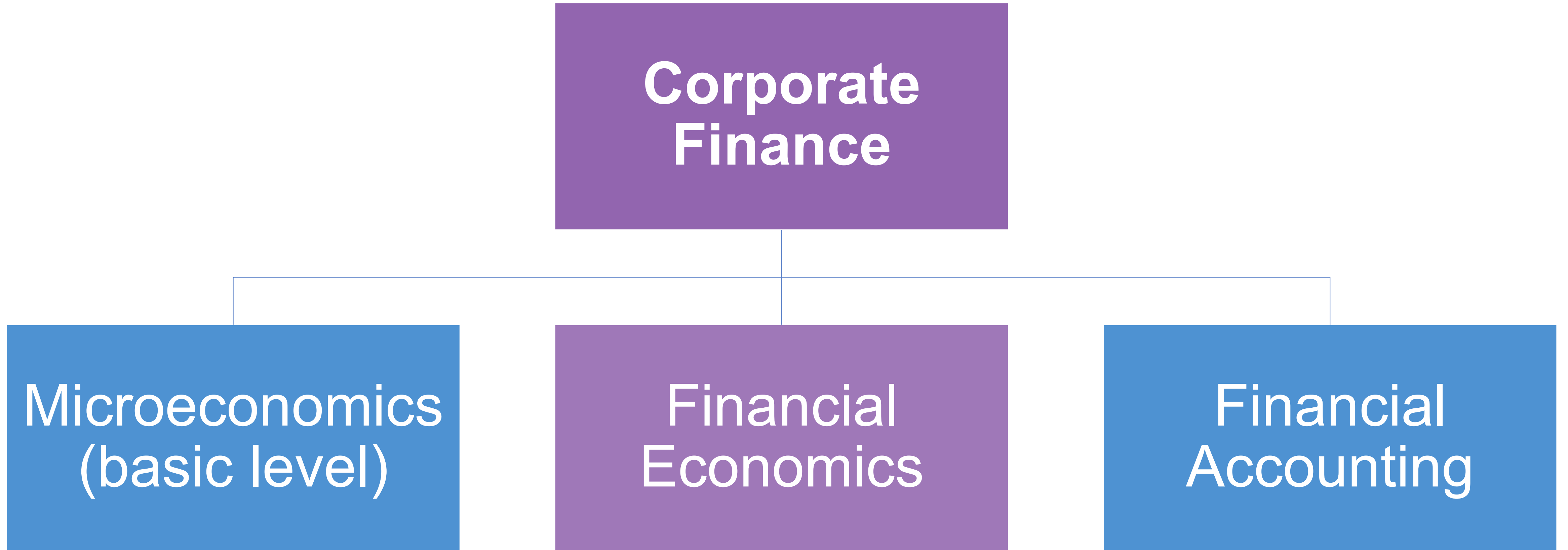
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**Corporate  
Finance**

