**Final exam – Questions**

**Question 1 of 75**

Describe the role and responsibilities of a Chief Financial Officer in a Corporation as a financial manager, treasurer and controller.

**Question 2 of 75**

What is a Corporation? Describe the ownership structure and the difference between closely held and public companies. Explain the separation of ownership and control mechanism.

**Question 3 of 75**

Problem Solving: How interest is paid and quoted

**Question 4 of 75**

Problem Solving: How interest is paid and quoted

**Question 5 of 75**

Problem Solving: How interest is paid and quoted

**Question 6 of 75**

Problem Solving: Future values and present values

**Question 7 of 75**

Problem Solving: Perpetuities and annuities

**Question 8 of 75**

Problem Solving: Perpetuities and annuities

**Question 9 of 75**

Problem Solving: Future values and present values

**Question 10 of 75**

Problem Solving: Bond valuation using present values

**Question 11 of 75**

Problem Solving: Bond valuation using present values

**Question 12 of 75**

Problem Solving: Bond valuation using present values

**Question 13 of 75**

Problem Solving: Bond valuation using present values

**Question 14 of 75**

Problem Solving: Bond valuation using present values

**Question 15 of 75**

Problem Solving: Bond valuation using present values

**Question 16 of 75**

Problem Solving: Bond valuation using present values

**Question 17 of 75**

Problem Solving: Bond valuation using present values

**Question 18 of 75**

What is a modified duration of a bond? (formula need to be included)

What does it measure?

**Question 19 of 75**

Problem Solving: How bond prices vary with interest rates

**Question 20 of 75**

What do bond ratings indicate and used for? What are the main international rating agencies and how do they categorize bonds?

**Question 21 of 75**

Problem Solving: How common stocks are valued

**Question 22 of 75**

Problem Solving: How common stocks are valued

**Question 23 of 75**

Problem Solving: How common stocks are valued

**Question 24 of 75**

Problem Solving: How common stocks are valued

**Question 25 of 75**

Problem Solving: How common stocks are valued

**Question 26 of 75**

Problem Solving: How common stocks are valued

**Question 27 of 75**

Problem Solving: Net Present Value calculation

**Question 28 of 75**

Problem Solving: Net Present Value Calculation

**Question 29 of 75**

Problem Solving: Payback Period

**Question 30 of 75**

Problem Solving: NPV and IRR decision rules

**Question 31 of 75**

Indicate and describe Good Systems of Corporate Governance, which mitigate agency problems in a corporation.

**Question 32 of 75**

Problem solving: Introduction to risk and return

**Question 33 of 75**

Problem solving: Introduction to risk and return

**Question 34 of 75**

Explain the concept of diversification and how it reduces portfolio risk. Interpret market and specific risk.

**Question 35 of 75**

Problem solving: Introduction to risk and return

**Question 36 of 75**

Problem solving: Introduction to risk and return

**Question 37 of 75**

Describe the Capital Asset Pricing Model and five basic principles of portfolio selection

**Question 38 of 75**

Problem solving: Portfolio Theory and CAPM

**Question 39 of 75**

Explain the Arbitrage Pricing Theory and its comparison with Capital Asset Pricing Model

**Question 40 of 75**

Explain the Fama –French three - factor model and steps required for expected returns estimation

**Question 41 of 75**

Problem solving: Portfolio Theory and CAPM

**Question 42 of 75**

Define three main factors determining asset betas (detailed description is required)

**Question 43 of 75**

Problem solving: Risk and the Cost of Capital

**Question 44 of 75**

Problem solving: Risk and the Cost of Capital

**Question 45 of 75**

Problem solving: Risk and the Cost of Capital

**Question 46 of 75**

Problem Solving: Risk and the Cost of Capital

**Question 47 of 75**

Describe the project authorization process and the problem of biased forecasts

**Question 48 of 75**

What is the sensitivity analysis (describe by providing examples). Indicate the limits to sensitivity analysis

**Question 49 of 75**

Describe the scenario and breakeven analysis, their usage in project evaluations. What is the operating leverage and break-even point?

**Question 50 of 75**

Describe the Monte Carlo simulation tool and its usage (indicate the four steps required for project analysis)

**Question 51 of 75**

Define and describe three real options used to modify projects.

**Question 52 of 75**

What is an economic rent? Identify the sources of economic rents (examples should be provided)

**Question 53 of 75**

Problem solving: Portfolio theory and the CAPM

**Question 54 of 75**

Problem solving: Portfolio theory and the CAPM

**Question 55 of 75**

Problem Solving: Portfolio theory and the CAPM

**Question 56 of 75**

Problem Solving: Portfolio theory and the CAPM

**Question 57 of 75**

Describe the agency problems arising in capital budgeting

**Question 58 of 75**

Problem Solving: Economic Profit and EVA

**Question 59 of 75**

Problem Solving: Economic Profit and EVA

**Question 60 of 75**

Problem Solving: Economic Profit and EVA

**Question 61 of 75**

Define pros and cons of Economic Value Added measure

**Question 62 of 75**

Describe Partnerships, Trusts and REITS and their differences

**Question 63 of 75**

What are the dual-class shares in the corporation? Which private benefits do they possess?

**Question 64 of 75**

Indicate three examples of ways where financial intermediaries contribute to our individual well-being and the smooth functioning of the economy

**Question 65 of 75**

What is an IPO? Indicate the necessary processes needed to arrange the Initial Public Offering of stock

**Question 66 of 75**

Describe the General Cash offers in IPO and potential costs arising from the process.

**Question 67 of 75**

Describe the Market reaction to Stock Issues

**Question 68 of 75**

Indicate the difference between private and public placements

**Question 69 of 75**

What is the information content of dividend payments and share repurchases

**Question 70 of 75**

Describe the dividend irrelevance concept in perfect capital markets

**Question 71 of 75**

How does taxation matters affect the decisions regarding dividend payouts and share repurchases

**Question 72 of 75**

Problem Solving: Financial Risk and Expected Return

**Question 73 of 75**

Problem Solving: Financial Risk and Expected Return

**Question 74 of 75**

Problem Solving: Financial Risk and Expected Return

**Question 75 of 75**

Problem Solving: Financial Risk and Expected Return