



UNIVERSITI TEKNOLOGI MARA

RES622: CORPORATE FINANCE

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| Course Name (English) | CORPORATE FINANCE APPROVED |
| Course Code | RES622 |
| MQF Credit | 2 |
| Course Description | The course introduces students to corporate finance where they will critically examine property investment and financial decisions and the interaction between them. Students will also be equipped with tools to devise appropriate investment and financial strategies to gain competitive advantage in creating or improving market value of assets. |
| Transferable Skills | Demonstrate ability to identify and articulate self skills, knowledge and understanding confidently and in a variety of contexts |
| Teaching Methodologies | Lectures, Tutorial |
| CLO | <p>CLO1 Demonstrate the understanding and application of the capital market functions towards investment decisions.</p> <p>CLO2 demonstrate the knowledge to examine the firm capital structure and able to make decisions on the mixture of debt and equity that will affect both the risk and the value of the firm.</p> <p>CLO3 Demonstrate the understanding and computing a firm's short-term and long term assets and liabilities, and strategic financial decision.</p> |
| Pre-Requisite Courses | No course recommendations |
| Topics | |
| 1. A framework for financial decisions 1.1) The introduction on the basic corporate finance concepts. 1.2) Time-value of money and financial arithmetic to measure wealth. 1.3) An introduction to the Malaysian financial market and the role of Bursa Saham Sdn. Bhd. 1.4) An overview of a firm's financial management, which involves the emergence of financial management and the underlying principle of finance. 1.5) Valuing earnings stream, cash-flows using published accounts and DCF. 1.6) Valuation of assets, shares and companies. | |
| 2. Investment decisions and strategies 2.1) Investment appraisal methods 2.2) Project appraisals 2.3) Strategic investment - Domestic and Overseas. | |
| 3. Investment Risk and Return 3.1) Analysing the investment risk and return 3.2) Investment Portfolio theory 3.3) The required rate of return on investment. | |
| 4. Short Term Financing and Policies 4.1) Working capital policy 4.2) Short term asset management 4.3) Short and medium term finance 4.4) Managing currency risk | |
| 5. Strategic Financial Decisions 5.1) Sources of long term finance 5.2) Measures of gearing 5.3) Cost of debt capital 5.4) Capital structure theory 5.5) Takeover and Mergers | |

| Assessment Breakdown | % |
|-----------------------|--------|
| Continuous Assessment | 40.00% |
| Final Assessment | 60.00% |

| Details of Continuous Assessment | Assessment Type | Assessment Description | % of Total Mark | CLO |
|----------------------------------|-----------------|------------------------|-----------------|------|
| | Test | Test 1 | 20% | CLO2 |
| | Test | Test 2 | 20% | CLO3 |

| Reading List | Recommended Text |
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| | <ul style="list-style-type: none"> Diana J Beal 2009, <i>Introducing Corporate Finance</i>, John Wiley & Sons; 2nd edition (January 2009) [ISBN: 978-047081376] |

| Article/Paper List |
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| This Course does not have any article/paper resources |

| Other References |
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| <ul style="list-style-type: none"> Reference Book Brealey, Myers, Allen 2013, <i>Principles of Corporate Finance</i>, McGraw-Hill/Irwin; 11 edition (January 15, 2013) Reference Book McGraw-Hill/Irwin Series in Finance, Insurance, and Real Estate 2012, <i>Fundamentals of Corporate Finance Standard Edition</i>, McGraw-Hill/Irwin; 10 edition |