

本試題是否可以使用計算機: 可使用, 不可使用 (請命題老師勾選)

I. Multiple Choice Problem (75%):

1. The primary goal of financial management is to:
 - a. maximize current dividends per share of the existing stock.
 - b. maximize the current value per share of the existing stock.
 - c. avoid financial distress.
 - d. minimize operational costs and maximize firm efficiency.
 - e. maintain steady growth in both sales and net earnings.
2. _____ refers to the net total cash flow of the firm available for distribution to its creditors and stockholders.
 - a. Operating cash flow
 - b. Capital spending
 - c. Net working capital
 - d. Cash flow from assets
 - e. Cash flow to creditors
3. Which of the following is (are) uses of cash?
 - I. payment of a note payable
 - II. repurchase of common stock
 - III. granting of credit to a customer
 - IV. sale of a fixed asset
 - a. I only
 - b. IV only
 - c. II and III only
 - d. I and III only
 - e. I, II, and III only
4. The internal growth rate of a firm is best described as the:
 - a. minimum growth rate achievable if the firm does not pay out any cash dividends.
 - b. minimum growth rate achievable if the firm maintains a constant equity multiplier.
 - c. maximum growth rate achievable without external financing of any kind.
 - d. maximum growth rate achievable without using any external equity financing, and while maintaining a constant debt-equity ratio.
 - e. maximum growth rate achievable without any limits on the level of debt financing.
5. Beatrice invests \$100 in an account that pays 4 percent simple interest. How much more could she have earned over a five-year period if the interest had compounded continuously?
 - a. \$1.45
 - b. \$1.76
 - c. \$2.00
 - d. \$1.67
 - e. \$2.14
6. You borrow \$5,600 to buy a car. The terms of the loan call for monthly payments for four years at a 5.9 percent rate of interest. What is the amount of each payment?
 - a. \$103.22
 - b. \$103.73
 - c. \$130.62
 - d. \$131.26
 - e. \$133.04
7. All else constant, a bond will sell at _____ when the yield to maturity is _____ the coupon rate.
 - a. a premium; higher than
 - b. a premium; equal to
 - c. at par; higher than
 - d. at par; less than
 - e. a discount; higher than
8. Wine and Roses, Inc. offers a 7 percent coupon bond with semiannual payments and a yield to maturity of 7.73 percent. The bonds mature in 9 years. What is the market price of a \$1,000 face value bond?

(背面仍有題目,請繼續作答)

編號： 365 系所：財務金融研究所在職專班

科目：財務管理概論(專班)

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- a. \$953.28 b. \$1000 c. \$1,108.16 d. \$1,401.26 e. \$1,401.86
9. The market in which previously issued securities are traded among investors is called the _____ market.
- a. dealer b. auction c. over-the-counter
d. secondary e. primary
10. The common stock of Eddie's Engines, Inc. sells for \$25.71 a share. The stock is expected to pay \$1.80 per share next month when the annual dividend is distributed. Eddie's has established a pattern of increasing their dividends by 4 percent annually and expects to continue doing so. What is the market rate of return on this stock?
- a. 7 percent b. 9 percent c. 11 percent d. 13 percent e. 15 percent
11. A project will produce cash inflows of \$1,750 a year for four years. The project initially costs \$10,600 to get started. In year five, the project will be closed and as a result should produce a cash inflow of \$8,500. What is the net present value of this project if the required rate of return is 13.75 percent?
- a. -\$5,474.76 b. -\$1,011.40 c. -\$935.56
d. \$1,011.40 e. \$5,474.76
12. Which of the following should be included in the analysis of a project?
- I. sunk costs
II. opportunity costs
III. erosion costs
IV. incremental costs
- a. I and II only b. III and IV only c. II and IV only
d. II, III, and IV only e. I, II, and IV only
13. The accounting break-even production quantity for a project is 5,425 units. The fixed costs are \$31,600 and the contribution margin is \$6. What is the projected depreciation expense?
- a. \$700 b. \$950 c. \$1,025 d. \$1,053 e. \$1,100
14. If the financial markets are efficient, then investors should expect their investments in those markets to:
- a. earn extraordinary returns on a routine basis.
b. generally have positive net present values.
c. generally have zero net present values.
d. produce arbitrage opportunities on a routine basis.
e. produce negative returns on a routine basis.
15. Which one of the following is an example of diversifiable risk?
- a. the price of electricity just increased
b. the employees of Textile, Inc. just voted to go on strike

