


Course Syllabus CORPORATE FINANCE AND VALUATION

Course Code/Sec. and Title	S21 ISGP 0101 – CORPORATE FINANCE AND VALUATION	
	Semester:	Spring 2021
	# of sessions/days of the week:	24 Sessions / Tuesdays and Thursdays
	Dates:	2/9/2021 – 4/29/2021
	Times:	12:00pm – 2:00pm (NYT)
	Online Zoom Room	https://baruch.zoom.us/j/2036145967
Instructor Name	Chris Droussiotis, C.H.E., MBA	
Contact Information	Email: Christakis.Droussiotis@baruch.cuny.edu Tel: (908) 930-4725 (Voice and Text)	
Course Description	<p>This course is designed to provide practitioners and those seeking careers in finance with a rigorous combination of theory and practice as we explore the fundamental principles of corporate finance. Students currently employed in this dynamic and evolving field will have the opportunity to become familiar with many of the core principles and concepts commonly applied in their field daily. From a practical perspective, Corporate Finance is meant to reinforce work-related practices, such as analyzing financial statements, the application of time value of money concepts, asset valuation on a discounted cash flow (DCF) basis, cost benefit analysis (CBA), and the quantification of the multifaceted relationship between risk and return in financial markets.</p> <p>The topics covered in this course provide students with the necessary background and preparation to take more advanced courses in finance.</p> <p>All Lecture Notes/Homework/Class Projects /Reading material are found at the instructor's website at www.ProfessorDrou.com</p>	
Prerequisites	N/A	
Learning Objectives	<p>This course has the following five objectives:</p> <ol style="list-style-type: none"> 1. Understand and interpret the company's income statement, balance sheet, and statement of cash flows and learn how to calculate standard measures of the company's liquidity, solvency, and operating efficiency, as well as understand the difference between income and cash flows. 2. Use historical assumptions and trends to drive the projections including the knowhow setting up projective revenue drivers and understand the different assumptions used for start-up companies and mature companies, as well as learn how to build the company's cost structure. 3. Learn the eight different methods to value a company including discount cash flow (DCF) and LBO methods for analyzing privately owned companies. 4. Understand the main approaches through in which a company can access the capital markets including raising private equity and public equity (IPO), as well as Bonds and Corporate Loans 5. Understand transaction analysis and debt capacity 	

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Materials/Books	Textbook, An Analytical Approach to Investments, Finance and Credit, 1st Edition Chris Droussiotis Cognella Publishing ISBN 978-3-935551-66-9 https://store.cognella.com/93463					
Outline/ Assignments	Session	Date	Topic	Textbook - Read	Homework	Exams/Quizzes/Proj ects
	1	Feb 9	Biography Syllabus/Website Active Learning / Templates Project / Exams Student Intros Intro to Fin - Lecture 0	Lecture 1		
	2	Feb 11	Financial Statements Building Cash Flow	Chapters 15 Lecture 2		
	3	Feb 16	Financial Ratio Analysis Projections Concepts	Chapters 15 Lecture 2		
	4	Feb 18	Projections Concepts	Chapter 16 Lecture 3	Homework #1 Due	Quiz 15 (Active Learning Platform)
	5	Feb 23	Corporate Valuation (Public Companies)	Chapter 17 Lecture 4	Homework #2 Due	Quiz 16 (Active Learning Platform)
	6	Feb 25	Corporate Valuation (Private Companies)	Chapter 17 Lecture 4	Homework #3 Due	
	7	Mar 2	MIDTERM EXAM Ch 15-17		Homework #4 Due	Quiz 17 (Active Learning)
	8	Mar 4	MID-TERM EXAM			
	9	Mar 9	Equity Markets (Private)	Chapter 5 Lecture 5		
	10	Mar 11	Equity Markets (IPO)	Chapter 6 Lecture 6		

