BACHELOR OF ECONOMICS
THAMMASAT UNIVERSITY

Course Outline
FN311: Financial Management
Semester 2/2025 (January 5 - May 2, 2026)

Number of credits: 3 credits (3-0-6)

Prerequisite: FN201 Business Finance (which requires AC201 Financial Accounting or AC291 Essentials of Accounting) and FN211 Financial Mathematics and Statistics

(For exchange students who are not subject to this requirement, complete self-study on (1) financial accounting, (2) introductory business finance, and (3) mathematics and statistics (up to simple regression) without undue delay is highly recommended as this class relies heavily on these 3 foundations.)

Course Description:

Theoretical concepts of corporate financial management applied to resolve financial problems and issues encountered by management in the real world of business; the management of asset structure and financial mix; the application of financial models and instruments on managing the assets, liabilities and equities, valuation, the costs of capital, capital structure, capital budgeting under risk, leasing, the concepts of agency problems and corporate governance

Instructor and Course Coordinator:

Name: Obrom Chaowalerd (อบรม เชาวน์เลิศ)
Office: BA 552, 5th Floor, East wing, Thammasat Business School
Office hours: Thursday, 12:30 – 01:00 p.m., in the classroom by appointment only
Communication platform: MS Teams
Calls: MS Teams Call (Tuesday – Thursday, 05:30 – 07:00 p.m.)
Messages: MS Teams Chat (anytime)

Class Time, Venue, and Platforms:

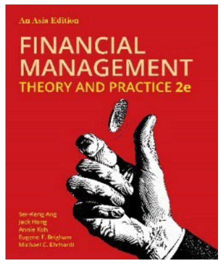
Section: 046401
Day: Thursday
Time: 01:00 – 04:00 p.m.
Venue: Room #xxx, Faculty of Economics
Class platform: MS Teams: **FN311-25S-BE** (communication and class materials)

Teaching Assistant: Nannapat Lertsamart (Contact platform: MS Teams Chat)

FACULTY OF ECONOMICS THAMMASAT UNIVERSITY
2 PRACHAN ROAD, PHRANAKORN BANGKOK 10200 THAILAND
WWW.BE.ECON.TU.AC.TH
B.E. INTERNATIONAL PROGRAM
FAX: +66 (0) 2224 0150
PHONE: +66 (0) 2613 2437 TO 8
E-MAIL: BE@ECON.TU.AC.TH

Main Text:

Ser-Keng Ang, Jack Hong, Annie Koh, Eugene F. Brigham and Michael Ehrhardt, **Financial Management**: **Theory and Practice**. (An Asia Edition), 2nd Edition, (Cengage Learning, Singapore: 2021). = **FM** (we = **FM**'s Web Extension; wc = **FM**'s Web Chapter)
- Please visit http://www.cengageasia.com for supplementary materials.



Recommended Texts & Materials:

Aswath Damodaran, **Damodaran on Valuation: Security Analysis for Investment and Corporate Finance**. 2nd Edition, (John Wiley and Sons: New York, 2006).

Suggested Readings:

- Other corporate finance, financial management, business finance textbooks
- Local business newspapers, *The Asian Wall Street Journal*, *BusinessWeek*, *The Economist*, *Forbes*, *Fortune*, other financial and economic Websites
- Useful local Websites

  http://www.set.or.th
  http://www.sec.or.th
  http://www.tsi-thailand.org
  http://www.bot.or.th
  http://www.thaibma.or.th
  http://www.settrade.com
  http://www.tfex.co.th
  Companies' websites

Grading Criteria:

Activity #	Assessment Methods	Proportion of Assessment Score
1	Three individual assignments Due dates: Weeks 4, 6, and 14 (See posts on the class MS Teams.)	5%
2	A group mini case study (2 – 3 members) Due date: Week 15 on Thursday, April 30, 2026, by 01:00 p.m.	10%
3	Proctored mid-term examination (Closed-book <u>without cheat sheet</u>)[1] Topics covered: 1 – 5 Date: Thursday, February 26, 2026; Time: 03:00 – 05:30 p.m.	40%
4	Proctored final examination (non-cumulative) (Closed-book <u>without cheat sheet</u>)[1] Topics covered: 6 – 10 mainly (11 – 13 may be covered) Date: Friday, May 15, 2026; Time: 01:30 – 04:30 p.m.	45%
	Total	100%

A remark on grading: A final grade is determined according to the following criterion.

