B.E. International Program

Faculty of Economics, Thammasat University

Course Outline

FN201 Business Finance

Semester 1/2013

Number of credits:	**3 credits (3-0-6)**	
Lecture Time:	Section 046401	Saturday, 9.00 AM – noon
	Section 046402	Saturday, 1.00 – 4.00 PM
Lecture Venue:	Room 303, 3rd floor, Faculty of Economics	
Instructor:	Dr. Winai Homsombat	
Email:	winai.hom@kmutt.ac.th or win.homsombat@gmail.com	
Office hours:	By appointment	

Course Description

This course studies the basic principles of financial management for business as well as the responsibilities of financial managers in order that they can perform their best to maximize the enterprise value. Discussions will covers financial analysis, cash flow analysis, financial planning and control, fundamental analysis on risk and return, time value of money, current asset management, fixed assets investments, allocation and acquisition of funds, short-term and long-term financing, and costs of financing.

Prerequisites: AC201 Fundamental Accounting

Course Objectives

This course aims at developing students to have financial knowledge to deal with many issues in business finance. It will also form a foundation for further finance courses. Key objectives of this subject include:

1. to study the basic principles of financial management for business;
2. to provide an introduction to the theories of finance and decision tools for financial managers;
3. to discuss the fundamental of financial planning and control, investment, and capital financing.

Main Text:

- **BMA:** Brealey, R.A., Myers, S.C., Allen, F., (2010). Principles of Corporate Finance. 10th Edition. New York: McGraw-Hill/Irwin.

Other Recommended Book:

- **BE:** Brigham, E.F., Ehrhardt, M.C., (2007). Financial Management: Theory and Practice. 12th Edition. OH: Thomsom South-Western.

Teaching Plan:

Class Schedule

Class	Date (2013)	Topics
1	Aug 17	**Lecture 1**: Introduction to corporate finance and financial statements *Reading: BMA Chapter 1*
2	Aug 24	**Lecture 2**: Financial analysis and planning *Reading: BMA Chapter 28 and 29*
3	Aug 31	**Lecture 3**: Working capital management *Reading: BMA Chapter 30*
4	Sep 7	**Lecture 4**: Time value of money *Reading: BMA Chapter 2*
5	Sep 14	**Lecture 5**: Investment criteria and decision *Reading: BMA Chapter 5 and 6*
6	Sep 21	**Lecture 6**: Valuing bonds and common stocks *Reading: BMA Chapter 3 and 4*
7	Sep 28*	**Lecture 7**: Introduction to risk and return and portfolio theory *Reading: BMA Chapter 7 and 8*
8	**OCTOBER 5, 2013 MIDTERM EXAMINATION (1.00 – 2.30 PM)**	
9	Oct 12	**Lecture 8**: Risk and the cost of capital *Reading: BMA Chapter 9*
10	Oct 19	**Lecture 9**: Capital structure: does debt policy matter? *Reading: BMA Chapter 17*
11	Oct 26	**Lecture 10**: How much should a corporation borrow? *Reading: BMA Chapter 18*
12	Nov 2	**Lecture 11**: Financing and valuation *Reading: BMA Chapter 19*
13	Nov 9	**Lecture 12**: Credit risk and the value of corporate debt *Reading: BMA Chapter 23*
14	Nov 16	**Lecture 13**: The many different kinds of debt *Reading: BMA Chapter 24*
15	Nov 23	**Lecture 14**: Understanding and valuing options *Reading: BMA Chapter 20 and 21*
16	Nov 30	**Lecture 15**: Derivatives and risk management *Reading: BE Chapter 23*
17	**DECEMBER 14, 2013 FINAL EXAMINATION (9.00 AM – noon)**	

Note: * Class will be cancelled and make-up class will be announced later.

Course Evaluation

Type of evaluation	Evaluation Method	Evaluation date
Midterm	Closed-book Examination	October 5, 2013 (1.00 – 2.30 PM)
Final	Closed-book Examination	December 14, 2013 (9.00 AM – noon)

Class participation	10%
Assignment and/or quiz	20%
Midterm exam	30%
Final exam	40%

Important Dates

Class Begins	August 13, 2012
Adding and Dropping Course	August 13 – 27, 2013
Midterm Exam Period	September 30 - October 5, 2013 (No Lectures)
Midterm Exam	**October 5, 2013; 1.00 – 2.30 PM**
Course Withdrawal with “W”	October 16 – 21, 2013
Class Ends	November 30, 2013
Final Exam	**December 14, 2013; 9.00 AM – noon**