



## **FIN 377-4: FINANCIAL ANALYSIS (Spring 2019)**

**Instructor:** Dr. Kamm, Department of Finance, CBA 6.304D

**Office & Email:** CBA 6.304D; [kelly.kamm@mccombs.utexas.edu](mailto:kelly.kamm@mccombs.utexas.edu)

**Instructor Office Hours:** 5-6:15 Tuesday Thursday

**T.A.:** Peter Fenelon, [Peter.Fenelon@mba19.utexas.edu](mailto:Peter.Fenelon@mba19.utexas.edu); Catinca Fercu, [Catinca.Fercu@mba19.utexas.edu](mailto:Catinca.Fercu@mba19.utexas.edu)

**Section 03570, 03575:** 9:30 to 11 TTH and 11 to 12:30 TTH in GSB3.120

**Course Packet of Cases:** SB Copy Center on 3<sup>rd</sup> floor – Required (instead of book)

**Simulations:** “Working Capital / Growing a Business” & “Mergers & Acquisition in Wine Country”

**Other Required Materials:** Financial Calculator HP 10b11; WSJ suggested

**PPTs and Excel Workbooks:** Posted prior to class on canvas

**Attendance & Assignments:** due by end of class; professor guided, two will be dropped

**Class Web Site:** Canvas – Find PPTs, spreadsheets, problem sets for download / printing

**Financial Center:** Bloomberg, FactSet, Excel work related to cases

### **COURSE OVERVIEW:**

Financial Analysis is designed for finance majors in order to improve their skills at analyzing companies and to advance their knowledge of finance theory and application. The overall financial analysis includes: bond and stock valuation, financial statement and financial ratio analysis, EPS forecast, discounted cash flow and adjusted present value modeling, and multiples valuation. In the two simulations, students will grow and value a start-up, and forecast the synergies of a merger and acquisitions. We also analyze valuation of an initial public offering and a leveraged buyout. The course is quantitative and analytical in nature; we take theory and apply it to real world situations. Students calculate and interpret financial data, build spreadsheet models, and make general conclusions about the financial health of a company and its intrinsic value.

In this course a combination of methods is utilized with special emphasis on student involvement and teamwork. The professor reviews terms and theory, asks questions, demonstrates techniques, assigns problems and guides students in their case preparation. Students take a *very active* part in this class; students complete finance simulations, and prepare two presentations. Learning takes place both inside and outside the classroom. The emphasis on student involvement encourages students to learn by doing and encourages the self-motivation so important to the workplace.

The course concludes with current case study application on different types of companies in a variety of industry groups. By this time students will be formed into groups of perhaps three to five members. Students implement valuation models to determine “fair value” for a company’s stock. In debate fashion, students present their financial analysis and argue that the stock is currently priced correctly or alternatively overvalued (undervalued). The WSJ (interactive edition) and market data from the financial center will be important sources of information for student learning and research. Most groups get along well with the usual “bumps in the road.” More serious problems shall be brought to the attention of the professor.

## **COURSE OBJECTIVES:**

Some of the objectives of this course include:

- Improved ability to analyze and value companies in different industries using skills of finance, accounting and economics.
- Greater understanding of the business strategy and financial ratios of well-known companies in various industries.
- Review of major accounting and finance principles. Improved forecasting and valuation skills.
- Improved ability with data export and Excel, and better familiarity with financial data programs such as Bloomberg and Fact Set.
- Improved presentation, communication, and analytical skills. Improved ability to work in a team.
- Real world application of finance through financial simulations.

## **COURSE PACKET:**

UVA0400 (UVA)

Overview of Credit Ratings

9-211-083 (Harvard)

Tombstones

193029-PDF-ENG (Harvard)

Introduction to Financial Ratios & Financial Statement Analysis

297082-PDF-ENG (Harvard)

Note on Value Drivers

On-line Case link (Harvard)

Working Capital Simulation: Managing Growth

UV0402-PDF-ENG (UVA)

Applying the Capital Asset Pricing Model

UV0010-PDF-ENG (UVA)

Nike, Inc.: Cost of Capital

UV2549-PDF-ENG (UVA)

Crocs, Inc.

