Subject card

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| Subject name and code | Corporate Finance, PG_00129955 | | | | | | |
| Field of study | International Business | | | | | | |
| Date of commencement of studies | October 2025 | | | Academic year of realisation of subject | | 2026/2027 | |
| Education level | Master's studies | | | Subject group | | Obligatory subject group in the field of study | |
| Mode of study | full-time studies | | | Mode of delivery | | at the university | |
| Year of study | 2 | | | Language of instruction | | Polish | |
| Semester of study | 4 | | | ECTS credits | | 2.0 | |
| Learning profile | academic | | | Assessment form | | | |
| Conducting unit | Department of Sustainable Market Processes -> Faculty of Economics -> Rector | | | | | | |
| Name and surname of lecturer (lecturers) | Subject supervisor | dr Joanna Adamska | | | | | |
| | Teachers | | | | | | |
| Lesson types | Lesson type | Lecture | Tutorial | Laboratory | Project | Seminar | SUM |
| | Number of study hours | 15.0 | 0.0 | 0.0 | 0.0 | 0.0 | 15 |
| | E-learning hours included: 0.0 | | | | | | |
| Learning activity and number of study hours | Learning activity | Participation in didactic classes included in study plan | | Participation in consultation hours | Self-study | | SUM |
| | Number of study hours | 15 | | 15.0 | 20.0 | | 50 |
| Subject objectives | The purpose of this course is to give students an opartion knowledge of corporate finance. In particular, to provide a solid understanding of the major financial decisions facing corporate managers and to establish a structured approach to making investment and financial decisions for corporation. | | | | | | |

| Learning outcomes | Course outcome | Subject outcome | Method of verification |
|---|---|---|---|
| | [IBMU2_K01] Is ready to recognise the importance of knowledge of international business in the process of identifying and solving business problems and the need to consult experts in cases of complex issues | student recognizes the significance of knowledge in international business for identifying and resolving business issues in the field of international corporate finance, is capable of actively working on complex and multi-faceted relationships concerning financing, investing, and appraising corporate activities, and understand the necessity of seeking expert advice in complex financial matters. | [SK5] implementation of a problem task |
| | [IBMU2_K03] is ready to think and act in an entrepreneurial manner; adapts to new situations and conditions; undertakes challenges of creative thinking; acquires resilience to failures; assesses risks and threats and finds ways of counteracting their effects | student is prepared to think and act entrepreneurially, adapting to new situations and circumstances, especially in regards to financial decisions in a company, and evaluating risks and potential threats | [SK5] implementation of a problem task |
| | [IBMU2_U01] can creatively interpret, explain and analyse complex economic phenomena and the relations occurring between them, using the acquired knowledge in international business and international economic and financial relations | student can creatively interpret, explain, and analyze complex financial decisions made by corporations, utilizing their knowledge of international business and international financial relations between capital budgeting, financing, investments and company operations. | [SU4] test/exam - oral or written |
| | [IBMU2_W08] knows selected areas of the functioning of a modern enterprise in the international environment; understands the conditions, principles and consequences of decisions taken in modern enterprise's structures dealing on the international market | student understands the principles and rules of corporate finance in a modern enterprise operating in an international setting and comprehends the conditions, principles, and outcomes of financial decisions made by enterprises operating in international markets | [SW4] test/exam - oral or written |
| | [IBMU2_K02] is ready to critically assess the level of acquired knowledge, skills and professional competence in the area of international business | student is able to form critical evaluations and find solutions to specific financing, appraisal, and valuation problems | [SK5] implementation of a problem task |
| | [IBMU2_W05] knows and understands the fundamental dilemmas of international business related to globalisation, integration, internationalization and sustainable development | student understands the basic dilemmas of corporate finance and the financial decisions made by corporations in a globalized, internationalized, and sustainable development environment | [SW4] test/exam - oral or written |
| | [IBMU2_W03] knows terminology in the field of international business, international economics and financial relations and complementary disciplines | student is familiar with the terminology used in the field of corporate finance and international corporate finance, particularly about investments and financial decision-making. The student can formulate questions and concerns related to corporate finance and deepen their understanding of the subject matter during consultations with the course teacher. | [SW4] test/exam - oral or written |

