

<b>Investments and Finance</b>					
<b>Number</b>	<b>Workload</b>	<b>Credits</b>	<b>Semester</b>	<b>When offered</b>	<b>Duration</b>
IBW 3.1	150 hrs	5 ECTS	3rd	Winter/summer semesters	1 semester
<b>1</b>	<b>Coursework (hrs/week)</b> a) Seminars: 3 b) Exercises: 1	<b>Contact hours</b> 4 hrs/week = 72 hrs		<b>Self-study</b> 78 hrs	<b>Language</b> German/English
<b>2</b>	<b>Learning outcomes</b> Students will be able to summarize the interdependence and compare and contrast the significance and purpose of capital investments and financing activities. They will be able to apply key capital budgeting and appraisal techniques to simple case studies, describe and explain the advantages and disadvantages of each, and evaluate the messages they communicate. Students will also be able to explain the most-important forms of internal and external funding and their importance to companies (depending on their legal form and prevailing financial system) and illustrate the relevance of capital structure and the cost of capital.				
<b>3</b>	<b>Course content</b> <ul style="list-style-type: none"> <li>– Corporate finance concepts and goals</li> <li>– Tasks and interdependencies of investment and financial decisions</li> <li>– Application, interpretation and comparative assessment of conventional international static and dynamic investment appraisal methods</li> <li>– Practical cases: simple investments in fixed assets and financial investments requiring a security</li> <li>– Fundamentals of risk</li> <li>– The relationship between risk and capital costs</li> <li>– The most-important types of internal and external funding</li> <li>– The importance of a firm's legal form and the finance system it uses (banks versus capital market) when it comes to making corporate financing decisions</li> <li>– Principles of capital structure and financial leverage</li> </ul>				
<b>4</b>	<b>Teaching methods</b> Interactive seminar-like instruction and exercises				
<b>5</b>	<b>Course prerequisites</b> Formal: None Recommended: Modules IBW 1.1 (Mathematics 1), IBW 1.2 (Statistics), IBW 1.3 (ABWL), IBW 1.4 (Financial Accounting 1/Basic Bookkeeping and Year End Accounts)				
<b>6</b>	<b>Type of examination</b> Written				
<b>7</b>	<b>Requirements for the award of credit hours</b> Passing grade on module examination				
<b>8</b>	<b>Course share of final grade: 5 / 175 (= 2.86%)</b>				