214048-PEDF-ENG (Harvard)

Valuing Yahoo in 2013

9-211-049 (Harvard)

Fixed Income Arbitrage in a Financial Crisis (A);  
U.S. Treasuries in November 2008

101045-PDF-ENG (Harvard)

Amazon.com in the Year 2000

4129-PDF-ENG (Harvard)

Midland Energy Resources, Inc.: Cost of Capital

W12073-PDF-ENG (Ivey)

Selling Short Green Mountain Coffee Roasters

On-line Case link (Harvard)

Merger & Acquisition in Wine Country (Simulation)

UV3927-PDF-ENG (UVA)

Netflix, Inc., 2007

|                      |  |
|----------------------|--|
| 9-208-129 (Harvard)  | Mellon Financial and The Bank of NY (Merger)     |
| UV3930-PDF-ENG (UVA) | Rosetta Stone: Pricing the 2009 IPO              |
| UV2534 (UVA)         | Bidding for Hertz: Leveraged Buyout              |
| UV6790-PDF-ENG (UVA) | DuPont Corporation: Sale of Performance Coatings |

### **EXPECTATIONS: PROFESSIONAL CLASSROOM & GROUP CONDUCT:**

Professional behavior is expected in the classroom and will help us have a rewarding and enjoyable learning experience. Arriving on time, excellent attendance, being attentive and participating are all essential for the success of the class. When class starts, all of us will cease side conversations and focus time allotted on classroom material. Electronic devices are prohibited during class; this includes checking text messages under backpacks or your desk. Computers are used only if required by professor during part or all of a class. Two combinations of the following will count as a zero for the day: using electronic devices, late arrival to class, leaving or walking around during class, and leaving prior to the end of class. *In order for an absence to be marked as excused, you will need to send me the original email regarding an interview or some sort of an attachment via email.* If the absence meets the university requirements for an excused absence, then it will be recorded as excused. It is up to you to manage your schedule and arrive on time so as to keep excused absences to three or fewer over the term. If you wish to have one unexcused absence for reasons not covered under university policy, then keep excused absences down to two or fewer.

Also, you are expected to attend and arrive on time to group meetings and contribute in a meaningful and productive way to all group work. If a student is not able to meet his or her commitments, the other group members shall notify the professor as soon as possible. *In accordance with academic integrity, students may not earn credit for work to which they have not contributed at a reasonable level; if someone in your group has not contributed at a meaningful level, leave his or her name off the project or presentation and then email me to call my attention to the issue.* Once I am aware of the issue, the student may be redirected, receive partial or zero credit, and / or be permitted to do the group work as a single student. Adherence to the above expectations regarding professional behavior helps ensure a high participation / evaluation grade. Inability to meet these expectations will lead to a lowering of the final participation / evaluation grade.

**EVALUATION:** Final grades will be determined as follows:

|   |            |
|---|------------|
| <b>In-Class Assignments (Individual) / Attendance</b> | <b>10%</b> |
|---|------------|

Many days the professor will give students in-class assignments, often Excel models, which the instructor helps lead students through. Though each student must complete his or her own work, students should in fact work in a collaborative fashion and help one another.

Assignments are due by canvas upload at the end of class (although occasionally or possibly on occasion turned in hard copy). The professor will drop the lowest grade (or possibly two depending on the

number assigned). The student should save his or her completed spreadsheet prior to upload and name the file, if possible, by last name. Do not ask to use another student's work nor send your completed file to another student.

The grading scheme is as follows:

In class, submitted on time, best effort basis, (defined as about 80% or more correct) = full credit

In class, submitted up to a day late, best effort basis, (defined as about 80% or more correct) = 80%

Not in class, submitted on time, best effort basis, (defined as about 80% or more correct) = 70%

Not in class, submitted up to a day late, best effort basis, (defined as about 80% or more correct) = 60%

Up to 2 days late = 40%; later than that no credit

Not completed on best efforts basis or not very well done = 40%

Post blank spreadsheet = 0 (and possible 50% reduction on next posting)

Shared or used someone else's spreadsheet = zero not just for assignment but for entire category

If a case discussion short paper is assigned prior to a class, similar policies will apply in terms of evaluation.

