

Press release

Students Meet and Beat the Credit Squeeze: ISM Vilnius superior in the 4th HSE Credit Crunch in Helsinki, Finland

The case competition in corporate credit organized by Helsinki School of Economics (HSE) drew eleven teams from European universities to compete head-to-head in analyzing and restructuring a real-life company caught in a credit squeeze. During the intensive two-and-a-half-day program on April 22 - 24 and after three rounds of demanding case work and presentations, the team from *ISM University and Management and Economics*, Vilnius, Lithuania emerged as the winner in a tight race, ahead of three German universities (*Westfälische-Wilhelms-Universität Münster* in the second place; *Business and Information Technology School Iserlohn* in the third; and *Heinrich-Heine Universität* from Düsseldorf in the fourth place. The ISM Team members were: Agne Jureviciute, Andrius Anelauskas, Vaidotas Tamulenas and Justinas Matusevicius.

In the HSE Credit Crunch, the contestants were challenged to mastermind the debt restructuring of P/F *Smyril Line*, a Faroese ferry operator. The teams worked on restructuring the business and its capital structure and valuing the debt of the turnaround company. The three cases written specifically for HSE CCICC2009 were highly authentic and topical as the company had completed its business and debt restructuring only at the end of 2008. P/F *Smyril Line* contributed a substantial effort in preparing the case. **Peter Holm, CEO** and **Runi Poulsen, CFO** of the company, further enhanced the participating students' understanding of the restructuring process through their presence in the competition's jury as well as through their personal account of the debt restructuring during the Award Ceremony. Peter Holm said that "We find this competition very interesting. It gives us a third party view of things which we had to complete under a very tight schedule and with limited visibility, and by that the event allows us to learn from the process". On a more entertaining side of the event, students were also introduced to the beautiful scenes and outdoor opportunities of Faroe Islands in Northern Atlantic. Faroe Islands is a self-governing country within the Kingdom of Denmark.

The HSE Credit Crunch is a unique event. It differs from most university case competitions by focusing on a corporate credit issues and by including a series of workshops lead by credit professionals from sponsoring corporations. Assistant Professor **Harri Seppänen**, the Academic Advisor of the event from HSE, says that "the key premise in our event is to provide participating students an intensive out-of-classroom learning experience in co-operation with credit professionals from world-class organizations." Agne Jureviciute, a student from Team Vilnius said: "This mix of teaching and competition continues to enjoy a strong positive reception among the teams and is a guarantee that all contestants return home with an experience of highly intensive learning.

The HSE Credit Crunch' main sponsors are Moody's Investors Service and Nordea, with Tapiola Group – an insurance group, Ernst & Young, Thomson Reuters, Accenture, The Boston Consulting Group, and Öhman Group as further sponsors. Nordea's **Timo Teinilä**, the Professional Advisor of HSE CCICC2009, said: "This year's high quality of presentations shows that the teams' home universities consider corporate credit an increasingly important theme in teaching future finance professionals, and by this they also confirm that HSE's original idea of this event is still timely and excellent."

The Fourth HSE Credit Crunch showed that the event is now establishing itself in the academic calendar as one with a highly topical subject in the financial market environment. The event attracts participants thanks to its innovative approach by bringing corporate credit practices closer to students and academia. Each of the past four events has presented conceptually very

different cases, and emphasized the practical side of corporate credit analysis as a tool of supporting credit investment, restructuring or management processes.

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Web site: www.hse.fi/CCICC2009