<u>Total Points</u>	<u>0-44.99</u>	<u>45-49.99</u>	<u>50-54.99</u>	<u>55-59.99</u>	<u>60-69.99</u>	<u>70-79.99</u>	<u>80-89.99</u>	<u>90-100</u>
Grade	F	D	D+	C	C+	B	B+	A

Notes:

(1) Cheat sheet is <u>NOT allowed</u> in the exams. Instead, formulas and interest factor tables are provided.
(2) Up to 2 calculators (simple, financial, or non-programmable and non-graphing scientific) are allowed in the exams.
(3) Students are encouraged to
   a. review concepts covered in AC201 Financial Accounting, FN201 Business Finance and FN211 Financial Mathematics and Statistics,
   b. complete required reading assignments before attending the class,
   c. participate and ask questions in the class,
   d. review the concepts discussed in the class by doing practice problem sets, and
   e. reach out to the instructor should help is needed.
(4) Students are required to hand in 3 individual assignments and 1 group assignment (mini case).
   a. Individual assignment scores are based totally on attempt and completeness, and timeliness.
   b. Group project (mini case) scores are based mainly on attempt and completeness, and punctuality for the group, and adjusted by self- and peer evaluations for each team member.
(5) Self-test problem sets with solutions are for self-practice. Students are not required to hand them in unless specified otherwise. Failure to get used to the problems in these problem sets has been the most important factor of unsatisfactorily low grades or withdrawals.
(6) Form a group of 2 - 3 members to work on the group mini case study. However, **working solo is not consistent with one of the course learning outcomes and thus is strictly not permitted**.
(7) Additional instructions about examinations will be provided should remote examinations are required.
(8) To avoid a conflict in rescheduling a meeting for a make-up class, I propose that there will be no class break on a national holiday that falls on the class schedule (if any). Instead, a remote lecture on Zoom takes place on such a holiday. A lecture is recorded for self-review for students who may have other plans and thus may not be able to show up. However, the BE International Program must approve this proposal.

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Tentative Class Schedule:

Session; Date & Time (2026)	Topics	Activities/ Text & Materials/ Media
#1: January 8	(1) Financial Management, Firm's Value, and Agency Problems Course overview; financial managers' responsibilities; the primary objectives of business enterprises; firm's value model; agency relationships; agency problems; agency costs and firm's value	- A lecture, a discussion, a video clip, **STQ** #1, **LN** #1 - Required reading: **FM** 1, 13, 15 - Optional reading: **FM** 2, 3, 6
#2: January 15 #3: January 22	(2) Risk and Return Returns on investments; stand-alone risk; risk in a portfolio context; calculating beta coefficients; the relationship between risk and return: asset pricing models; single-factor models, the Market Model, the Capital Asset Pricing Model (CAPM); some concerns about beta and the CAPM; multi-factor models; data sources; practical issues	- Lectures, discussions, **STQ** #2, **LN** #2 - Required reading: **FM** 6 - Optional reading: **FM** 25
#4: January 29 #5: February 5	(3) The Cost of Capital: Theory and Practice The concepts of the cost of capital; costs of debt, convertible debt, preferred stock, common equity: the CAPM approach, the discounted cash flow (DCF) approach, bond-yield-plus-risk-premium approach; hybrid securities (optional); weighted average cost of capital (WACC); the marginal cost of capital (MCC); the MCC schedule; adjusting the cost of capital for risk: the divisional cost of capital; techniques for measuring divisional betas; estimating the cost of capital for individual projects; flotation costs; some problem areas in the cost of capital; data sources	- Lectures, discussions, video clips, **STQ** #3, a mini case study, Excel, **LN** #3 - Required reading: **FM** 5, 6, 7, 9, 20 - Optional reading: **FM** 18
#6: February 12	(4) Financial Forecasting Overview of financial forecasting; forecasting operations; projecting financial statements; additional funds needed (AFN) with and without financing feedback; forecasting when the ratio changes	- A lecture, a discussion, a video clip, **STQ** #4, Excel, **LN** #4 - Required reading: **FM** 2, 12 - Optional reading: **FM** 2, 3
#7: February 19	(5) Corporate Valuation Firm's value model; modifying accounting data for managerial decisions: calculating free cash flows; MVA® and EVA®; overview of corporate valuation; the corporate valuation model: estimating the value of operations, estimating the price per share	- A lecture, a discussion, a video clip, **STQ** #5, Excel, **LN** #5 - Required reading: **FM** 2, 7 - Optional reading: **FM** 2, 3, 4, 7, 9