## **Two Simulation Projects with Exhibits and Write-Up (Individual or Pairs)**

20%

As an individual or in pairs (under no circumstance may there be more than two people), students will complete two on-line finance simulations. The first is called “Working Capital: Managing Growth” and the second is titled “Merger and Acquisition in Wine Country”. In Working Capital: Managing Growth, students take on the role of entrepreneurs / executives managing growth of a start-up. Students evaluate projects based on revenue growth, working capital required, and most importantly cash flow effects. After making decisions you believe will add value to the firm, you next analyze the effect of growth on financial ratios. In the “Merger and Acquisition in Wine Country” Simulation, individuals or student pairs (under no circumstance may there be more than two people) are assigned one of three roles; there are two mid-sized wine companies, which could merge, and a larger company that may acquire one of the other two companies. Each party receives information regarding the range of estimated synergies of a merger or acquisition and run DCF and APV analyses to determine the estimate of value created. Next, you enter reservation prices and negotiate the deal seeing stock price effects of the negotiation.

After the simulation is completed, students write a 5 to 6 page paper with 10 to 12 exhibit pages attached. Individual students are encouraged to submit 5 written pages with 10 exhibit pages while pairs are encouraged to submit 6 written pages with 12 exhibit pages. Also pairs must submit self and peer evaluations on canvas. If you are in a pair and the other student has not contributed at about 40% or more of the final product, then you should inform the professor and the partner that you will submit separately (which includes not sharing exhibit work). The paper is graded on strength of analysis, modeling and professional nature of exhibits, and how well it is written. For additional information, see the posted documents about the papers.

## **Two Tests (Individual Grade) and Relation to Problem Sets**

35%

There will be two tests; each test will have a multiple choice section counting for about 40% of the grade and a problem solving / analysis / short essay counting for about 60% of the grade. Tests are equally weighted. The tests will evaluate students' understanding of the material covered to date. The tests primarily cover material only in that unit; to the degree that the material builds the tests include such material. The in-class tests include theory and case questions, problems requiring application and interpretation (including working with a spreadsheet, financial statement, or handout). Though the problem set may not be collected and graded, many of the short problems and analysis are related to

your successful completion of the problem set which is posted on-line with the solutions. Think of the problem set as a type of practice test for the problem section of the test. On test day, you should arrive 5 to 10 minutes early if possible, and bring a financial calculator, a pencil and one side of one page of notes. The one-sided page should be *handwritten* with any tips, formulas or short examples that are helpful to you but shall not include long portions of copying; the notes page is to help you learn and do better on the test and not just copy and paste. In the case that a test is missed with an *excused* absence approved by the Dean's office, the student will take a cumulative final at the end of the term.

**Two Presentations (Group Grade with Individual Component)**

**15%**

Each group will present one case to the class. The presentation should be about 25-30 minutes. Approach the case as though you were in a case competition and work through any analytical or modeling issues proposed in the case. Primarily in your presentation, walk the class through the primary points and issues in the case. Your goal is to educate your peers at a deeper level, walk them through problems or Excel work, and engage the class in the analysis and problem solving. Materials shall be emailed to me no later than 15 minutes prior to the start of class so that they can be posted on-line. Your presentation and the power-point slides will be evaluated on: organization, accuracy, degree of interest, professional appearance of power-point and excel, and communication skill.

The second presentation is given in the form of a debate. Two teams are assigned a particular stock. One side presents financial models and information supporting the position that the stock is undervalued and a "good buy." Groups have PPTs for the opening arguments, one PPT for each of three possible challenges so three PPTs for challenges, and PPTs for the closing arguments. Students shall use power-point slides to outline their position and supporting evidence including qualitative evidence and quantitative support (DCF and multiples-based valuation). Presentations will be graded on strength of analysis, how interesting and persuasive, execution of valuation models, and presentation skills.

