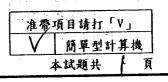
淡泛夫學九十四學年度碩士班招生考試試題 115~

系別:國際貿易學系

科目:財務管理



- 1. Why you, an international financial manager, have to study derivatives? (25 points)
- Why companies want to finance abroad? Other than exchange risk, list factors that a financial manager has to consider while facing international financing. (25 points)
- 3. ABC Paper's stock is currently in equilibrium selling at \$30 per share. The firm has been experiencing a 6% annual growth rate. Earnings per share were \$4.00 and the dividend payout ratio is 40%. The risk-free rate is 8% and the market risk premium is 5%. If systematic risk increases by 50%, all other factors remaining constant, the stock price will increase/ decrease by how much? (20 points)
- 4. ABC, Inc., is considering replacing its old bottling machine with a more efficient machine. Relevant data for this decision are given below:

| III dollii. | | = |
|-----------------------|---------------|--------------|
| | Old | New |
| Initial cost | \$60,000 | \$80,000 |
| Current age | 20 years | 0 |
| Remaining useful life | 10 years | 10 years |
| Salvage value—year 10 | \$0 | \$10,000 |
| Maintenance costs | \$15,000/year | \$3,000/year |
| Required increase in | | |
| working capital | \$3,000 | \$6,000 |
| Current market value | \$25,000 | \$80,000 |
| | | 1 (0/ |

Assuming a 34% tax rate, straight-line depreciation, and a 6% required rate of return, what is the NPV of this replacement decision? (15 points)

5. Suppose that a local savings and loan association advertises a 6 percent annual rate of interest on regular accounts, compounded monthly. What is the effective annual percentage rate of interest paid by the savings and loan? (15 points)