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	11	Mar 16	Debt Markets (Bonds)	Chapter 7 Lecture 7		
	12	Mar 18	Deb Markets (Corporate Loans)	Chapter 8 Lecture 8		
	13	Mar 23	FINAL PROJECT REVIEW	Class Discussion		
	14- 22	Mar 25 - Apr 20	TRANSACTION ANALYSIS – CASE STUDIES	Chapter 9 Lecture 9 CLASS DISCUSSION CASES: Droussia Hotel TK Steel Steel Dynamics Hyatt Corp. Southstar		
	23	Apr 22 and 27	FINAL EXAM REVIEW Ch 5 - 9			Final Project Due April 27
	24	Apr 29	FINAL EXAM			
Please note: Recording of instructor lessons is strictly prohibited without the express consent of the instructor.						
Assignments	Homework Assignments are completed via Active Learning (Textbook platform) via https://store.cognella.com/93463 . The Spreadsheet assignments can be uploaded on the Professor Dropbox found the website http://www.professordrou.com under the course page. The link can also be found on your moodle.					
Attendance Policy	Attendance is mandatory for all classes and will be monitored by International Student Services Center (ISSC). Students must be present for all courses from beginning to end. 3 unexcused absences (3 days missed) might result in the cancelation of your J-1 visa status and further deportation from the USA. <ul style="list-style-type: none"> The absence is only considered excused when a student misses school for medical or emergency reasons. A valid and approved justification is needed for any absence (e.g. doctor's notice). It is mandatory to be on time at the beginning of each class. Coming to class late 3 times equals to one unexcused absence. If you are late you must inform your school representative. Class attendance is also a part of your grade. The valuation of attendance can be found in the syllabus of each course. Missing more than 2 class sessions might result in an F grade. If a student does not attend a session, it will be the responsibility of the student to master the information covered. Repeated absences will result in a reduction of the student's grade. 					

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Grading Criteria	Attendance	10 %																		
	Exam 1/ Exam 2 *	70 %																		
	Homework	20 %																		
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">A 93.0-100.0</td> <td style="width: 33%;">C+ 77.1-79.9</td> <td style="width: 33%;"></td> </tr> <tr> <td>A- 90.0-92.9</td> <td>C 73.0-77.0</td> <td></td> </tr> <tr> <td>B+ 87.1-89.9</td> <td>C- 70.0-72.9</td> <td></td> </tr> <tr> <td>B 83.0-87.0</td> <td>D+ 67.1-69.9</td> <td></td> </tr> <tr> <td>B- 80.0-82.9</td> <td>D 60.0-67.0</td> <td></td> </tr> <tr> <td></td> <td>F Below 60.0</td> <td></td> </tr> </table>		A 93.0-100.0	C+ 77.1-79.9		A- 90.0-92.9	C 73.0-77.0		B+ 87.1-89.9	C- 70.0-72.9		B 83.0-87.0	D+ 67.1-69.9		B- 80.0-82.9	D 60.0-67.0			F Below 60.0	
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	<p>A student has 30 days from the ending date of the course in which to contest their grade. Students should first contact their instructors for a breakdown of their final grade. If you still wish to appeal your grade, please email caps@baruch.cuny.edu.</p> <p>35% for each Exam (Mid-Term and Final)</p> <p>*CD Factor: This is to give the benefit for students of significant improvement between Mid-Term Exam and Final. The Weighted averages are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 33%;">Improvement</th> <th style="width: 33%;">Mid-Term Weighting</th> <th style="width: 33%;">Final Exam Weighting</th> </tr> </thead> <tbody> <tr> <td>35% and higher</td> <td>15%</td> <td>55%</td> </tr> <tr> <td>30-34%</td> <td>20%</td> <td>50%</td> </tr> <tr> <td>25%-29%</td> <td>25%</td> <td>45%</td> </tr> <tr> <td>20%-24%</td> <td>30%</td> <td>40%</td> </tr> <tr> <td>19% or</td> <td>35%</td> <td>35%</td> </tr> </tbody> </table>		Improvement	Mid-Term Weighting	Final Exam Weighting	35% and higher	15%	55%	30-34%	20%	50%	25%-29%	25%	45%	20%-24%	30%	40%	19% or	35%	35%
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Classroom Behavior	<ul style="list-style-type: none"> Side conversation are not permitted during class. Students are always welcome to ask questions to participate, however there should be no talking while the professor is lecturing. All cell phones must be turned off and put away during class. Professors are authorized to dismiss students from the classroom if they are rude or disruptive. Use of social media and internet surfing is prohibited during the class unless instructed by the professor otherwise. Notes can be taken using laptops unless otherwise instructed by the teacher. We encourage students to have the video ON for Zoom sessions. Regardless of video participation, students must be engaged in the class content and be available when called upon. 																			
Moodle	<p>Moodle is Baruch College CAPS online platform. It is used It is used for courses and seminars to manage class materials, communicate, upload assignments, access grades and instructor comments. If you have issues accessing your online profile, please reach out to your Baruch College representative.</p>																			
Academic Dishonesty & Plagiarism	<p>Academic sanctions in this class may range from an F on the assignment to an F in this course or expulsion from the program. A report of suspected academic dishonesty will be sent to the Program Director and the Associate Dean and your home school.</p> <p>Anyone caught plagiarizing; or cheating on a quiz, test, or on any assignment will fail the course immediately and will be referred to the college for further disciplinary action (failing the course, being expelled from the program). Plagiarism occurs when you claim to be the originator of words, opinions, facts, graphics, charts, or</p>																			

