

Identification	Subject (code, title, credits)	FIN 890 Advanced Corporate Finance, 3KU/6ECTS credits
	Department	Economics and Management
	Program	Graduate
	Term	Fall, 2025
	Instructor	Rovshan Hajiyeu
	E-mail	rovshan.hajiyeu@khazar.org
	Classroom/hours	Bashir Safaroglu 122, Room
Prerequisites	FIN 830 Financial management	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p>Core Textbooks: [1] Berk, J. B., & Demarzo, P. M. (July 4, 2023). <i>Corporate finance: global edition</i>. Pearson. ISBN-10, 1292446315</p> <p>Supplementary reading materials: [2] Corporate Finance, by Ross, Westerfield, Jaffe, and Jordan. McGraw Hill, 11th ed. (RWJJ) [3] Excel Modeling and Estimation in Corporate Finance, by Holden. Prentice Hall, 3rd ed. (HD) [4] Damodaran, A. (2015). Applied Corporate Finance (Vol. Fourth edition). Hoboken, New Jersey: Wiley. Retrieved from [5] Brealey, R. A., & Myers, S. C. (2025). Principles of corporate finance. Slovenia, Europe: Irwin. Retrieved from</p>	
Course outline	<p>This course offers a rigorous and applied exploration of advanced topics in corporate finance, building on foundational principles to address the complex financial decisions faced by modern corporations. The focus is on strategic decision-making in areas such as capital budgeting under uncertainty, valuation of financial assets and firms, capital structure design, payout policy, and corporate risk management.</p> <p>Valuation remains a central framework throughout the course, with applications extending to mergers and acquisitions, leveraged buyouts, and the pricing of convertible and derivative securities. The course also examines the interplay between firm decisions and capital markets, integrating empirical research, financial modeling, and case-based analysis. Students will develop the analytical tools and judgments required to evaluate financial strategies, quantify risk and return, and understand the impact of financing decisions on firm value. The course is designed for those pursuing careers in corporate finance, investment banking, private equity, or financial consulting.</p>	
Course objectives	<p>The objective of this course is to equip students with the analytical tools, theoretical frameworks, and practical skills necessary to make complex financial decisions in a corporate setting. Students will gain advanced knowledge in valuation techniques, capital budgeting under uncertainty, capital structure optimization, payout policy, and corporate risk management. A key focus is on applying financial theory to real-world problems using Excel-based modeling and data analysis. Through hands-on exercises, case studies, and financial modeling, students will develop</p>	

	the ability to construct and interpret dynamic financial models, assess the impact of strategic financial decisions, and evaluate firm performance using market and accounting data. The course also emphasizes the critical interpretation of empirical research and the effective communication of financial recommendations in professional contexts such as investment banking, corporate finance, and consulting.		
Learning outcomes	<p>By the end of this course, students will be able to:</p> <ul style="list-style-type: none"> ● Apply advanced valuation techniques to assess investment opportunities, value firms, and price complex financial instruments, including derivatives and convertible securities. ● Analyze capital structure decisions and evaluate their impact on firm value, cost of capital, and financial risk, considering market imperfections such as taxes, bankruptcy costs, and agency conflicts. ● Evaluate corporate investment decisions under uncertainty using tools such as discounted cash flow (DCF), sensitivity and scenario analysis, and real options. ● Assess and design payout policies (dividends and share repurchases) in alignment with corporate strategy and shareholder value maximization. ● Understand and implement corporate risk management strategies using financial derivatives to hedge exposures related to interest rates, foreign exchange, and commodity prices. ● Build dynamic financial models in Excel to support valuation, scenario planning, capital budgeting, and deal structuring, including the use of functions, data tables, and sensitivity analysis. ● Conduct empirical analysis using financial data to inform decision-making, benchmark firm performance, and evaluate strategic financial alternatives. ● Critically interpret academic and practitioner research to apply evidence-based insights to complex corporate finance problems. ● Communicate financial recommendations effectively, both in written reports and presentations, simulating real-world roles in corporate finance, investment banking, or financial advisory. 		
Teaching methods	Lecture		✓
	Practices		✓
	Group discussion		✓
	Case analysis		✓
Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam	To be announced	30
	Attendance		5
	Activity		5
	Quizzes	To be announced	10
	Individual Projects	To be announced	40
	Final Exam	To be announced	10
	Total		100
Policy	Activity/Attendance. Because of the once-a-week course format, students are expected to attend all sessions. If you have an absence, take		

	<p>responsibility for making up assignments and for obtaining missed lecture information.</p> <p>Participation is important for doing well on the course. You'll be graded for your active engagement with the material and your peers.</p> <p>The activity and participation will account for 10 % of the total course grade.</p> <p>Class preparation: Students are responsible for: 1) reading the assigned materials; 2) taking the initiative to ask questions that promote understanding of the academic subject; 3) communicating regularly with the instructor, especially in matters related to class assignments.</p> <p>Quizzes: The structure and format of the homework may include multiple choice and open-ended questions.</p> <p>Analysis of the assigned case will be conducted by each student.</p> <p>Homework and case analysis will account for 20 % of the final grade.</p> <p>Project: The purpose of this assignment is to test your ability to 1) locate, 2) select and 3) analyze data. This assignment is based on a situation that you may encounter in a corporate scenario. This purpose is aligned with desirable graduate attributes as part of the learning outcomes associated with Statistics for Business and Economics.</p> <p>Cheating/Plagiarism. Academic integrity is fundamental to the activities and principles of a university. Breaches of academic integrity will lead to assignment cancellation. When in doubt about plagiarism or any other form of cheating, consult the course instructor</p>
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Tentative Schedule

Week	Date/Day Tentative	Topics	Textbook
1		The Corporation	Ch1
2		Introduction to Financial Statement Analysis	Ch2
3		Financial Decision making and the law of one price	Ch3
4		Time value of Money and Interest Rates	Ch4-5
5		Quiz -1 Valuing Bonds	Ch6
6		Investment Decision Rules	Ch7
7		Investment Decision Rules	Ch7
8		Fundamentals of Capital Budgeting	Ch8
9		Valuing Stocks Mid-term Exam	Ch9
10		Capital Markets and the price of Risk	Ch10

11		Optimal portfolio choice and the Capital Asset Pricing Model	Ch11
12		Estimating cost of Capital	Ch12
13		Quiz -2 Investor Behavior and Capital Market Efficiency	Ch13
14		Capital Structure in a Perfect Market	Ch14
15		Debt and Taxes Final exam review and discussion:	Ch15
16		Final Exam	