



# ME2701 Corporate Finance and Markets II 7.5 credits

Finansiell ekonomi och marknader II

This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

## Establishment

Course syllabus for ME2701 valid from Autumn 2012

## Grading scale

A, B, C, D, E, FX, F

## Education cycle

Second cycle

## Main field of study

Industrial Management

## Specific prerequisites

AI2901 Corporate Finance and Markets I or equivalent knowledge from other courses.

## Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

## Intended learning outcomes

After completed course, students will be able to:

- Implement financial statement analysis and planning
- Estimate a project's cash flows and cost of capital
- Evaluate capital structure policy
- Understand how debt financing affects capital budgeting
- Evaluate payout policy
- Describe how a company can arrange long-term financing
- Understand the key issues in mergers and acquisitions

## Course contents

The main content of the course comprises

- Capital markets and investment decisions in a certain and uncertain World
- Capital budgeting techniques
- Market equilibrium and CAPM
- Capital structure and the cost of capital
- Dividend policy

## Course literature

Hiller et al., Financial Markets and Corporate Strategy: European Edition, senaste utgåvan.

## Examination

- INL1 - Assignments, 1.5 credits, grading scale: P, F
- TEN1 - Examination, 6.0 credits, grading scale: A, B, C, D, E, FX, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

## Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.

- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.