**Microeconomics  
(basic level)**

**Financial  
Economics**

**Financial  
Accounting**

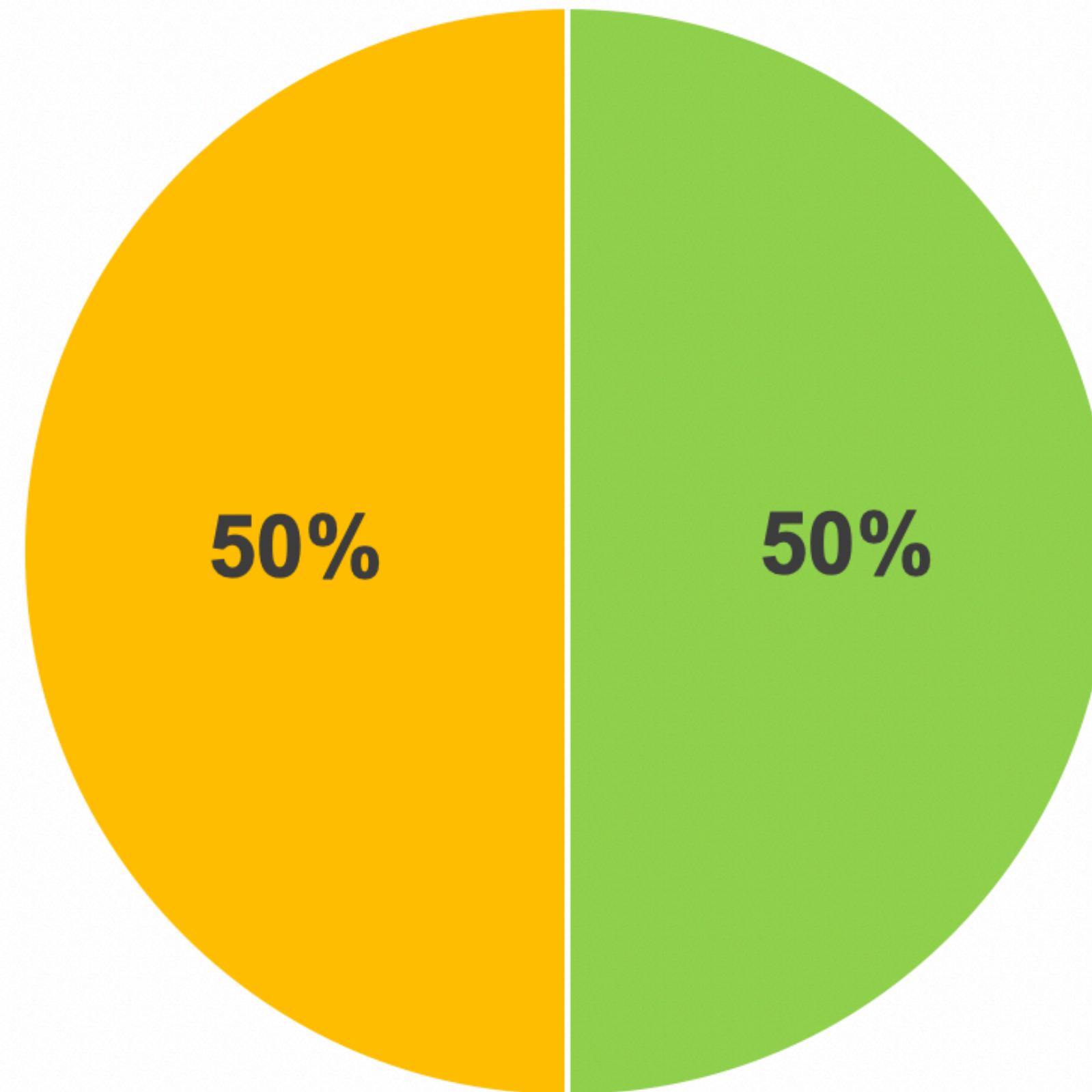






# ASSESSMENT & MARKING: FINAL MARK

- Linear formulas for all marks
- No blocks
- Final mark is rounded according to standard mathematical rules



- Cumulative mark  
(integer number, 0-10)
- Final exam  
(integer number, 0-10)

## Example

*Cumulative mark: 8*

*Final exam: 7*

*Final mark:  $0.5 * 8 + 0.5 * 7 = 7.5 \sim 8$  marks*





# ASSESSMENT & MARKING: CUMULATIVE MARK

- Mid-term test (in written): **February 2021**  
(1h 20m), no retake
- Cumulative mark is not adjusted
- Rounding at the final stage only, intermediate marks are not rounded