Session; Date & Time (2026)	Topics	Activities/ Text & Materials/ Media
#8: March 5 #9: March 12 #10: March 19 (first half)	(6) <u>Capital Structure Decisions: Theory and Practice</u> Business and financial risk; capital structure theories: the Modigliani-Miller (MM) Model without taxes, the MM Model with corporate taxes, homemade leverage, illustration of the MM Models, the Miller Model with corporate and personal taxes, illustration of the Miller Model; the Hamada Model; the Trade-Off Models, criticisms of the MM and Miller Models; the Signaling Model: the Pecking-Order Model; the Agency Model: agency costs and firm's value; the Market-Timing Model; estimating the optimal capital structure; checklists for capital structure decisions	- Lectures, discussions, a video clip, **STQ** #6, Excel, **LN** #6 - Required reading: **FM** 13, 15 - Optional reading: **FM** 4, 26
#10: March 19 (second half) #11: March 26 (first half)	(7) <u>Distributions to Shareholders</u> Theories of and empirical evidence on distributions: dividend irrelevance, bird-in-the-hand, tax differentials, clientele effect, information content or signaling, catering; distributions through stock repurchases; comparison of dividends and repurchases; other factors influencing distributions; stock splits and stock dividends	- A lecture, a discussion, a video clip, **STQ** #7, Excel, **LN** #7 - Required reading: **FM** 14;
#11: March 26 (second half) #12: April 2 13: April 9	(8) <u>Capital Budgeting Analysis under Uncertainty and Uncertainty</u> Capital budgeting techniques (self-study); Estimating cash flows; identifying the relevant cash flows; evaluating capital budgeting projects: new and replacement project analyses; adjusting for inflation; techniques for measuring stand-alone risk: sensitivity analysis, scenario analysis, Monte Carlo simulation; incorporating project risk into capital budgeting; managing risk through phased decisions: decision trees; real options (optional)	- Lectures, discussions, a video clip, **STQ** #8, Excel, **LN** #8 - Required reading: **FM** 11 - Optional reading: **FM** 4, 10
14: April 23	(9) <u>Alternative Approaches to Corporate Valuation and Capital Budgeting Analysis</u> The free-cash-flow-to-firm (FCFF) approach; the free-cash-flow-to-equity (FCFE) approach; the adjusted present value (APV) approach	- A lecture, a discussion, **STQ** #9, Excel, **LN** #9 - Required reading: **FM** 21
#15: April 30	(10) <u>Supply Chain and Working Management</u> The cash conversion cycle: An Illustration, shortening cash conversion cycle, benefits; alternative net operating working capital policies: relaxed, restricted, moderate; alternative short-term financing policies: the maturity-matching approach, aggressive approach, conservative approach	- Lectures, discussions, a video clip, **STQ** #10, Excel, **LN** #10 - Required reading: **FM** 16 - Optional reading: **FM** 2, 3

Session; Date & Time (2026)	Topics	Activities/ Text & Materials/ Media
	(11) Providing Trade Credit (optional*) Credit policies; setting the credit period and standards; setting the collection policy; cash discounts; other factors Influencing credit policy; receivables management: monitoring the receivables position (days sales outstanding, aging schedules, the payment pattern approach); analyzing proposed changes in credit policies *When time permits only; Not covered in the exam if not discussed in the class	- A lecture, a discussion, a video clip, an **STQ** #11, Excel, **LN** #11 - Required reading: **FM** 16, WC27 - Optional reading: **FM** 2, 3
	(12) Bond Refunding and Lease Analysis (optional*) A bond refunding operation; Types of leases; a lease-versus-buy decision: evaluation by the lessor	- A lecture, a discussion, **STQ** #12, Excel, **LN** #12 - Required reading: **FM** 19, WE15b

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ACADEMIC CALENDAR & HOLIDAY SEMESTER 2/2025

Semester 2/2025 (January 5 - May 2, 2026)	
Enrollment by import quota (Confirm quota Via REG TU) (*ID.65 – 68)	December 1 – 4, 2025
Tuition Fee Payment Period (Via TU Greats App) (*ID.65 – 67)	December 1, 2025 – January 2, 2026
Classes Begin	January 5, 2026
Add-drop period (Via REG TU) *(All *ID)*	January 5 – 18, 2026 *(from 9.00 AM of January 5 to 10.30 PM of January 18)*
Tuition Fee Payment Period (Via TU Greats App) (For Students who add-drop courses) *(All *ID)*	January 5 – 19, 2026 *(from 9.00 AM of January 5 to 10.30 PM of January 19)*
Withdrawal period with “W” on record	January 19 – March 15, 2026 *(from 9.00 AM of* January 19 *to 10.30 PM of* March 15*)*
Mid-term Examination Period	February 22 – 28, 2026
*Makha Bucha Day **	*March 3, 2026*
Special Withdrawal with “W” on record	March 16 – April 20, 2026
*King Rama I Memorial and Chakri Day**	April 6, 2026
*Songkran Festival Day**	April 13 – 18, 2026
Last day of class for Semester 2/2025	May 2, 2026
*Royal Ploughing Ceremony**	May 11, 2026
Final exam period	May 5 – 19, 2026
Submitting Forms for Degree Conferral (ID.64-65)	January 5 – 18, 2026

