



Academic Inquiries: Soochow University  
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Course Information	
Course Title : FIN 201 Business Finance	Semester : Winter 2019
<b>Class Hours:</b> Monday through Friday, 160 minutes each day	
<b>Discussion Section:</b> 3 hours each week	<b>Field Trip:</b> According to professors' teaching plan
Prerequisites	
Principles of Microeconomics, Principles of Macroeconomics, Calculus, and Statistics. Those who have not met those prerequisites must obtain a permission from the course instructor in order to take this course.	
Textbooks and Reference	
<p>Required Texts:            Strategies for Asia Pacific: Meeting New Challenges (Building the Business in Asia), by P. Lasserre and H. Schutte, 3rd edition. New York, NY: Palgrave Macmillan, 2005. ISBN-10: 1403916950.</p> <p>Suggested Additional Readings:</p> <p>(1)The Wall Street Journal            (2)The Financial Times            (3)Financial Intelligence: A Manager’s Guide to Knowing What the Numbers Really Mean, 2013, by Karen Berman and Joe Knight, ISBN-13: 978-1422144114</p>	
Course Outcomes	
<p>Upon completion of the course students should be able to:</p> <ol style="list-style-type: none"> <li>1. understand the concept of time value of money and how to apply it to the valuation of projects, bonds, and stocks;</li> <li>2. understand how to make cash flow and capital budgeting forecasts;</li> <li>3. understand and apply the conceptual relationship between risk and the expected return, and interest rate determination;</li> <li>4. make correct capital budgeting decisions for firms;</li> <li>5. analyze personal investment in terms of retirement plan, personal loans, and purchases with variable financing choices;</li> <li>6. Understand the concept of cost of capital and its calculation for some common financial products; and</li> <li>7. understand the contemporary economic situation and how it impact our financial decisions.</li> </ol>	



### Course Description

This course introduces the fundamentals of business finance to students. The course requires a grasp of mathematics, economic knowledge, and accounting principles. The course is corporate-oriented with an emphasis on practical applications of financial knowledge in investment and financing decisions and problem-solving skills. The primary objective is to provide students with the tools and techniques to understand and solve the basic financial problems facing the operation of business. The topics to be covered include the time value of money, valuation of assets, capital budgeting techniques, capital structure theory, and dividend policy assessment.

### Weekly Schedule (Jan. 7 – 26, 2019)

Week	Day	Topic
1	1	Business forms, and overview of financial markets
	2	Financial ratios and analysis
	3	Time value of money: loans
	4	Time value of money: personal retirement plan
	5	Bond introduction, Treasury bonds and corporate bonds
2	1	Special bond types, financial planning and forecast
	2	Risk and return, measures of risk
	3	The CAPM, and its applications
	4	Discussion and review
	5	<b>Midterm Exam (in class)</b>
3	1	Stock valuation and the PVGO, dividend theories
	2	Market efficiency theory, some common anomalies
	3	Financing and the cost of capital
	4	Capital budgeting decisions and the tools
	5	Discussion and course review
	Jan. 27 or 28	<b>Final Exam (in class)</b>

#### Note:

1. The course schedule is subject to change (please follow the announcements in class). If time permits, we will also cover some special topics such as business risk management and working capital management.
2. The instructor will offer 3 hours of discussion or help session each week and students are encouraged to seek extra help by making arrangements with the instructor or the teaching assistant.

#### Grading



Attendance and participation	20%
Pop quizzes and homework	10%
Midterm exam	30%
Final exam	40%
<b>Total</b>	<b>100%</b>

Upon completion of this course, you receive a final grade. A final grade is a letter grade that carries with it a numerical value, as outlined below.

Grade	Percentage
A	80-100
B	70-79
C	60-69
D	50-59
E	0-49

### **Policy on Absence**

All students are expected to attend classes and participate actively. Your attendance and participation grade (20% of the total course grade) will be based on your attendance record and the instructor's assessment of how well you contribute to classroom dynamics relative to your classmates. Quizzes are not announced in advance. Generally speaking, there will be no make-up offered for missed exams or quizzes. If your absence is justified, you are expected to bring the relevant document to the instructor. It is at the instructor's discretion whether your absence is excusable or not. In practice, missing more than 3 classes will make your learning very difficult. Not taking an exam will result in an F as the final course grade.

### **Exams**

We will have two major exams – the midterm exam and final exam. The final exam will be cumulative, i.e., covering all the material covered in class. However, about 80% will be allocated to cover the topics post the midterm exam.

### **Academic Integrity**

We strictly follow the academic ethics codes of the school. Academic integrity is unconditionally upheld in this course. All assignments, quizzes and exams are to be completed independently. However, active discussion and team spirit are encouraged in appropriate context, for example, before and after you complete an assignment, in preparation of the quizzes and exams, reviewing a topic or studying it in advance, etc. Cheating and plagiarism in any fashion are absolutely unacceptable. Upon



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verification, violators will lose points commensurate with the violation up to failing the course.

**Disability accommodation**

Any student who needs special accommodation due to the impact of a disability should contact the instructor and/or the university within the first week of the class.