## Example

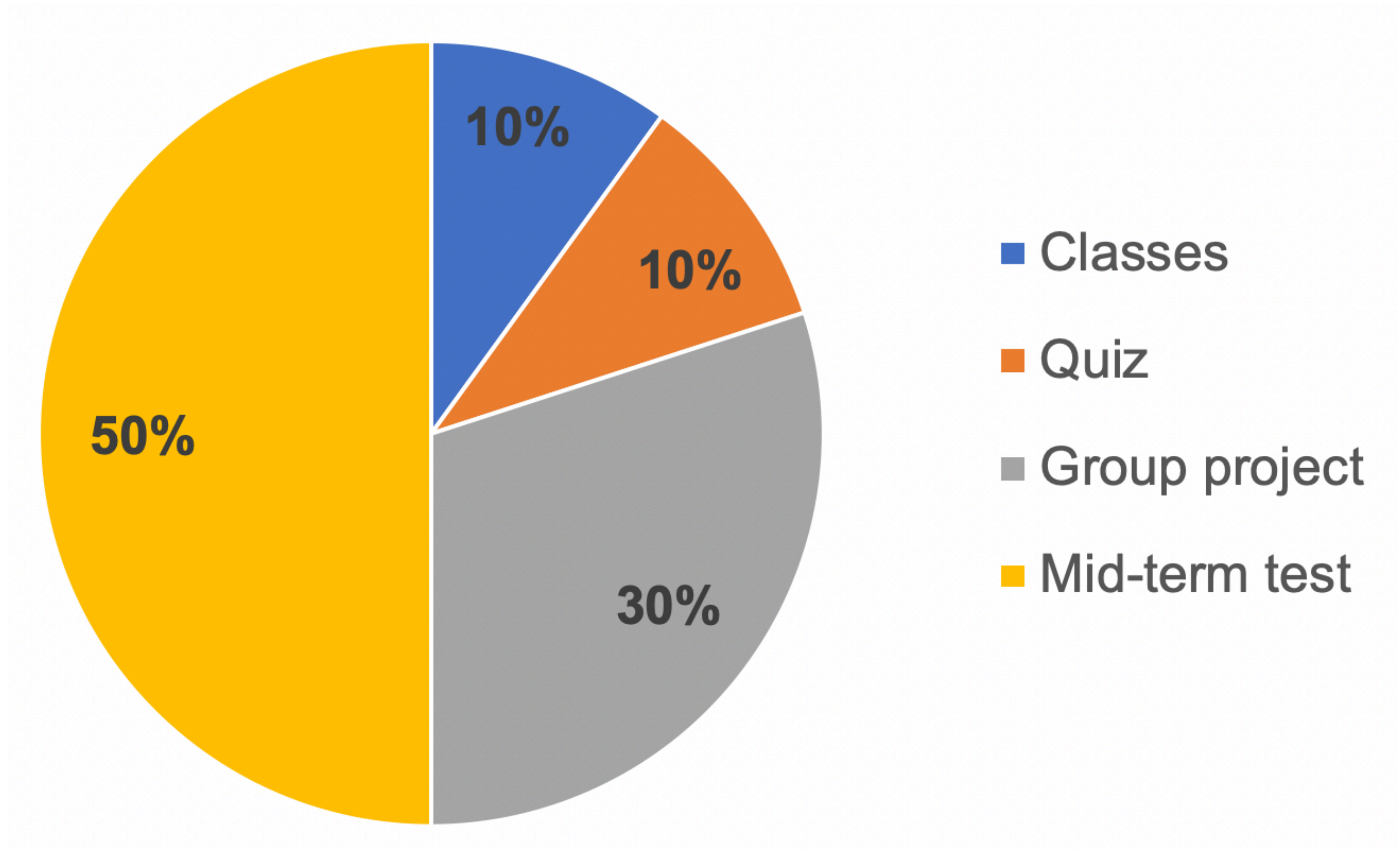
*Classes: 9*

*Group project: 8*

*Quiz (0-10 for each quiz):  $(7 + 6 + 10 + 4 + 8 + 6) / 6 = 6.83$*

*Mid-term test (0-100, recalculated into 0-10):  $84 / 10 = 8.4$*

*Cumulative mark:  $0.1 * 9 + 0.3 * 8 + 0.1 * 6.83 + 0.5 * 8.4 = 8.183 \sim 8 \text{ marks}$*







# ASSESSMENT & MARKING: FINAL EXAM

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- Final exam (in written): **March 2021** (2h 40m)
- Includes problem solving and associated theoretical questions
- Mark for the final exam is adjusted by the average of the top 3 results
- Final exam is retaken in September according to general HSE rules, cumulative mark is valid, adjustment doesn't apply for the retake exam

## Example

*Top 3 results for the final exam (0-100): 85, 87, 93*

*Adjustment ratio:  $100 / ((85 + 87 + 93) / 3) = 1.132$*

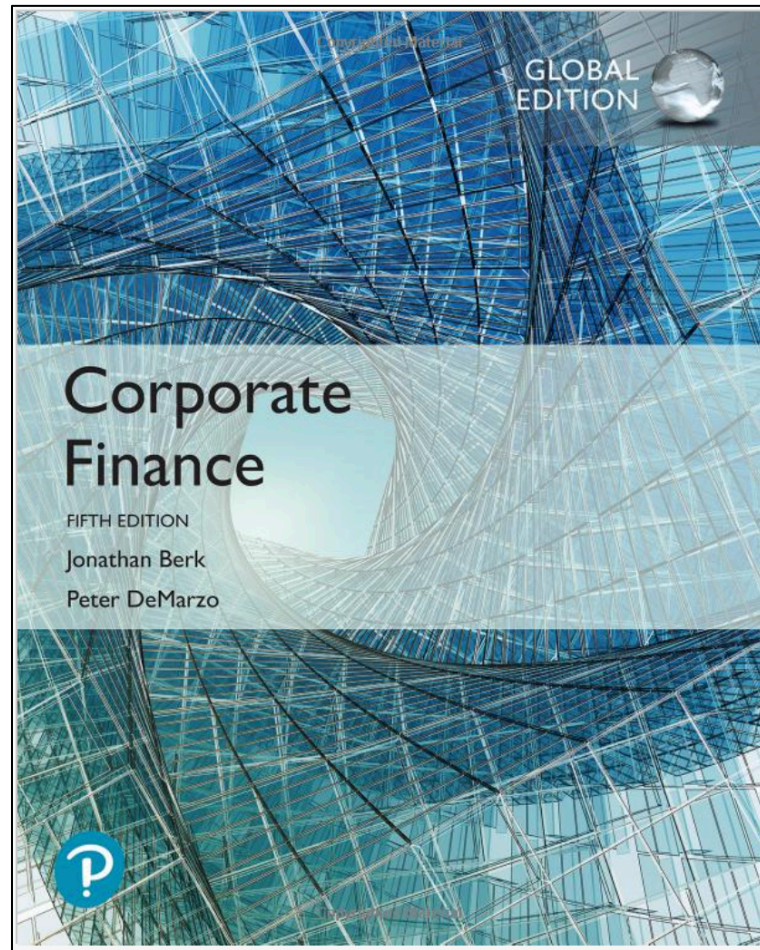
*Your mark for the final exam before adjustment (0-100): 61*