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numbers that belong to an author whose work you found online, in a book, magazine, or newspaper or other source.

Additional and Important information for students about the consequences of cheating and plagiarism:
http://www.baruch.cuny.edu/academic/academic_honesty.html

Instructor Bio

Professional Experience

Professor Droussiotis' training and expertise is in Investment Banking. Possessing over 30 years of experience by working for numerous corporations in various executive management positions at:

- Bank of America Merrill Lynch
- CIBC Oppenheimer
- Mizuho Financial Group
- Bank of Tokyo-Mitsubishi Trust UFJ
- Sumitomo Mitsui Banking Corporation
- Mitsui Nevitt Banking Corporation

Professor Droussiotis is a former Managing Director, General Manager and the Head of the Leverage Finance, Private Equity Sponsor Group & Structured Finance Department at Sumitomo Mitsui Banking Corporation managing a loan portfolio of over \$8 billion of large cap and middle market leveraged loans, as well as investments in SPV funds, CLOs and BDCs that are backed by leveraged loans and high yield bonds.

Just last April 2018, Professor Droussiotis left SMBC and join as a Senior Managing Partner of Kinisis Ventures Limited (www.kinisisventures.com), a business accelerator company that helps international company start-ups expand in the U.S. Markets. This year he published a textbook "The Analytical Approach to Finance, Investments and Credit" - Cognella Academic Publications (www.cognella.com).

Academic Experience

Adjunct Professor for Columbia University's School of Professional Studies, Fordham University's Gabelli School of Business, Baruch College's Economics & Finance Department in NY, Baruch College's Continuing and Professional Studies (CAPS), Stillman School of Business at Seton Hall and Fairleigh Dickinson University's International School of Hospitality and Tourism Management in NJ. Courses include Quantitative Analysis in Business, Investment Analysis, Managerial Finance, Commercial Credit & Banking, Debt & Fixed Income Markets, Derivative Strategies, Business Statistics, Equity Valuation and Advanced New Venture Management.

Professor Droussiotis has also given lectures on various subjects including Leveraged Buyouts, Credit Markets, Loan Syndications, Capital Markets at Baruch College, Bank of China, Cendant Corporation, China Construction Bank, Wyndham Worldwide, Travelport and the Industrial Bank of Japan, etc.

Specialties

Leveraged Finance, Loan Syndication and Private Placements, Quantitative Analysis including Portfolio Risk, Financial Modeling, Credit Analysis, Equity Return Analysis and CLOs. Professor Droussiotis is a member of various associations such as Hellenic American Bankers Association (HABA) and the Mathematical Association of America (MAA).