*Academic honesty rules apply to presentations- in a group of four for example, each student should contribute about 25% of the work. Most people in most groups contribute at an approximately equal level to presentations, as evidenced by peer reviews, and earn the same grades but there are occasional exceptions. If the professor determines that a student has contributed below the fair level the student will likely be removed from the group and be permitted to write a 10-page makeup due a week after the professor has informed said student, with a one letter grade downgrade. If the professor determines the contribution level is low or variable among members, she will add an individual component with half of the grade being based on the individual contribution and half on the group contribution.*

**Final Stock Valuation Paper or Presentation (Individual Grade):**

**10%**

In place of a final exam, each student will individually analyze one company (to be announced by the professor). Each student submits his or her own valuation models (two or more exhibit pages) and then takes a buy or sell position on the stock. Students may either write a four to five page analysis of the qualitative and quantitative reasons that the stock is a buy or sell or the student may record an approximate 8 to 10 minute video of himself or herself presenting the analysis. If the paper is written, the submission should be all in one: written paper, exhibits, works cited. If the analysis is verbal, then upload two files – the presentation and a document of the exhibits and works cited. For more information see the posted document.

**Professor Evaluation / Participation & Peer Review (Individual Grade)****10%**

Class participation is based on the contribution of each student to the class as a whole and to the group efforts. Solid performance in this area depends on: consistent attendance; being actively engaged when we are doing in-class assignments, demonstration that you are prepared for class; effort level toward group papers and presentations; strong reviews by peers in their evaluations; and adherence to class policies (see below for class policies including prohibition of improper use of electronics during class). To be prepared for class, read the case prior to class. Also take an active part in case analyses in class by giving your answer or opinion, solving problems, and suggesting solutions. Also submitting required peer reviews helps you with participation while failing to submit your self and peer reviews leads to a 20 point downgrade for each one not submitted.

For most students, participation serves as a slight curve toward the final grade. After all components prior to this one have been scored, the grades are combined to provide an “objective average” or “starting point” grade for participation. Students with strong attendance, professional conduct and committed participation in group work will receive this grade or higher (up to a letter grade) for the participation grade. *Strong attendance is defined as attending ninety percent or more of class periods unless excused by university policy\*; ninety percent or better attendance equates to three or fewer absences. A student with poor attendance (missing more than 20% of class periods—six or more classes), or poor effort in group work, or anyone who is disruptive / unprofessional earns a zero. Thus the grade in this final category may range from zero to a grade of A or 96 or perhaps higher.* The vast majority of students—those with good class performance and solid participation, receive an A or B for the participation curve. This last component, if high, tends to help students on the borderline—for example a grade of 79 prior to participation will likely result in a final grade of an 80.

\*Any two combinations of the following will count as an absence: using electronics, late arrival to class, leaving during class, leaving prior to the end of class. Students who attend 90% or better are entitled to any curve if one is needed in the class; those with lower attendance than 90% do not qualify for any potential curve.

**Final Letter Grades**

Final letter grades will be determined so that a class G.P.A. of approximately 3.4 is obtained. This G.P.A. is within the recommendations provided by the UPO office and the department of finance curriculum committee. Let me give you a general idea of what such a G.P.A. could imply. If about 40% of the class were assigned grades distributed equally over A- and A and about 60% of the class were assigned grades of B+, B, and B-, then the class average G.P.A. would be almost a 3.4. The instructor for the course does not, though, necessarily adhere to a specific percentage breakdown of A, A-, B+, B, B-, C+ and the like. Since this is an elective course, most terms very few students earn grades in the C, D or F range but it does happen. Usually these are cases of poor peer evaluations, poor attendance, and missed work. Thus the example given was for illustrative purposes to help you understand one way a 3.4 average G.P.A. might be achieved. Since class grades will be assigned based on this method and no number cutoffs are given, the professor for the course will attempt to post on occasion approximate grade cutoffs. Soon after grades for the first short paper and first test have been posted, the professor will share with the class what the grade assignments would be if given on that day. This information is for illustrative purposes and so that students may get a general sense of where they stand in terms of evaluation. Note again, the guidelines posted are general and apply only to those who have strong

participation and peer review. *If an upward curve is needed on tests or final grades, only those with strong attendance and peer evaluation are eligible to receive the curve.* Grade assignments and cutoffs may change by the end of the term depending on new items submitted.

