

# HUMBOLDT UNIVERSITÄT ZU BERLIN

## Case Seminar – Corporate Finance

Tuesday 10:00-13:00, Room 23

Daniel Streitz

This case seminar discusses real-world cases, which relate to the materials covered in *Introduction to Finance II*, and *Advanced Corporate Finance I*. The main topics are company valuation, capital structure, bankruptcy, corporate governance, the financing of large projects, private equity & venture capital, and mergers & acquisitions. During the semester we will have a number of company presentations of real-world business cases, e.g., by representatives from Deutsche Bahn, Axel Springer, Deloitte & Touche. At the end of the seminar each student – as part of a team – must present a Harvard Business Case, which was assigned at the beginning of the semester.

### Prerequisites

Introduction to Finance II. Participants must *Advanced Corporate Finance I* parallel or prior to the case seminar.

### Registration

Please submit your motivation letter, CV and current transcript to the secretary, Mrs. Petra Bulwahn, in hard copy (copies only, no originals, no plastic binders) by 17. February 2012. Preference will be given to those students with the strongest background in finance.

### Evaluation

Class participation and presentations (20%), case report (80%). Seminar attendance is obligatory.

### Course materials

Cases can be purchased from HBSP. Additional reading materials are available from Moodle.

### Case teams

All seminar participants should form teams consisting of 4 members, not more, not less. You can make use of the bulletin board on Moodle to find team mates. Students who are not part of a complete team by the second day of class will be allocated randomly to other incomplete teams.

Both a hardcopy of your report and a computer file containing the report are due at the beginning of the class the case is scheduled for discussion. The computer file that contains the report should be sent as an e-mail attachment. Since we discuss the case solutions in class, late reports cannot be accepted. Case reports that include plagiarism will earn a zero grade.

The workload should be shared equally among all members of a team. If you experience any free-rider problems you should inform me as soon as possible. I will handle any complaints absolutely confidentially. At the end of the semester there will be a confidential peer evaluation, which may affect your overall grade.

### **Class participation and presentations**

Teams that do not submit a case report should still come prepared with a preliminary analysis. All teams are expected to have tackled the study questions and are prepared to present their analyses in class. This will not only help you better understand the main issues, but will also allow us to spend the limited class time on more advanced issues. I urge you, and expect you, to take this responsibility seriously.

Your class participation grade will depend on your presentations and the quality (not the quantity) of your comments/remarks in class, which are a function of the depth of your preparation. Quality includes sound, rigorous, and insightful diagnoses, sharpening of key issues under discussion, relating theory to a particular case, asking relevant questions, etc. To make sure you receive credit for your class participation, you should display your name card at all times during the class. Given that there is no exam in this course, class participation is the main way of individual evaluation.

### **Outline**

#	Date	Topic	HBS Case No.
1	April 10	Introduction - Learning with cases	
2	April 17		
3	April 24	Company presentation	
4	May 1		
5	May 8	Company presentation	
6	May 15		
7	May 22	Company presentation	
8	May 29		
9	June 5	Company presentation	
10	June 12		
11	June 19	Company presentation	
12	June 26		
13	July 3	Student presentations (three cases)	10:00 – 14:00
14	July 10	Student presentations (three cases)	10:00 – 14:00

### **Case Reports**

The purpose of the cases is to apply the financial concepts covered in *Introduction to Finance II*, and *Advanced Corporate Finance I*. You need not explain these concepts in your case reports, but can assume that the reader is familiar with the relevant theory.

Case reports consist of answers to the case questions. Good case reports are concise, brief, and to the point. The maximum number of pages for a case report is 6-8 pages, using a 12-point font. Make sure you adequately address all case questions. If the strategy options given are insufficient in your opinion then feel free to consider additional options.

Support any claims you make by references to the information given in a case, graphs, or figures. Good case reports do not contain vague statements or guesses. It is possible that the

information in a case does not provide enough information to make a clear judgment. In this case you should say so rather than making a wild guess.

Any spreadsheet printouts provided should be *self-contained*, i.e., one should be able to understand the information given in a table without relying on the main text of the analysis. Tables should include all your assumptions as well as the formulas that are not immediately transparent.

You should start working on a case report several weeks prior to the due date. The assigned cases are challenging, and you are unlikely to grasp the main ideas/problems within a few days. Furthermore, the discussion of the case questions within your team is crucial to understanding and “solving” a case. Therefore, it is not advisable to assign different questions to different team members, but to work on all questions together.