



**Kuwait University**  
**College of Business Administration**  
**Department of Finance & Financial**  
**Institutions**



**Course Syllabus**  
**Spring 2025**  
**Dr. Saad Alnahedh**  
**FIN 327 – Intermediate Financial Management**

**Lecture Time and Location:**

**FIN 327/ 05A** : Mondays and Wednesdays      TIME 02:00 – 03:15 PM      Classroom # S| DG 1002

**Contact Information:**

**Location** : Department of Finance & Financial Institutions – 4<sup>th</sup> Floor - Zone B - Office #1023

**Email** : [s.alnahedh@ku.edu.kw](mailto:s.alnahedh@ku.edu.kw)

**Office Hours** : Mondays from 8:00 AM to 9:30 AM  
Wednesdays from 3:30 PM to 5:00 PM  
or by appointment.

**Course Link** : On MS Teams

**Course TA** : TBD      email: TBD

**Tutorial Times** : TBD

**Course Description:**

This course builds on the concepts covered in the Principles of Financial Management course. It examines the basis of financial decisions made by companies, emphasizing the following: theories of asset valuation; the cost of capital; risk analysis; real options; capital structure; dividend policies; working capital management; derivatives; multinational financial management; mergers and acquisitions.

This is not a “how to” course. This is a “why do” course. Expect to learn a few simple, but powerful, intuitions and be able to apply them creatively to a variety of new situations. Finance is such a rapidly changing area that you would be poorly served with a set of rote formulae—such knowledge would be rapidly obsolete.

**Course Learning Outcomes:**

The learning outcomes for this course, listed below, relate to the learning goals of the College of Business Administration Undergraduate Program. Upon successful completion of the course, students will:

- CLO1. Be able to analyze and solve financial problems.
- CLO2. Be able to use capital budgeting methods (i.e. NPV, IRR, MIRR, PBP, etc.) to solve financial problems.
- CLO3. Be able to analyze project risk.
- CLO4. Understand real options and what they mean to the firm.
- CLO5. Understand a firm's optimal capital structure and dividend policy and how they affect firm value.
- CLO6. Have a basic understanding of multinational financial management.
- CLO7. Have a basic understanding of mergers and acquisitions.
- CLO8. Have a basic understanding of derivatives and their pricing.
- CLO9. Deliver an assessment of an existing firm using one or more the methods covered in class.



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**CLO Mapping to CBA Skill Based Competency Goals**

CLO	Competency Goal			
	Analytical	Communication	Technology	Business Knowledge
1	A			A
2	R			
3	R			
4				I
5				A
6				I
7				I
8				I
9		I	A	A

**Type of Emphases:**

- **(I)ntroduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
- **(A)pply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- **(R)einforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

**Required Material:**

**Textbook** : Brigham, Eugene F., and Joel F. Houston. *Fundamentals of Financial Management*. 15th ed.

**Additional Material** :

- Brigham, Eugene F., and Joel F. Houston. *Fundamentals of Financial Management: Study Guide*.
- Other material, including course PPT Slides are available on MS Teams.
- Financial calculator

**Expectations:** I expect every student to

- 1) Read the chapter before and after the class.
- 2) Not entirely depending on the PowerPoint slides for your studying.
- 3) Attend each class and participate in discussions.
- 4) Do your assignments on time and attend the tutorials.

**Financial Calculator:** You will need a financial calculator for this class. Only the CASIO FC-200V, and CASIO FC-100V are approved for the exams. Tutorials and help will be based on the CASIO FC-200V calculator. If you choose to use the other approved calculator, that is fine, but I may not be able to provide technical assistance in setting up certain problems. You may **NOT** use a programmable graphing calculator for the exams. If you are not sure if your calculator is okay for the exams, please show your calculator to me or the TA. You may not use a smart-phone calculator app. Procedures for calculator will be demonstrated in class and are shown in the textbook. Understanding the basic financial functions of your calculator is necessary for success in this course.



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**Exams:** There will be 2 midterms and a final exam. The majority of the questions on the exams will be based on material from the lectures. The rest will come from the text and assigned readings. The final exam is cumulative.

**Case Assignments and Presentations:** The case assignments and presentations will be done in a group of 2-3 students and involves analyzing a case article or an existing firm that I may assign to you or ask you to choose.

**Attendance:** Every student in this course must abide by the Kuwait University Policy on Attendance (published in the Student Guide, Chapter 3, Section 13). A copy of the student guide can be accessed online on:  
[http://www.kuniv.edu/cs/groups/ku/documents/ku\\_content/kuw055940.pdf](http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf)

I highly encourage you to attend every class, and you are responsible for any announcement made in class. As an incentive for those who attend, some of the bonus points will be based on attendance.

**Grading:** The scores in this course will be the weighted average of the following items:

Weight	Description
5%	Participation, Contribution, and Class Discussion
15%	Case Assignments
20%	Midterm 1
20%	Midterm 2
40%	Final Exam
100%	TOTAL

These are the only factors that will be used to determine your course grade. Other factors such as your major, graduation plans, graduate school plans, participation in extracurricular activities including sports, family events, employment or your financial situation cannot and will not be considered in determining your course grade. You will be graded on a scale of a 100. However, I may decide to allocate up to 5 bonus points spread across the various exams, assignments, participation, extracurricular activities, and in-class and tutorial attendance.