## **Deviations from Academic Honesty / Not Pulling Weight in Groups and Negative Effect on Grades**

Deviations from Academic Honesty on a test or on a paper will be forwarded to the Dean of Students office with a recommendation of zero on the item in question and the penalty of another full letter downgrade in the student's final average. Since academic dishonesty cases are not tolerated and result in clear downgrades, it is worth me reminding you that guessing on a test (or turning a paper in late and taking a downgrade) is a much better option than academic dishonesty.

Students are expected to contribute in an approximately equal fashion to all group assignments. In a group of four, for example, it may not be the case that everyone contributes exactly equally at 25% of the final product on a particular assignment. *If, however, a group member contributes either nothing or does contribute something but it is small relative to peers, then academic integrity would require you to do two things: one, leave that student's name off the work and two, send an email to the instructor notifying her of the situation. This includes presentations and / or debates.* The instructor for the course most often will decide to remove a student from a group if the group is experiencing challenges. In the case of little or no contribution, the student may receive a zero or she or he may be permitted to do the entire project on his own with a letter downgrade.

## **Various Class Policies**

Electronics—I follow the department of finance policy on the use of electronics in class. This policy states that use of any electronic devices or tools (laptops, cell phones, etc.) during class is prohibited unless specifically requested by the professor of the class. This means that laptops are closed and all other devices are put away prior to the start of class; students shall not initiate nor receive text messages during class nor have phones out charging during class. If we need computers for class, the professor will at times permit computer use and at other times require computers closed or turned off. Adherence to this policy facilitates the students' abilities to process class material and helps lead to a solid participation grade; failure to follow the policy disrupts the class and leads to a poor participation grade.

Test Times-- I adopt class policies that encourage students to keep up on material such that with attendance and solid time management, students should find themselves adequately prepared to be able to study and take exams. You are required to take exams at the scheduled date unless you have a university excused absence. If you know you will have a university excused absence, contact me ahead of time to see if something can be arranged prior to take the test early. Submit documentation to verify. No make-up exam is offered after the test. If you miss an exam and have a university excused absence, you will be offered a *cumulative exam at the end of the term.*

Test Review after the Test— Once tests are graded and ready to be reviewed, I will have a three week period when you may review your test during office hours. To be able to review your test, please stop by during that time frame.

Accommodations—I follow the university policy on special accommodations and am happy to work with you on this matter. At the beginning of the term or prior to the first major project or test, please submit to me a letter prepared by the Service office listed above. Then, email three business days ahead

of the scheduled test reminding me of the *nature of the accommodation* and *the time that you can start* (keeping in mind you must end by 4:30pm) so that we can make arrangements.

Attendance at your section – You are required to attend your own section. Attendance at the other section is not permitted. One exception to this rule is allowed per term (per student) if the student submits a request prior to the class and the instructor is able to accommodate the request. No guarantees are made on accommodating such a request since most days require attendance at your section.

Documenting a family emergency—The office of the Dean of Students is able to provide student services that can assist you in the event of a family emergency. To get that assistance and to document that situation with me as your faculty member, look at the following web address for how to proceed: [deanofstudents.utexas.edu/emergency/](http://deanofstudents.utexas.edu/emergency/).

Late Work and Presentation Arrival— The policy on work submitted late for major work (projects, papers, peer evaluations, etc.): 1 second to 10 minutes late = -8 points; 10 minutes to 20 minutes = -15; after 20 minutes email professor regarding issue and intended turn in, 20 minute mark to 1 day = -25; each day later than 24 hours = original -25 plus -15 for each day.

### **Important Notifications**

#### **Students with Disabilities**

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, <http://diversity.utexas.edu/disability/>.

#### **Diversity and Inclusion**

It is my intent that students from all diverse backgrounds and perspectives be well served by this course, that students' learning needs be addressed and that the diversity that students bring to this class can be comfortably expressed and be viewed as a resource, strength and benefit to all students. Please come to me at any time with any concerns.

