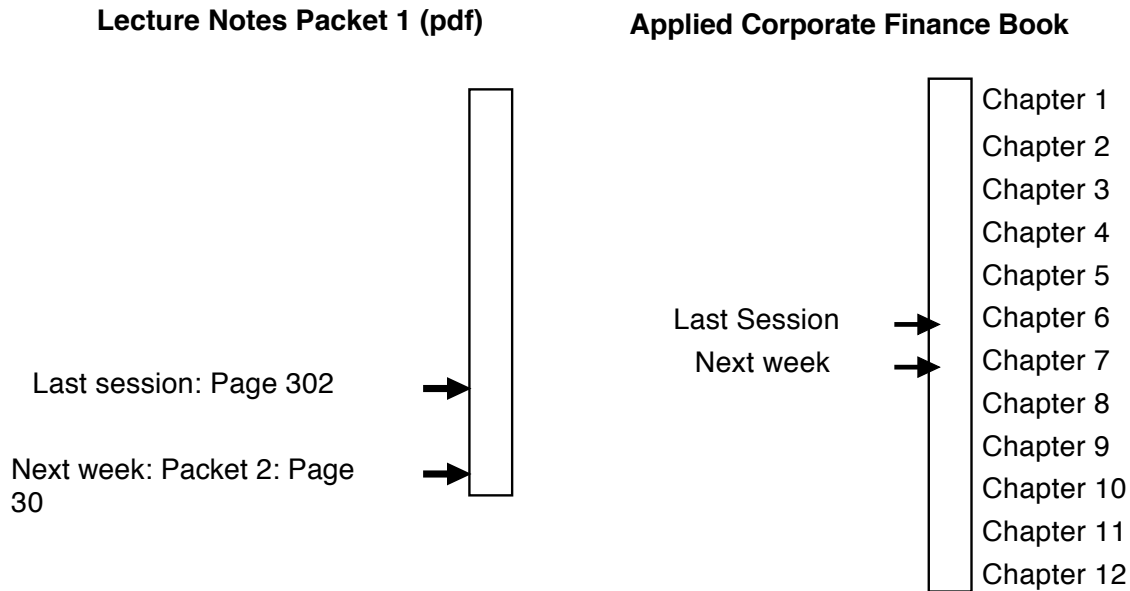
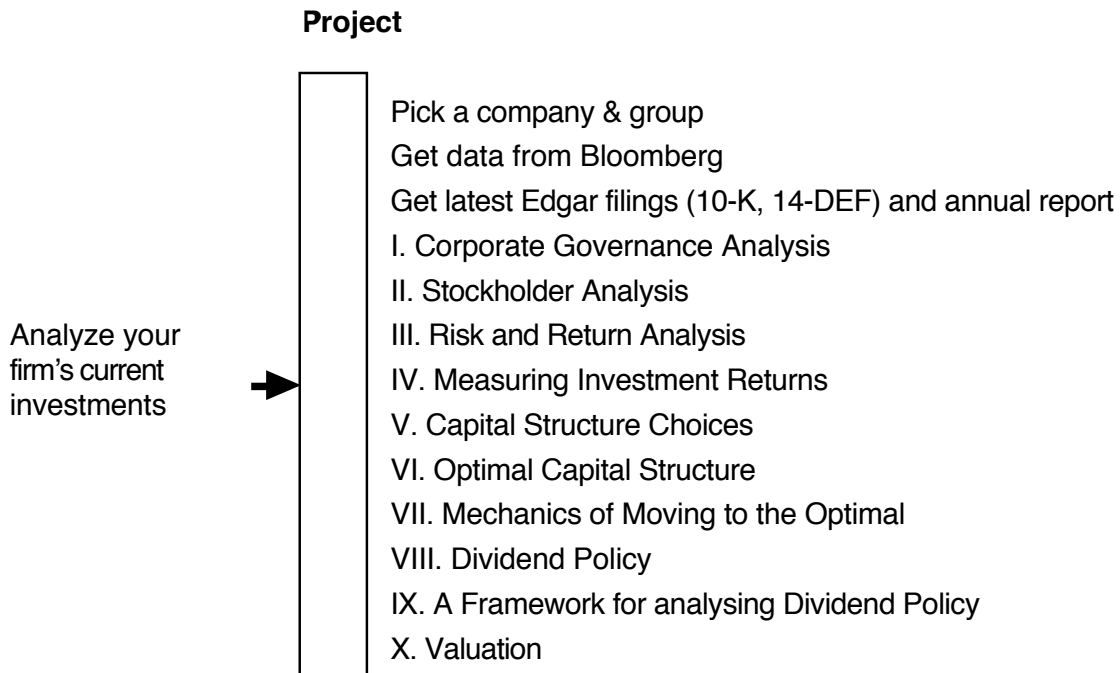


Corporate Finance: Newsletter – April 6, 2013

Where we are in class...



Where you should be in the project...



Data Notes...

I know that this week was spent on the case but we are in a pause phase for the project. At this stage in the process, you should have costs of capital and EVAs for your firms and be ready for the next phase, where we will analyze capital structure. One issue that you may want to get nailed down before the coming weeks is the issue of opportunity

costs and side benefits. The real options intro (a very short one) that we will do will help (I think).

Miscellaneous FAQs

How will the case be graded?

The case will be graded out of 10, and everyone in the group will get the same grade. I know that this sounds unfair, especially for those of you who feel that you carried the lion's share of the work but I do not know of any way in which you can assess relative weights in group work.

The grading will be partially based on objective measures (and I will be open about what they are) and partially on subjective ones... I will try my level best to be fair.

What are the skills that will be tested on the next quiz?

The next quiz (which is on Wednesday) will test your understanding of basic accounting (operating income versus net income), the role of capital versus financial expenses but will not mire you in accounting details.