



Name	Corporate Advisory and Investment Banking
Component modules	
Scientific-disciplinary sector	SECS-P/09
Year of course and semester of provision	2 nd year – 2 nd semester
Language of instruction	English
Didactic load in university formative credits	8
Number of hours of assisted teaching activity	48
Teachers	Andrea Balzarini
Specific learning outcomes	<p>Students will acquire knowledge of corporate and investment banking activities: capital markets (both primary and secondary), corporate finance, private equity, structured finance. How investment banks provide advisory services on these matters and how corporates can profit from them. They will acquire awareness of the different funding sources and how to access them, as well as how to deal with relevant stakeholders in the process (also through practical exercises and role playing). They will also learn how to deal with extraordinary finance transactions (namely M&A).</p> <p>The course will also touch upon the quality of a decision making process in relation of the matters at the core of the course, and will learn what truly characterizes a “good” vs a “bad” decision.</p> <p>At the end of the course the student will be able to analyse, interpret and provide individual assessment of the most appropriate financing decisions and tools to be applied to a specific company situation (including restructuring and distressed ones), and how to successfully execute them through formally and substantially correct processes.</p> <p>Through the notions acquired, the student will be able to share the obtained knowledge and to correctly use the jargon of the sector in order to illustrate to both specialist and non-specialist operators the characteristics and purposes of corporate and investment banking operations.</p>
Program	<p>The course will start from capital markets activities, analysing the various forms of funding sources (bank funding, debt capital market and equity capital market) and their typical features.</p> <p>The following step shall be represented by the study of the funding process related to different funding sources: how to raise bank debt both on a bilateral and a syndicated basis, how to raise debt on the capital market (in the form of straight bonds and convertible bonds) and how to raise equity capital on the equity capital market, both in primary (IPO) as well as in secondary market (rights offering, ABB). A particular attention shall be dedicated to the various phases of these processes and the different actors each of them involves, underlying the importance of corporate communication. This part of the course will imply practical cases and the involvement of the class in a business game where to apply the above-mentioned notions (here after, the Business Game).</p> <p>The course will then touch upon private equity and how it can support a company in the different phases of its life, from start-up through maturity to restructuring, and how returns from such investments can be calculated (IRR vs VC method).</p> <p>M&A will follow, analysing the key aspects of such processes: motivations (and their influence on long-term outcomes), type of deals, process (with particular focus on valuation overall and of synergies in particular) in order to assess how value creation is measured and how the company can enhance it by teaming up with other companies, and the risks implied.</p> <p>Restructuring situations will then be studied, with particular focus on private negotiations (and differences with in-court ones).</p> <p>The final section of the course will look back at all the different decisions the students have been analysing or taking in practical exercises in order to assess whether they were “good” or “bad” decisions and what features enable us to distinguish between the two.</p>
Types of didactic activities envisaged	The course will be delivered through sessions in presence based upon materials produced and distributed by the teacher, with frequent reference also to the content of the course text (see below); the course program



and relative methods of carrying out	follows the reference text structure, with frequent references to practical experiences the teacher has been managing throughout his professional course so far (the role of structured finance in the 2008 financial crisis, 2009-2010 European sovereign crisis and how it challenged the risk-free concept, direct experiences in DCM, IPOs and restructuring). Students attending in presence shall also be called to participate, in small groups, to the Business Game.
Learning evaluation methods and criteria	It is scheduled a single final oral exam related to the entire program, with particular reference to the topics discussed during the lectures. The exam will focus on three/four questions, depending on the qualitative development of the exam, for a total duration of approximately 30 minutes. The questions of the exam aim to verify: the acquisition, by the students, of the knowledge and comprehension of the activities composing investment banking; the independent judgment in the financing decision making; the knowledge of the different financing instruments covered in the course; the ability to motivate and effectively communicate all aspects that shall be touched upon in the exam.
Criteria for measuring learning and assigning the final grade	The final grade results from the comprehensive evaluation of the exam and the verification of the level of achievement of the established learning outcomes The final grade, out of thirty, will reflect said ability of the candidate, along with the demonstrated knowledge of the subject.
Prerequisites	No formal pre-requisite required but it is advisable to have some knowledge of: corporate finance principles; consolidated balance sheet and accounting principles; financial and business English.
Didactic material used and recommended didactic material	S. Caselli, G. Gigante, A. Tortoroglio: "Corporate and Investment Banking – A hands on approach". P. Vernimmen, P. Quiry, Y. Le Fur: "Corporate Finance – Theory and practice", 6 th edition (Section I and III only); other didactic materials distributed along the course.