#### **Religious Holy Days**

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

#### **Policy on Scholastic Dishonesty**

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at

<http://my.mccombs.utexas.edu/BBA/Code-of-Ethics>. By teaching this course, I have agreed to observe all faculty responsibilities described there. By enrolling in this class, you have agreed to observe all student responsibilities described there. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties,

including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Conduct and Academic Integrity website at <http://deanofstudents.utexas.edu/conduct/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

### Campus Safety

Please note the following key recommendations regarding emergency evacuation, provided by the Office of Campus Safety and Security. More info at: <https://preparedness.utexas.edu/>.

- Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings and assemble outside when a fire alarm is activated.
- Familiarize yourself with all exit doors of each classroom and building you may occupy.
- If you need evacuation assistance, inform the instructor in writing asap.
- In the event of an evacuation, follow the instruction of faculty or class instructors.
- Do not re-enter a building unless given instructions by Austin or UT police or fire authorities.

Behavior Concerns Advice Line (BCAL): 512-232-5050 or [on-line](#).

In case of emergency, further information will be available at: <http://www.utexas.edu/emergency>.

## Texas BBA Community Values



### Our Responsibility

Lead with integrity,  
Improve the world

Leadership  
Ethics  
Accountability  
Social Responsibility

### Our Community

Respect our differences,  
Leverage our diversity

Diversity  
Inclusion  
Collaboration  
Respect

### Our Growth

Challenge old ideas,  
Inspire innovation

Intellectual Curiosity  
Innovation  
Adaptability  
Exploration

### Our Best

Dream big,  
Work hard,  
Never give up

Achievement  
Self-Reflection  
Authenticity  
Perseverance

Please see next page for Schedule

| <b>Schedule Date</b> | <b>Material Covered During Class</b>   |
|----------------------|--|
| T Jan 22             | Review of Syllabus / Credit Ratings<br>Overview of Credit Ratings Case   |
| Th Jan 24            | Fixed Income Valuation (including convertible bonds)<br>Tombstones Case  |
| T Jan 29             | <u>FC:</u> Introduction to Financial Ratios and Financial Statement Analysis   |
| Th Jan 31            | <u>FC:</u> Financial Ratios and Financial Statement Analysis continued   |
| T Feb 5              | <u>FC:</u> Note on Value Drivers Case (ROE, Economic Value added)<br>Canvas - WC Managing Growth Group formation as a single or pair (no threes allowed)                                   |
| Th Feb 7             | <u>FC:</u> Working Capital Simulation: Managing Growth Simulation Lecture & Start  |
| T Feb 12             | <u>FC:</u> Working Capital Simulation: Managing Growth Simulation<br>Students make financing decision, estimate project value, select or reject projects                                   |
|                      | <b>Due by Canvas Upload: NPVs of all or most projects accepted or rejected</b>   |
| Th Feb 14            | <u>FC:</u> Working Capital Simulation: Managing Growth Simulation<br>Students export and evaluate data: DCF of company, ratio analysis (ROE, PB)   |
|                      | <b>Due by Canvas Upload: Excel Work for Simulation: Ratio bar graphs, DCF, etc.</b>  |
| T Feb 19             | <u>FC:</u> Apply the CAPM, Nike, Inc. / Overview of Student Led Presentations<br>Group formation in Canvas for Case Presentations<br>Sign Ups for preferences on presentation dates        |
| Th Feb 21            | <u>FC:</u> Crocs, Inc. (DCF model, multiples valuation)<br>Start Problem Set 1 (work on your own; questions and answer key on canvas)<br><b>Due by Canvas Upload: Excel Work</b>           |
| T Feb 26             | <u>FC:</u> Valuing Yahoo in 2013 (Sum of the Parts Valuation)<br><b>Due by Canvas Upload: Excel Work</b>   |
| Th Feb 28            | <b>1st In-Class Test (16 multiple choice 40%; 5 problems &amp; analysis 60%)</b><br>Bring financial calculator, pencil, 8 by 11 page notes, one, 1 side only with notes, turn in with test |
| T Mar 5              | <b>Due CBA 6.222 Department of Finance by 4 pm: Paper 1 (individual or pairs)</b><br>Due: Self and Peer Evaluations for pairs only (Download form, fill out, and upload)                   |
| Th Mar 7             | Preparation day for Student Led Presentations  |
| T Mar 12             | <u>FC:</u> <i>Student Presentation:</i> Fixed Income Arbitrage in a Financial Crisis<br><i>Student Presentation:</i> Amazon.com in the Year 2000   |