<table>
<tr><td>Subject contents</td><td colspan="2">

- **Corporate finance introduction:** corporate finance definition and underlying principles. The scope of corporate finance. Corporate objectives. Time value of money and interest rates.
- **Risk.** Introduction to risk, measuring portfolio risk. Risk and return**.** Firm-specific and shareholder-specific risks. Risk of a single asset and portfolio risk.
- **Equity and debt financing.** Issuing equity. The flotation of a company (IPO and SPO). Theoretical diluted price. Financing via stock market versus the over-the-counter market (OTC). Issuing long-term debt.
- **Dividend policy and dividend decisions**. Types of dividend policies. Forms and types of dividends.
- **Corporate capital structure and cost of capital**. Financial leverage. Modigliani and Miller capital. The M&M capital structure model with taxes. EPS. Interest tax shields. Bankcuptcy costs. Tradeoff theory. Patterns in corporate capital structure. Discount rate (the cost of equity and the cost of debt, weighted average cost of capital). CAPM.
- **Corporate governance codes of practice**. The audit and the roles of auditors. Directors obligations and responsibilities. Disclosure policy - principles, actions to ensure compliance, legal consequences of its failure.
- Theory of financial **distress and bankruptcy**. Reasons and consequences of the companys bankruptcy.

Questions arising during the problem-solving process or interpretation issues related to corporate finance will also be addressed during consultations.</td></tr>
<tr><td>Prerequisites<br>and co-requisites</td><td colspan="2">Formal requirements<br><br>International finance<br><br>Prerequisites<br><br>Basic knowledge of macroeconomics, finance and financial markets as well as international economic relations. Ability to solve math problems.</td></tr>
<tr><td>Assessment methods<br>and criteria</td><td colspan="2">

| Subject passing criteria | Passing threshold | Percentage of the final grade |
|---|---|---|
| written test including open-ended questions and single-choice test | 51.0% | 100.0% |

</td></tr>
<tr><td>Recommended reading</td><td>Basic literature</td><td>Brealey R., Myers S., Allen F., Principles of Corporate Finance, McGraw Hill, 13th edition or earlier.<br><br>Laws, J., Essentials of Financial Management. Liverpool University Press, 2019.<br><br>Adamska-Mieruszewska, J., Mrzygłód, U. (2020). Foreign listing pricing effects. The case of emerging economies. Bank i Kredyt, (4), 367-381.<br><br>Dragotă, V. (2022). How Important is the Time Value of Money in Decision Making? Results of an Experiment. Prague Economic Papers, 30(3-4), 259-275.</td></tr>
<tr><td></td><td>Supplementary literature</td><td>Brealey, R. A., Myers, S. C., Allen, F., & Mohanty, P. (2012). Principles of corporate finance. Tata McGraw-Hill Education.<br><br>Dayananda J. (ed.), Capital Budgeting: Financial Appraisal of Investment Projects, Cambridge University Press, 2002 or later.<br><br>Hiller D., Ross S., Westerfield R., Jaffe J., Bradford J., (2016), Corporate finance, Maidenhead: McGraw-Hill Education.<br><br>Megginson W.L., Smart S.B., Lucey B.M., Introduction to corporate finance, Cengage Learning EMEA, 2011 or later, part 2 and 4.</td></tr>
<tr><td></td><td>eResources addresses</td><td>Adresy na platformie eNauczanie:</td></tr>
</table>

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| Example issues/ example questions/ tasks being completed | Cash flow management in a company<br><br>Cost of capital calculations |
| Work placement | Not applicable |

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