*Your mark for the final exam, adjusted and then recalculated into 0-10:*

*$61 * 1.132 / 10 = 6.906 \sim 7$  marks*

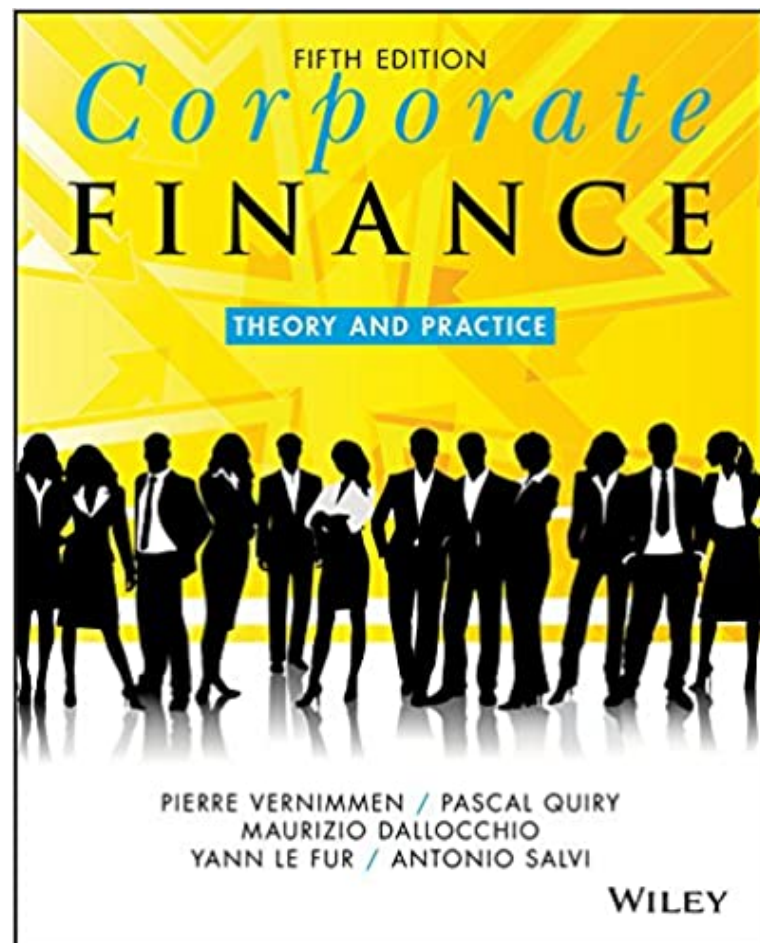


# TEXTBOOKS FOR THE COURSE



## Essential Reading

J. Berk, P. DeMarzo (BD)  
Corporate Finance  
5th edition (2020)



## Supplementary Reading

P. Vernimmen, P. Quiry et al. (VQ)  
Corporate Finance: Theory and Practice  
5th edition (2017)

*Textbooks are available at the HSE online library (ProQuest Ebook Central)*





# COMMUNICATION CHANNELS

**FORGET**



Direct e-mails for  
personal issues only

**APPLY**

The screenshot shows the homepage of the Corporate Finance @HSE website. At the top left, it says "Corporate Finance @HSE" and at the top right, there is a blue "MENU" button. Below the header is a banner image of a stack of books. The main content area features a "Welcome!" heading followed by a graphic of the word "Welcome" where each letter is on a separate colored card pinned to a surface. To the right of this graphic, there is a message: "Dear students, welcome to the Corporate Finance course! This website is our main communication platform. You will not be receiving mass mailing from us. All course materials, home assignments and other important information will be published here so you can find it easily. Moreover, you can use this website for questions and discussion." At the bottom right of the page, there is a "Follow" button with a plus sign and three dots.