## **Due by Canvas Upload: Excel Work**

- Th Mar 14      FC: Student Presentation: Midland Energy Resources  
                  Student Presentation: Selling Short: Green Mountain Coffee Roasters  
**Due by Canvas Upload: Excel Work**

*Spring Break*

- T Mar 26      FC: Student Presentation: Netflix, Inc. 2007  
                  FC: Student Presentation: Mellon Bank and The Bank of NY (Merger)  
**Due by Canvas Upload: Excel Work**

- Th Mar 28      FC: Student Presentation: Rosetta Stone: Pricing the 2009 IPO  
                  FC: Student Presentation: Bidding for Hertz: Leveraged Buyout  
**Due by Canvas Upload: Excel Work**

- T April 2      FC: Finance Simulation: M&A in Wine Country; Introduction  
Canvas – M&A Group formation as a single or pair (no threes allowed)

- Th April 4      FC: M&A in Wine Country: Value BV no M&A/stand-alone and then synergies/M&A  
  
                  DCF perpetuity for TV; APV perpetuity; DCF EV/EBITA for TV; APV EV/EBITA = 4  
No synergies (= stand-alone, no merger) then M&A under Low, mid, high synergy = 4  
  
Assume no synergies under 4 valuation methods, then low under 4 ... then mid ... high  
4 *stand-alone (zero synergy) or synergy assumptions \* 4 valuation methods* = 16 results  
**Due by canvas upload: 16 Valuations Results for BelVino**

- T April 9      FC: M&A in Wine Country: Now do same 16 results for Starshine that you did for BV  
**Due by canvas upload: 16 Valuations Results for Starshine**

- Th April 11      FC: Finance Simulation: M&A in Wine Country: Prof Review of Reservation Price  
**Due 20 minutes into class - submit reservation prices; Negotiations in class**

*Missing Class on this date results in a 50% downgrade on the project  
Contact the professor by T, Nov 8 if you think you qualify for excused absence*

- T April 16      FC: DCF and multiples Model using Data Export – you need for final assignments  
Overview of Debate and Final Presentation – Important Class;  
**Due by canvas upload: the models**

- Th April 18      **2nd In-Class Test (16 multiple choice 40%; 5 problems& analysis 60%)**  
Bring financial calculator, pencil, 8 by 11 page notes, one, 1 side only with notes, turn in with test

- T April 23      **Due CBA 6.222 Department of Finance by 4 pm: Paper 2 (individual or pairs)**  
Due: Self and Peer Evaluations for pairs only (Download form, fill out, and upload)

- Th April 25      Overview of Debate Assignments and Timing

- T April 30      *Valuation Debates & Evaluation of Debate*
- Th May 2      *Valuation Debates & Evaluation of Debate / Instructor Evaluations*
- T May 7      *Valuation Debates & Evaluation of Debate*
- Th May 9      *Overview of Individual Buy-Sell Presentation (link to youtube or google)*  
**Due: Self and Peer Evaluations (Forms to download, fill out, and upload on Canvas)**
- Th May 16      **Due: Buy or Sell Stock Pitch Presentation (Canvas)**  
*(film of student speaking and/or PPT with link to youtube or google)*  
*Also upload PPT of main points, excel results in PPT, works cited in PPT*

\* NOTE REGARDING SYLLABUS: Please note that current events and other in-class activities may be added when the schedule allows. The above schedule is meant to be approximate. At times we may be slightly ahead of or slightly behind schedule. *Work due on canvas may be moved, added, or not collected depending on instructor decisions.* Financial center dates may need to be moved. Necessary changes regarding times, assignments, and other matters will be announced in class.