**Cheating and Plagiarism:** I have a zero tolerance policy towards cheating, plagiarism, and academic misconduct. Any student found cheating in this course will receive an F and will be reported to the office of the dean. Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (published in the Student Guide, Chapter 3, Section 2). A copy of the student guide can be accessed online on:

[http://www.kuniv.edu/cs/groups/ku/documents/ku\\_content/kuw055940.pdf](http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf)

Please carefully note all sources and assistance when you turn in your work. Under no circumstances should you take credit for work that is not yours. You should neither receive nor give any unauthorized assistance on any deliverable. If you have any questions about what constitutes “unauthorized assistance” please email me before the deliverable is submitted.

**Artificial Intelligence and GenAI (ChatGPT, etc.) Policy:**

Students are permitted to use generative AI tools like ChatGPT to assist with assignments and idea. However, copying AI-generated content is strictly prohibited. AI should be used as a learning aid, not a replacement for critical thinking and original work. Ultimately, students are responsible for the content they submit, and I reserve the right to question those suspected of directly copying AI-generated answers. If a student is unable to defend their work, it will be considered an academic integrity violation and reported to the Dean as a cheating attempt, resulting in an FC (Failure due to Cheating) in the course.



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**Laptops and Tables Usage Policy:**

The use of laptops and tablets for note-taking during class is not permitted unless prior permission is obtained. If granted permission, students must sit in the first row in the front. This policy is in place to foster active engagement, encourage discussion, and maintain a focused learning environment.

**Writing Style:** Students must refer to APA writing style for their assignments and report writing. Refer to the English Language Center for help.

**Grade Distribution:**

Grade	Range
A	≥ 95
A-	≥ 90 and < 95
B+	≥ 87 and < 90
B	≥ 83 and < 87
B-	≥ 80 and < 83
C+	≥ 77 and < 80
C	≥ 73 and < 77
C-	≥ 70 and < 73
D+	≥ 65 and < 70
D	≥ 60 and < 65
F	< 60

**Course Outline:**

Title	Topics
Cash Flow Estimation and Risk Analysis <b>(CFA TOPIC)</b>	Identification of Relevant Cash Flows in Capital Budgeting Analysis • Cash Flow Estimation • Calculation of Capital Budgeting Metrics • Measuring Risk and Adjusting WACC • Mutually Exclusive Projects • Unequal Lives Projects
Real Options and Other Topics in Capital Budgeting <b>(CFA TOPIC)</b>	What are Real Options? • Analysis and Influence of Real Options • NPV and Size of a Firm's Capital Budget • Optimal Capital Budget • Post-Audit
Capital Structure and Leverage <b>(CFA TOPIC)</b>	Determining the Target Capital Structure • Business Risk vs. Financial Risk • How Debt Affects Expected Return and Risk • Determining the Optimal Capital Structure • Capital Structure Theory
Distributions to Shareholders: Dividends and Share Repurchases <b>(CFA TOPIC)</b>	Dividends vs. Capital Gains • Trade-Offs in the Establishment of Optimal Dividend Policies • Stock Splits vs. Stock Dividends • Stock Repurchases and their Effects • Pros and Cons of Stock Repurchases
Working Capital Management <b>(CFA TOPIC)</b>	Effect of Current Assets and Current Liabilities on Profitability • Cash Conversion Cycle • Construction of the Cash Budget • Working Capital Management • Credit Policies • Financing Working Capital
Derivatives and Risk Management <b>(CFA TOPIC)</b>	Why Manage Risk? • Introduction to Derivatives • Types of Derivatives • How Derivatives are Used to Manage Risk • Black-Scholes Option Pricing Model • Risk Management Processes



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Multinational Financial Management	Why Companies go "Global"? • Exchange Rates • Interest Rate Parity • Purchasing Power Parity • Pros and Cons of Investing Overseas • Challenges Facing Multinational Corporations
Mergers and Acquisitions <b>(CFA TOPIC)</b>	Rationale for Mergers • Types of Mergers • Merger Valuation • Merger Analysis • Do Mergers Create Value?

**Tentative Course Schedule:**

Week	Topic & Chapter	Due
2-Feb	Cash Flow Estimation Ch. 12	
9-Feb	Cash Flow Estimation Ch. 12	
16-Feb	Real Options & Other Topics in Capital Budgeting Ch. 13	
23-Feb	Capital Structure & Leverage Ch. 14	
2-Mar	Capital Structure & Leverage Ch. 14	
9-Mar	Distributions to Shareholders Ch. 15	<b>1<sup>st</sup> Midterm – March 12 (Tentative)</b>
16-Mar	Working Capital Management Ch. 16	
23-Mar	Multinational Financial Management Ch. 19	
6-Apr	Multinational Financial Management Ch. 19	
13-Apr	Mergers & Acquisitions Ch. 21	
20-Apr	Mergers & Acquisitions Ch. 21	<b>2<sup>nd</sup> Midterm – April 21 (Tentative)</b>
27-Apr	Derivatives & Risk Management Ch. 18	
4-May	Derivatives & Risk Management Ch. 18	
11-May	<b>Final Exam Review</b>	<b>Final Exam – May 21<sup>st</sup> (From 11AM to 1PM)</b>