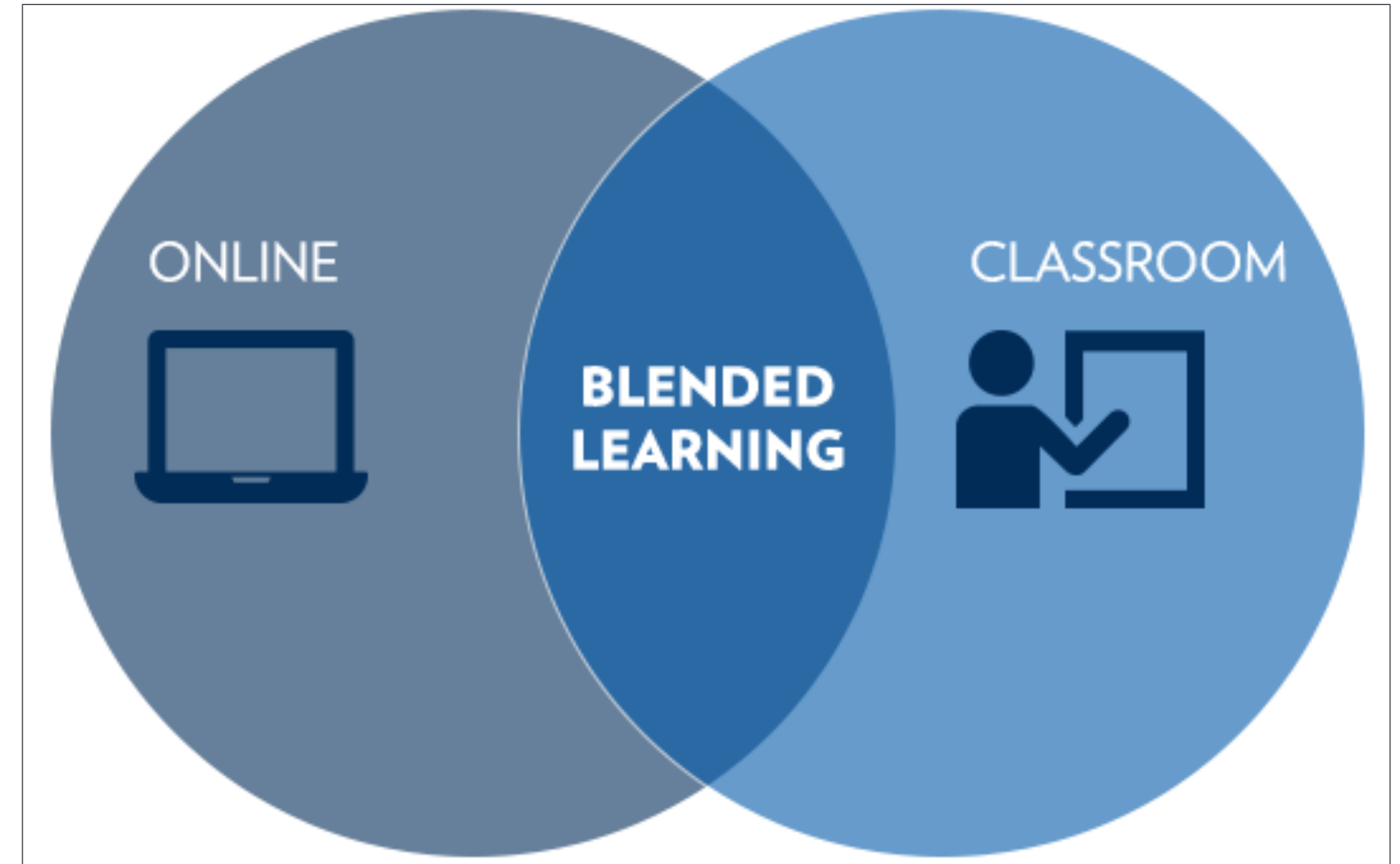
[www.corpfinhse.com](http://www.corpfinhse.com)



# WHAT'S NEW?



More practical cases  
and market issues



Blended learning  
actively introduced





# OUR TEAM FOR THE YEAR 2021

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**Pavel Malyshev**  
lectures, classes



**Veronica Vinogradova**  
classes



**Aziza Ulugova**  
classes



**Maria Evdokimova**  
classes



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