**Questions I**

**I. Introduction to Finance and Financial Management**

1. What are the main goals of Financial Management?
2. What is the capital market and money market?
3. What is capital budgeting, capital structure and working capital management?
4. Please, demonstrate the working capital ratio as well.

**II. Time value of money: Simple and Compounded interest rates**

1. Practice question according to the simple and compunded interest rates.
2. Explanation of time value and demonstrate how to calculate the present value of money in accordance with the compound interest rate?
3. Practice questions according to the time value of money.

**III. Capital investment appraisal**

1. a) What is the NPV? How to calculate it?

b) Practice questions regarding to the capital investment appraisal.

1. What is the advantage of NPV and IRR?
2. Practice questions regarding to the capital investment appraisal.
3. a) What is the payback period?

b) Practice questions regarding to the capital investment appraisal.

1. Advantage and disadvantage of payback period?
2. Practice questions regarding to the capital investment appraisal.

**IV. Tools of financial analysis and planning**

1. What are the main financial statements? What are their main goals for the companies?
2. What are the income statement and cash flow statement? Define their conceptual framework structure.
3. Open the ratio meaning in finance? Demonstrate the main ratios regarding to Balance Sheet and Income Statement?
4. Calculation of Financial Ratios.
5. Practice question of Financial ratios
6. Calculation of Financial Ratios.
7. Calculation of Financial Ratios.
8. Explanation of du-point analysis?
9. What is the vertical and horizontal analysis in financial analysis? Demonstrate the example?
10. What are the limitation of financial ratios?
11. What is the financial leverage? Explain the financial leverage ratio.

**V. Bond Valuation**

25. Define the bond and please demonstrate how to calculate the bond?

**Questions II**

**I. Stock Valuation**

1. a) What is the Gordon growth model and its formula for the valuation of stock?

b) The practical question.

1. Please, explain what is the Dividend Discount Model Equation? Also, please define the constant dividend growth model.
2. The practical question.
3. What are the main limitations of the dividend-discount model?

**II. Risk and Return**

1. Define the main elements of expected returns and risks of stock and also please demonstrate the formulas for the calculation of expected returns and risk factors.
2. The practical question
3. What is the difference between systematic and unsystematic risk and what is meant by diversification and how does it relate to common versus independent risk?
4. The practical question.
5. The practical question.
6. The practical question.
7. The practical question.

**III. Capital Assets Pricing Model**

1. The practical question.
2. Define and explain the capital-asset pricing model (CAPM), beta, and the characteristic line.
3. The practical question.
4. The practical question.
5. The practical question.
6. The practical question.

**IV. Arbitrage Pricing Model**

1. The practical question.
2. What is the difference between CAPM and APM?
3. Explain the CAPM and APM with their formulas in details.
4. Explain the APM in macroeconomic level comprehensively.

**V. Stock Valuation: A second look**

1. What is weighted average cost of capital (WACC) and discounted free cash flow?
2. What are the advantages of valuing a stock based on discounted free cash flows?
3. Explain the connection between the FCF valuation model and capital budgeting.
4. The practical question.

**Questions III**

**I. Financial Modelling and Pro Forma Analysis**

1. a) Explain comprehensively about the percent of sales method.

b) Practical Question.

2. Practical Question.

3. Practical Question.

4. a) What is the basic idea behind the percent of sales method for forecasting?

b) How does the pro forma balance sheet help the financial manager forecast net new

financing? Also, please explain comprehensively what is the meaning of new

financing fund for the forecasting situation.

5.a)What is the internal growth rate and sustainable growth rate in a firm.

b) Practical Question.

6. a) What can the sustainable growth rate tell a financial manager and what can it not tell?

b) Practical Question.

**II. Short-Term Finance and Planning**

7. a) How do we forecast the firm’s future cash requirements?

b) What are the objectives of short-term financial planning?

8. a) Describe the different approaches a firm could take preparing for cash flow

shortfalls.

9. Please, explain the operating cycle and cash process in a short-term period financial planning. Also, please define what is the shortage and carrying cost in short-term financial planning?

**III. Future and forward contract**

10. Please, mention minimum three main differences between future and forward contract?

11. What is forward contract and demonstrate the main elements of forward contract?

12. What is the advantage and disadvantage of forward contract? Please, also demonstrate what is the long and short positions in forward contract.

13. Practical Question.

14. Practical Question.

**IV. International Corporate Finance**

15. What is the exchange rate and why would multinational companies need to exchange currencies? Please, write concrete.

16. Practical Question.

17. a) How does exchange rate risk affect our approach to valuation?

b) What are some reasons a financial manager would need to access the foreign

exchange market?

18. Practical Question.

**V. Bankruptcy prediction models, rating, scoring, planning**

19. What are the main reasons for the company’s bankruptcy situation and please, demonstrate what is the financial health of a company.

20. Please, demonstrate the difference between the dimensional and multidimensional models. Also, demonstrate the prediction models respectively.

21. What are Kralicek and Altman Z-Score models? Please, define in details of models repectively.

22. Explain Altman Z-Score models with their elements comprehensively.

23. Practical Question.

24. What is the economic value added? What is the modified of Altman Z-Score model?

25. What is the rating and scoring of a company in international environment and what are the main roles of rating and scoring of financial bankruptcy models?