Updated: October 22, 2025

Remark * Holiday, No classes during this period

BE Classroom Guidelines

- The classroom is a collaborative working environment where both the course instructor and students work together to create productive learning experiences.
- Every student plays a vital role in achieving this goal.
- The following guidelines aim to ensure a respectful, engaging, and distraction-free learning atmosphere.
- Be Engaged:
  - Be punctual and remain focused during class sessions.
  - Unacceptable behaviors:
    - Repeated absences without a valid reason.
    - Repeatedly arriving late or leaving early.
    - Frequently entering and exiting the room during class.
- Be Respectful:
  - Contribute to a positive learning environment by treating peers with respect.
  - Avoid loud or prolonged side conversations that could disrupt others.
  - Refrain from using electronic devices for non-class-related activities, such as:
    - Do not engage in activities such as watching videos, gaming, listening to music, texting, reading, or using social media.
    - All devices should be placed in focus mode or sleep mode to minimize distractions.

Expected Learning Outcomes (Curriculum B.E. 2566):

Course	Knowledge			Skills								Ethics			Character	
	K1	K2	K3	S1	S2	S3	S4	S5	S6	S7	S8	E1	E2	E3	C1	C2
FN311 Financial Management			✓			✓	✓	✓				✓			✓	

<table>
<tr><th>Expected CLOs</th><th>Teaching Methods</th><th>Assessment of CLOs</th></tr>
<tr>
<td>K3: Each student is able to apply the 10 axioms of finance in aggregate at an intermediate level to make decisions on asset investments and financing that are consistent with the primary goal of financial management.
<table>
<tr><td colspan="2">This CLO is related to</td></tr>
<tr><td>PLO 1.3, and</td><td>YLO 2.</td></tr>
</table>
</td>
<td>

- Lectures with theoretical and practical examples
- Self-test question sets
- Problem-based learning via a group case study
- Self-study via pre-recorded lecture videos

</td>
<td>

- <u>Method</u>
  - Individual assignment #3 (A #3) that covers comprehensive knowledge in intermediate financial management
- <u>Measure</u>
  - Total scores of A #3 (K3 measured in % of the total scores)
- <u>Rubric</u>

<table>
<tr><th>Unsatisfactory (U)</th><th>Satisfactory (S)</th></tr>
<tr><td>K3 < 40%</td><td>K3 ≥ 40%</td></tr>
</table>

- <u>Alternative approach for an improved LO in case of an unsatisfactory outcome</u>
  - Use the total scores of a relevant exam question (or questions) of each student with a U as the measure of K3 to evaluate this CLO following the same rubric above.

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<table>
<tr><th>Expected CLOs</th><th>Teaching Methods</th><th>Assessment of CLOs</th></tr>
<tr><td>S3: Each student can formulate alternative solutions, evaluate each comprehensively and recommend solutions that best fit circumstances in order to gain an advantage in business competition.
<table><tr><td colspan="2">This CLO is related to</td></tr><tr><td>PLO 2.3, and</td><td>YLO 2.</td></tr></table></td><td>▪ Lectures with theoretical and practical examples
▪ Problem-based learning via a group case study
▪ Self-test problem sets
▪ Self-study via pre-recorded lecture videos</td><td>▪ <u>Method</u>
o Individual assignment #2 (A #2) that covers solution formulation and recommendation
▪ <u>Measure</u>
o Total scores of A #2 (S3 measured in % of the total scores)
▪ <u>Rubric</u>
<table><tr><td>Unsatisfactory (U)</td><td>Satisfactory (S)</td></tr><tr><td>S3 < 40%</td><td>S3 ≥ 40%</td></tr></table>▪ <u>Alternative approach for an improved LO in case of an unsatisfactory outcome</u>
o Use the total scores of a relevant exam question (or questions) of each student with a U as the measure of S3 to evaluate this CLO following the same rubric above.</td></tr>
<tr><td>S4: Each student can work in a team.
<table><tr><td colspan="2">This CLO is related to</td></tr><tr><td>PLO 2.4, and</td><td>[YLO: N/A].</td></tr></table></td><td>▪ Emphasis on the importance of working in a team
▪ Problem-based learning via a group case study</td><td>▪ <u>Method</u>
o Verifying from self- and peer evaluation forms reflecting individual performance on a group case study
▪ <u>Measure</u>
o Average self- and peer evaluation scores reflecting the cases of involvement in an unresolved dispute or a relatively free rider. (S4 measured in %)
▪ <u>Rubric</u>
<table><tr><td>Unsatisfactory (U)</td><td>Satisfactory (S)</td></tr><tr><td>S4 < 25%</td><td>S4 ≥ 25%</td></tr></table>▪ <u>Alternative approach for an improved LO in case of an unsatisfactory outcome</u>
o [No recommendation at the moment as there is only 1 group project]</td></tr>
</table>

