

Advanced Finance GEST – S402	
I. Informations Générales / General information	
Intitulé de l'unité d'enseignement * / <i>Title of the teaching unit</i>	Advanced Finance
Langue d'enseignement * / <i>Course language</i>	English
Niveau du cadre de certification * / <i>Level of the qualification framework</i>	Master level
Discipline * / <i>Discipline</i>	Triple diploma Master ULB-UCL-ICHEC
Titulaire(s) * / <i>Lecturer(s)</i>	Laurent GHEERAERT
II. Place de l'enseignement / Location of the course	
Unité(s) d'enseignement co-requise(s) / <i>Co-required teaching unit(s)</i>	
Unité(s) d'enseignement pré-requise(s) / <i>Pre-required teaching unit(s)</i>	
Connaissances et compétences pré-requises / <i>Pre-required knowledge and skills</i>	IMPORTANT NOTE: This is an <u>advanced</u> finance course. In order to succeed, it is absolutely key to be proficient in prerequisites, i.e. to be acquainted with the theory and practice of key 'finance 101' and related concepts! More specifically: ✓ <u>Statistics and econometrics</u> (including random variable, descriptive statistics and linear regression) ✓ <u>Accounting</u> and financial statements analysis ✓ Introduction to <u>Finance</u> (in particular, tools and concepts pertaining to: cash flows, time value of money, bond valuation, investment decision making)
Programme d'études comprenant l'unité d'enseignement / <i>Study programme(s) featuring the teaching unit</i>	MA1

III. Objectifs et méthodologies / Objectives and methodologies	
Contribution au profil d'enseignement * / <i>Contribution of the teaching unit to the programme profile</i>	Contribution to the competency framework: LO 1.2 Master and apply key economic and management concepts, frameworks and theories in a professional context to identify a business opportunity and create a relevant innovative solution for it LO 1.3 Embed scientific and technological processes to formulate a business issue into a well-defined problem and propose a solution LO 1.4 Translate a strategy into an actionable plan including the financial implications of the project L.O 2.1 Adopt a scientific approach to data collection, research and analysis and communicate results using clear, structured and sophisticated arguments L.O 2.2 Display critical thinking and develop autonomous learning strategies and techniques L.O 3.1 Apply quantitative and qualitative techniques to support data analysis using standard office and statistical software L.O 4.1 Work and communicate effectively as part of a team in an international and multicultural environment L.O 4.2 Demonstrate a strong work ethic to foster a socially responsible behaviour in the workplace
Objectifs du cours et acquis d'apprentissages spécifiques * / <i>Objectives of the teaching unit (and/or specific learning outcomes)</i>	The objective of the course is to equip students with a strong theoretical and practical command of advanced corporate finance concepts and tools, covering a.o. the asset side (investment decisions) and the liability side (financial structure decisions). Upon completion of the course, students should be able to provide a reasonable and substantiated valuation of firm equity (market capitalization, price per share) and assets (company value) based on information typically available in real situations. Students will be trained to build a critical opinion based on their observations and computations, enabling them to make

	wise financial decisions at corporate level. This should ultimately enhance their aptitude to communicate with executive management (financial and non-financial).
Contenu du cours * / <i>Contents of the teaching unit</i>	1. Accounting, financial analysis and Free Cash Flows (FCF) (<i>core concepts review 1/2</i>) 2. Time value of money, bond valuation, and investment decision (<i>core concepts review 2/2</i>) 3. A comparison of two equity valuation frameworks: Dividend Discount Model (DDM) and Discounted Cash Flow Model (DCF) 4. Inside the DCF – FCF projections and Terminal Value (TV) 5. Inside the DCF – Beta and the Capital Asset Pricing Model (CAPM) 6. Inside the DCF – The WACC (Weighted Average Cost of Capital) approach (under perfect capital markets, without and with corporate taxes) 7. Inside the DCF – The CCF (Capital Cash Flow) approach 8. Inside the DCF – The APV (Adjusted Present Value) approach (with transaction and agency costs) 9. The multiples approach 10. Wrap-up on equity and company valuation 11. Optimal financial structure of the firm 12. Specialized topic* a. Mergers & acquisitions b. Islamic Finance (an introduction) * If time allows (one topic will be chosen)

Méthodes d'enseignement et activités d'apprentissages * / <i>Teaching method and learning activities</i>	The theoretical course consists of lectures (presentation of theoretical tools of modern corporate finance) illustrated by real situations (business cases) and scientific papers. It requires a preparation by the students before class (e.g., reading business case / scientific paper) and an active participation during class (e.g., short theoretical reminders). The exercise sessions consist in a series of mini-cases and exercises to practice key concepts seen in the course. Finally, students will work in groups on an assignment consisting in solving a real-life corporate finance issue, and communicating a recommendation in a professional way.
Supports de cours indispensables * / <i>Essential course materials</i>	Course slides and exercises
Autres supports de cours / <i>Other course materials</i>	
Références, bibliographie et lectures recommandées * / <i>References, bibliography and recommended reading</i>	Berk, J. and DeMarzo, P. (2023). <i>Corporate Finance</i> (6 th edition). Pearson Education Limited (ISBN: 978-1292446318, 1200 pages).
IV. Evaluation / Assessment	
Méthode d'évaluation * / <i>Method(s) of assessment</i>	1. Individual written test on prerequisites 2. Individual final exam (theory and exercises) 3. Group work (business case resolution) 4. Group preparations of theoretical and exercise classes (short wrap-ups and "mini-cases")
Construction de la note, pondération des différentes activités * / <i>Construction of the mark (including the weighting of the various partial marks)</i>	1. Written test on prerequisites (individual grade, weight of 5%) 2. Final exam (individual grade, weight of 65% <u>if the final exam grade is $\geq 8/20$, otherwise weight of 95%</u>) 3. Business case resolution (group grade, weight of 20% <u>only if the final exam grade is $\geq 8/20$, otherwise weight = 0%</u>) 4. Preparation of theoretical and exercise classes (group grade,

	weight of 10% <u>only if the final exam grade is $\geq 8/20$, otherwise weight = 0%</u>)
Langue d'évaluation * / <i>Assessment language</i>	English
V. Organisation pratique / Practical organisation	
Institution organisatrice * / <i>Organising institution</i>	ULB
Faculté gestionnaire * / <i>Managing Faculty</i>	Solvay Brussels School of Economics and Management
Quadrimestre * / <i>Four-month period</i>	First quarter
Horaire * / <i>Schedule</i>	
Volume horaire / <i>Schedule volume</i>	
VI. Coordination pédagogique / Educational coordination	
Contact * / <i>Contact</i>	Laurent.Gheeraert@ulb.be
Lieu d'enseignement * / <i>Teaching location</i>	Solbosch
Remarques / <i>Remarks</i>	
Autres dimensions / <i>Other dimensions</i>	L'unité d'enseignement développe : ✓ l'esprit critique et le libre examen ✓ le CSR et l'éthique ✓ l'entrepreneuriat et l'innovation ✓ une dimension quantitative ✓ une perspective internationale