M.A. PROGRAM IN BUSINESS MANAGEMENT (WITH THESIS)
COURSE SYLLABUS FORM

Course Details					
Code			**Academic Year**		**Semester**
BM105			1		1
Title			**T**	**A**	**L**	**ECTS**
Corporate Finance			3	0	0	6

Language	English					
Level	**Undergraduate**		**Graduate**	X	**Postgraduate**	
Department / Program	Business Management					
Forms of Teaching and Learning	Face to face					
Course Type	**Compulsory**	X	**Elective**			
Objectives	Understanding of the corporate objective "market value maximisation" and its significance in the financial context; introduction to the relationship between risk and return as well as an overview of the main theoretical concepts in this regard; overview of theories on the optimal capital structure and distribution policy					
Content	Fisher separation; valuation of bonds and stocks; yield measures of bonds and stocks; relationship between risk and return; portfolio theory, Tobin separation and CAPM; concept of weighted capital costs, major capital structure theories, significance of distribution policy					
Prerequisites	-					
Coordinator	-					
Lecturer(s)	-					
Assistant(s)	-					
Work Placement	-					

Recommended or Required Reading	
Books / Lecture Notes	Brealey, Richard A., Myers, Stewart C., Marcus, Alan J.: Fundamentals of Corporate Finance, International Edition, 7. Ed (2012)
Other Sources	-

Additional Course Material	
Documents	-
Assignments	-
Exams	-

Course Composition		
Mathematics und Basic Sciences		%
Engineering		%
Engineering Design		%

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Social Sciences		100%
Educational Sciences		%
Natural Sciences		%
Health Sciences		%
Expert Knowledge		%

Assessment		
Activity	**Count**	**Percentage (%)**
Midterm Exam	1	40
Quiz		
Assignments		
Attendance		
Recitations		
Projects		
Final Exam	1	60
Total		**100**

ECTS Points and Work Load			
Activity	**Count**	**Duration**	**Work Load (Hours)**
Lectures	14	3	42
Self-Study	14	3	42
Assignments			
Presentation / Seminar Preparation			
Midterm Exam	1	40	40
Recitations			
Laboratory			
Projects			
Final Exam	1	56	56
Total Work Load			**180**
ECTS Points (Total Work Load / 30 Hour)			**6**

Learning Outcomes	
1	Students understand the relationship between the risk of an investment and the return that an investor must demand for that investment.
2	They are able to determine the relevant return under the CAPM depending on the risk of an investment.
3	They understand that according to neoclassical financing theory, maximizing market value is the primary corporate goal, and can assess financing and distribution decisions against this background.

Weekly Content	
1	Fisher separation, market value maximization as a corporate goal

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2	Repetition: valuation of bonds, yield measures for bonds
3	Valuation of shares, yield measures for shares
4	Introduction to the relationship between return and risk, risk measures variance and standard deviation
5	Relationship between return and risk for individual shares and share portfolios, covariance and diversification effect
6	Markowitz's portfolio theory. Tobin separation and capital market line
7	Securities line and Capital Asset Pricing Model (CAPM)
8	CAPM - application problems and examples
9	Midterm Exam
10	Application of the CAPM to determine the risk for the shares of a listed German or Turkish company
11	From Return to Weighted Average Cost of Capital
12	Capital structure theory I - Irrelevance of capital structure (Modigliani/Miller 1958)
13	Capital structure theory II - taxes, costs of financial stress, theory of optimal capital structure. Pecking Order Theory
14	Dividend policy
15	Summary

Contribution of Learning Outcomes to Program Objectives (1-5)

	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13
1	4	5	4	3	3	4	4	5	5	4	5	4	5
2	4	5	4	3	3	4	4	5	5	4	5	4	5
3	4	5	4	3	3	4	4	5	5	4	5	4	5

Contribution Level	1: Low 2: Low-intermediate 3: Intermediate 4: High 5: Very High

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