



## *The Hebrew University of Jerusalem*

### *Syllabus*

## *Financial Management - 55832*

*Last update 13-10-2024*

*HU Credits: 3*

*Degree/Cycle: 2nd degree (Master)*

*Responsible Department: Business Administration*

*Academic year: 0*

*Semester: 2nd Semester*

*Teaching Languages: Hebrew*

*Campus: Mt. Scopus*

*Course/Module Coordinator: Prof. Ilan Kremer*

*Coordinator Email: [ikremer@huji.ac.il](mailto:ikremer@huji.ac.il)*

*Coordinator Office Hours: After class*

*Teaching Staff:*

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Prof. Ilan Kremer,  
Dr. Michael Gofman

Course/Module description:

The course will deal with the relationship between the firm's financial decisions and its market value, such as capital structure decisions, dividend distribution policy etc. The course will focus on both theory and practice and in the implementation of this theory in decision making situations. Implementation of the theory will be done by analysis of Case Studies featuring real and relevant problems of areas of finance and market conditions, including taxation issues.

Course/Module aims:

Providing tools for firms' financial management.

Learning outcomes - On successful completion of this module, students should be able to:

1. Use DCF method in valuing firms and project.
2. Analyze the effects of capital structure on the value of the company.
3. Understand the implications of moral hazard, taxes and on the optimal capital structure and firm value.
4. Understand financing decision that involve foreign currency.
5. Understand the principles of hedging foreign currency risk.

Build and understand valuation of leveraged companies.

Examine mergers and acquisitions.

Analyze companies' dividend policies.

Attendance requirements(%):

85%

Teaching arrangement and method of instruction: The course will include lectures, case studies and assignments. At the end of the course will be held a final exam .

Course/Module Content:

1. Review of Valuation
2. Introduction to Financial Management
3. Capital structure in perfect markets
4. Capital structure in perfect markets (taxes, bankruptcy costs, agency..)

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5. *The relationship between investment decisions and financing decisions (MM III)*
  6. *Dividend and buyback Policy.*
  7. *Valuation with foreign currency*
  8. *Hedging foreign currency risk*

Required Reading:

*HBS Cases*

Additional Reading Material:

*Corporate finance 4th edition, by Jonathan Berk and Peter DeMarzo, published by Pearson.*

Grading Scheme:

*Written / Oral / Practical Exam 80 %*

*Active Participation / Team Assignment 10 %*

*Submission assignments during the semester: Exercises / Essays / Audits / Reports / Forum / Simulation / others 10 %*

Additional information: