



# HANYANG UNIVERSITY

## Hanyang International Winter School

### Financial Management

Professor: **Dr. Hyejin Park**  
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 Home Univ.: Hanyang University  
 Dept.: Division of International Studies

**Description:** Recent volatile financial markets and global economic conditions require firms to take more attention on rational financial managerial decisions making. This course will study three pillars in financial management; analysis of financial statements, valuation, and asset pricing model. In the analysis of financial statement, we will learn how to calculate short-term vs. long-term solvency ratios, profitability ratios, and asset utilization ratios. In the valuation part, student will learn how to evaluate the price of stocks and bonds and the value of projects applying time value of money. Lastly, this course will further focus on the concept of risk of which is a key factor for a corporation to analyze firm performances, portfolio management, and asset pricing models.

**Objective:** By the end of the course, student will be able to analyze firm's status based on the financial statement, make investment decision, and understand asset pricing models. These theories and concepts will help student further practical needs and investment decision making.

**Textbook:**  
*Financial Management: Theory & Practice*, Eugene F. Brigham and Michael C. Ehrhardt, Cengage Learning; 15 edition (January 1, 2016)  
 (ISBN-13: 978-1305632295)

**Preparations:**  
 Prerequisite: Student who has economics, statistics, calculus or accounting background knowledge will be helpful to learn Financial Management.

\*Please prepare financial calculator (Class will have chance to learn how to use financial calculator.)

Credits	Contact Hours
Schedule:	P A R T 1 Fundamental Concepts of Corporate Finance Chapter 1 An Overview of Financial Management and the Financial Environment Chapter 2 Financial Statements, Cash Flow, and Taxes Chapter 3 Analysis of Financial Statements Week 1
	P A R T 2 Fixed Income Securities Chapter 4 Time Value of Money Chapter 5 Bonds, Bond Valuation, and Interest Rates *Midterm on Thursday Week 2
	P A R T 3 Stocks and Options Chapter 6 Risk, Return, and the Capital Asset Pricing Model Chapter 7 Stocks, Stock Valuation, and Stock Market Equilibrium Chapter 8 Financial Options and Applications in Corporate Finance



P A R T 4 Projects and Their Valuation  
Chapter 9 The Cost of Capital  
Chapter 10 The Basics of Capital Budgeting: Evaluating Cash Flows  
Chapter 11 Cash Flow Estimation and Risk Analysis  
Chapter 24 Portfolio Theory, Asset Pricing Models, and Behavioral Finance  
\*Final on Wednesday.

	Midterm	Final	Attendance	Assignments	Participation	Etc.
Evaluation(%)	45	45	5	0	5	0