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- c. the government just imposed new safety standards for all employees
 - d. the government just lowered corporate income tax rates
 - e. the cost of group health insurance just increased nationwide
16. The risk premium for an individual security is computed by:
- a. multiplying the security's beta by the market risk premium.
 - b. multiplying the security's beta by the risk-free rate of return.
 - c. adding the risk-free rate to the security's expected return.
 - d. dividing the market risk premium by the quantity $(1 - \text{beta})$.
 - e. dividing the market risk premium by the beta of the security.
17. The primary purpose of portfolio diversification is to:
- a. increase returns and risks.
 - b. eliminate all risks.
 - c. eliminate asset-specific risk.
 - d. eliminate systematic risk.
 - e. lower both returns and risks.
18. Which one of the following portfolios should have the most systematic risk?
- a. 50 percent invested in U.S. Treasury bills and 50 percent in a market index mutual fund
 - b. 20 percent invested in U.S. Treasury bills and 80 percent invested in a stock with a beta of .80
 - c. 10 percent invested in a stock with a beta of 1.0 and 90 percent invested in a stock with a beta of 1.40
 - d. 100 percent invested in a mutual fund which mimics the overall market
 - e. 100 percent invested in U.S. Treasury bills
19. The value of a call increases when:
- I. the time to expiration increases.
 - II. the stock price increases.
 - III. the risk-free rate of return increases.
 - IV. the volatility of the price of the underlying stock increases.
- a. I and III only b. II, III, and IV only c. I, III, and IV only
d. I, II, and III only e. I, II, III, and IV
20. When warrants are exercised, the:
- a. earnings per share decrease. b. earnings per share remain constant.
 - c. total equity in a firm remains constant. d. total equity in a firm decreases.
 - e. number of bonds outstanding increases.
21. Including flotation costs into the net present value of a project will:
- a. not affect that net present value.
 - b. increase the net present value of the project.
 - c. increase the discount rate applied to the project thereby lowering the project's net

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- present value.
- d. increase the initial cash outflow of the project thereby lowering the project's net present value.
 - e. affect the net present value but the direction of that impact cannot be determined.
22. The basic lesson of M&M Theory is that the value of a firm is dependent upon the:
- a. capital structure of the firm.
 - b. total cash flows of the firm.
 - c. percentage of a firm to which the bondholders have a claim.
 - d. tax claim placed on the firm by the government.
 - e. size of the stockholders claims on the firm.
23. Bond analysts might be more interested in a bond's yield to call if
- a. the bond's yield to maturity is insufficient.
 - b. the firm has called some of its bonds in the past.
 - c. the investor only plans to hold the bond until its first call date.
 - d. interest rates are expected to rise.
 - e. interest rates are expected to fall.
24. The sales level that results in a NPV of zero is called the _____ break-even point.
- a. Cash
 - b. Accounting
 - c. Financial
 - d. NPV
 - e. OCF
25. Given the following information, what is the degree of operating leverage? Ignore tax effects. Price = \$30 per unit; fixed cost = \$50,000 per year; depreciation = \$15,000 per year; sales = 10,000 units per year.
- a. 1.00
 - b. 1.33
 - c. 1.50
 - d. 1.30
 - e. 1.20

II. Short Essay Questions: (25%):

1. Please define the interest rate risk and reinvestment risk of bond investment..
2. What is the term structure of interest rates?
3. Please explain the explicit relationship between the sustainable growth rate and a firm's profit margin, dividend policy, financial policy and total asset turnover.
4. Please explain the economic meaning of the Capital Asset Pricing Model..
5. All other things being the same, would the bondholders of a firm prefer to increase or decrease the volatility of the firm's return on the asset? Please use the option pricing model to explain your answer.