

## *Intelligent Business: Unit 11 REVIEW TEST – Going public*

### **II. Vocabulary:** (max. 34 points) points

#### **A. Translate the following expressions into English: (2 points each)**

jednoduše řečeno – to put it in simple terms \_\_\_\_\_  
podat lepší výkon (**1 word**) než poradenská agentura – to outperform a consulting agency \_\_\_\_\_  
troufalá primární emise akcií – \_\_\_daring IPO (Initial Public Offering)  
uplatnit opci na akcie a splatit dluhy – to exercise stock options and pay off debts \_\_\_\_\_  
slušně vynášet – to turn a tidy profit \_\_\_\_\_  
znepřátelit si zkorumpovaného kupujícího – to alienate a corrupt purchaser \_\_\_\_\_  
mít monopol na upisování kmenových akcií – \_\_\_to hold a monopoly on underwriting equities \_\_\_\_\_  
poukázat na podobnosti mezi internetovými vyhledávači – to draw parallels between the internet search engines

#### **B. Write expressions the following definitions refer to: (2 points each)**

1. the act of forming a new, independent company from part of an existing one; a company formed in this way: to spin off / a spin-off
2. an official financial record that gives details of all a company's income and expenses for a particular period and shows if it has made a profit or a loss: income statement/profit & loss account

#### **C. Complete the sentence with one of the following phrases; translate the selected phrase: (2 points each)**

**CRACKS, PROSPECTUS, VALUATION,  
CASUALTIES, KICKBACK, DEMISE**

1. The accumulated debts resulted in the final \_\_\_demise\_\_\_ of our company.

*In Czech or Slovak:* \_\_\_zánik\_\_\_\_\_

2. There were many \_\_\_\_\_casualties\_\_\_\_\_ of the dotcom crash in late 1990s.

*In Czech or Slovak:* \_\_\_oběti\_\_\_\_\_

3. It's illegal and unethical to accept a \_\_\_kickback for any service we provide.

*In Czech or Slovak:* *uplatek*\_\_\_

#### **D. Complete the sentences with correct forms of the following verbs; some verbs are not used: (1 point each)**

**SLUMP – PEAK – HYPE – BYPASS  
DISCLOSE – REVOLUTIONIZE – OUTBID – RUMOUR**

1. Prices of shares of internet companies have \_\_\_slumped\_\_\_ to their minimum.
2. Auction participant number 17 finally \_\_\_outbid\_\_\_ its biggest opponent yesterday.
3. Nokia's new handsets \_\_\_revolutionized\_\_\_\_\_ the mobile phone market.
4. You can bypass\_\_\_\_\_ paying a commission to a stockbroker by holding a public auction.

#### **E. Complete each sentence with a word made from the word given in brackets. (1 point each)**

1. Yahoo's shares were worth \$98 apiece\_\_\_ last Friday. (**PIECE**)
2. It's absolutely \_\_\_inconceivable\_\_\_\_\_ that Microsoft would go bankrupt. (**CONCEIVE**)
3. The \_\_\_disclosure\_\_\_\_\_ of confidential financial information can hurt our firm. (**DISCLOSE**)
4. The CEO has led the company through \_\_\_numerous\_\_\_ crises. (**NUMBER**)

### **III. Grammar:** (max. 30 points) points

#### **A. Fill in the gaps with a suitable preposition or adverbial, if necessary: (1 point each)**

1. The government's measures have to comply \_\_\_with\_\_\_\_\_ the EU's regulations.
2. There's no way I could offer you the stock \_\_\_\_\_at\_\_\_\_\_ a discount.
3. Our firm has embarked \_\_\_\_\_on\_\_\_\_\_ a long but hopefully successful journey.
4. I tried to bid \_\_\_against\_\_\_\_\_ my rival but finally I didn't have enough money.
5. I think we should hold a vote \_\_\_on\_\_\_\_\_ the issue of employing foreigners.

6. Investors usually start trading \_\_\_\_\_ at \_\_\_\_\_ the exchange at 9 a.m.

**B. Rewrite the sentences with the given words so that they mean the same as the original ones; try to use the most suitable future form: (3 points each)**

1. We will receive the money and after that I will let you know.

I will let you know as soon as I receive the money.

2. Brokers will try to sell your shares again on Monday. This will be their 3rd attempt.

The brokers will have tried to sell your shares three times by Monday next week.

3. I refuse to disclose any information concerning the financial situation of the company.

I won't disclose any information concerning the financial situation of the company.

**C. Put the VERBS and other words in brackets into their correct forms, add prepositions, particles or auxiliary verbs if necessary. You may need to use the passive forms of the verbs: (1 point each)**

Going public can enable a company to raise (ENABLE, a company, RAISE) the necessary capital. But before the existing owners begin to consider selling (BEGIN, CONSIDER, SELL) part of their stakes, they should be prepared to focus on maximizing (prepared, FOCUS, MAXIMIZE) the company's value first. Future shareholders will be interested in learning (interested, LEARN) as much as possible about the firm's financial position. Also, if the strategy urging buyers to purchase (URGE, buyers, PURCHASE) shares is well-chosen, it will

be much easier to make them find out (MAKE, they, FIND OUT) everything about the perspective IPO. Sometimes it is good to risk being taken over by (RISK, TAKE OVER) a bigger competitor but one never knows what will happen afterwards. Getting used to using (GET USED, USE) a new brand can be quite difficult for the original staff too. Nevertheless, this has to be done if the company seems to be threatened by (SEEM, THREATEN) the lack of available capital for expansion.

**D. Choose suitable words or phrases that can complete each sentence. The number of correct answers is 0 – 3. (2 points each)**

1. The teacher \_\_\_\_\_ about three topics in her presentation tomorrow.

**A:** will talk **B:** will be talking

**C:** will have talked **D:** is going to talk

2. Wait, I \_\_\_\_\_ find out when the train \_\_\_\_\_.

**A:** will ... will arrive **B:** will ... leaves

**C:** – ... will have left **D:** am going to ... is arriving

3. My brother \_\_\_\_\_ for ten years next April.

**A:** is going to be married **B:** is married

**C:** will have been married **D:** will be married

**IV. Translation:** (max. 16 points) points

**Translate the following sentences into English:**

Nadcházející primární emise akcií **(1 word)** nových makléřských firem nepochybně způsobí nadhodnocení ceny akcií takových společností; přehnaně optimistické prognózy předpokládají, že zájem investorů je udrží v popředí po dlouhou dobu. Na druhou stranu pokud zavedené firmy nevylepší v dalším čtvrtletí finanční výsledky, budou čelit tlaku akcionářů, aby získaly víc financí buď zvýšením cen vyráběného zboží, nebo snížením nákladů či dokonce upisováním dalších akcií.

---

The upcoming flotation of new brokerage firms will undoubtedly cause an overvaluation of the share prices of such companies. Over-optimistic forecasts predict that/ suggest that the interest of investors will keep them in the forefront for a long time. On the other hand, if well-established companies fail to improve their financial outcomes in the next quarter, they will face the pressure from their shareholders to raise more capital either by increasing the price of the manufactured goods or by decreasing running costs, or even by underwriting further equities.