



Arab Academy for Science and Technology and Maritime Transport

Course code	Course Name	Course prerequisites
FIN411E	Advanced Financial Management	FIN311E

Course aim

- Gain an in-depth understanding of equity valuation techniques and how valuations are applied in the context of mergers and acquisitions.
- Foster students' skills and knowledge of how statistics can be used in the context of finance with particular emphasis on financial distress prediction and the analysis of financial reporting quality.
- Augment students' knowledge of essential issues in finance such as earnings per share, dividend policy, and convertible securities.

Course objectives

- Understand the weighted average cost of capital and its use in decision making.
- Learn the essentials of equity valuation techniques with a particular emphasis on Free Cash Flow Valuation.
- Learn and understand the role dividends play in valuations and their impact on financial statements.
- Understand mergers and acquisitions with an emphasis on equity valuations.
- Apply statistical techniques such as descriptive statistics, correlation analysis, and regression analysis in the context of finance.

Course topics

The course will cover the following main topics:

- Cost of Capital
- Short-Term Financial Planning
- Dividends and Dividend Policy
- Earnings Per Share and Book Value Per Share
- Equity Valuation Techniques
- Financial Modelling and Projection of Financial Statements Using Microsoft Excel
- Mergers
- Warrants and Convertibles
- Financial Distress and the Use of Statistics in Finance
- Analysis of Financial Reporting Quality Using Beneish's Ratios, Benford's Law, and Statistics

References

- Stephen Ross, Randolph Westerfield, Bradford Jordan & Jorg Bley (2010), 7th edition, "Essentials of Corporate Finance", Middle East Edition, McGraw Hill.