Expected CLOs	Teaching Methods	Assessment of CLOs
S5: Each student can initiate and express different opinions creatively helping their team formulate solutions effectively. This CLO is related to PLO 2.6, and | YLO 1.	▪ Emphasis on the importance of creative initiations to team's success ▪ Problem-based learning via a group case study	▪ Method o Verifying from self- and peer evaluation forms reflecting individual initiations and creative opinions ▪ Measure o Average self- and peer evaluation scores reflecting the case of initiative participation and differently constructive opinions (S5 measured %) ▪ Rubric Unsatisfactory (U): S5 < 25% | Satisfactory (S): S5 ≥ 25% ▪ Alternative approach for an improved LO in case of an unsatisfactory outcome o [No recommendation at the moment as there is only 1 group project]
E1.1: Each student adheres to academic honesty. This CLO is related to PLO 3.1. | [YLO: N/A]	▪ Emphasis on the importance of honesty and monitoring	▪ Methods o Monitoring behavior during exams ▪ Measure o The absence of dishonesty during exams (E1.1 measured as 0 or 1 where 0 = there is dishonesty and 1 = there is no dishonesty) ▪ Rubric Unsatisfactory (U): E1.1 = 0 | Satisfactory (S): E1.1 = 1 ▪ Alternative approach for an improved LO in case of an unsatisfactory outcome o Each student with a U gets re-assessed following Thammasat University Regulations on Student Discipline B.E. 2568 (2025).

<table>
<tr><th>Expected CLOs</th><th>Teaching Methods</th><th>Assessment of CLOs</th></tr>
<tr><td>E1.2: Each student is responsible for her/his duties, and accountable for her/his own actions.
<table><tr><td colspan="2">This CLO is related to</td></tr><tr><td>PLO 3.1.</td><td>[YLO: N/A]</td></tr></table></td><td>▪ Emphasis on the importance of selflessness, responsibility, and accountability
▪ Active learning via a case-study-based approach
▪ A group case-study assignment</td><td>▪ <u>Method</u>
o Verifying from self- and peer evaluation forms reflecting the cases of missing the final deadline and externalizing responsibility
▪ <u>Measure</u>
o Average self- and peer evaluation scores reflecting the cases of missing the final deadline and externalizing responsibility (E1.2 measured in %)
▪ <u>Rubric</u>
<table><tr><td>Unsatisfactory (U)</td><td>Satisfactory (S)</td></tr><tr><td>$E1.2 < 25\%$</td><td>$E1.2 \geq 25\%$</td></tr></table>▪ <u>Alternative approach for an improved LO in case of an unsatisfactory outcome</u>
o [No recommendation at the moment as there is only 1 group project]</td></tr>
<tr><td>C1: Each student is adaptable to various situations. Specifically, with financial data ambiguity, each student could choose and justify choices that are most suitable.
<table><tr><td colspan="2">This CLO is related to</td></tr><tr><td>PLO 4.1.</td><td>[YLO: N/A]</td></tr></table></td><td>▪ A lecture with examples empowering students' adaptability skills
▪ Self-test question sets that enable students to adjust approaches to tackle problems
▪ Self-study via pre-recorded lecture videos</td><td>▪ <u>Method</u>
o Individual assignment #1 (A #1) that covers solution formulation and implementation
▪ <u>Measure</u>
o Total scores of A #1 (C1 measured in % of the total scores)
▪ <u>Rubric</u>
<table><tr><td>Unsatisfactory (U)</td><td>Satisfactory (S)</td></tr><tr><td>$C1 < 40\%$</td><td>$C1 \geq 40\%$</td></tr></table>▪ <u>Alternative approach for an improved LO in case of an unsatisfactory outcome</u>
o Use the total scores of a relevant exam question (or questions) of each student with a U as the measure of C1 to evaluate this CLO following the same rubric above.</td></tr>
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