

## EXAM ASSIGNMENT FOR CLASS MVV238K Corporate Finance

**Teacher(s): Dr. sc. Neven Vidaković, prof. v. š. (seminar tutor), doc. JUDr. Ing. Michal Radvan, Ph.D. (deputy)**

### Rules:

The questions posed here have to be answered to the best of the student's ability. The format of the answer is of no particular importance. If a student wants to answer each question separately or write a paper which addresses all of the questions, it is of no relevance to the grading system. Just make sure your name is on the paper.

In order to obtain a pass grade student has to attempt to answer all questions. Papers which do not address all questions will be discarded and student will be given a fail.

Students are encouraged to use literature and sources outside of the literature list for the class, however any such literature should be properly cited. This is particularly important when it comes to the published reports regarding the company you have to analyze. The format of the citation is of no particular relevance as long as there the names of the companies, names of the reports and web links are included. If you cite academic literature follow standard format of citation.

Before proceeding with the class assignment please double-check that you have downloaded all of the course materials from my website [www.neven-vidakovic.com](http://www.neven-vidakovic.com) under section teaching. Since presentation is on it and the list of assigned companies.

If you have any questions you can contact me via e-mail [neven.vidakovic@platinuminvest.hr](mailto:neven.vidakovic@platinuminvest.hr)

Plagiarism of any kind will not be tolerated. Students that use any form of plagiarism will be given a grade fail and reported to the proper University and Law faculty authorities. Late papers will not be accepted.

### **Deadline for the submission is 2<sup>nd</sup> of February 2018.**

Before you move onto the exam do the following:

- Read the whole presentation from class.
- Go to your company's website and find where are the reports, also you can find there (probably) some presentations regarding the results. The reports are usually under sections „Investors“ or „About company“. Go over different presentations.
- Read at least one full annual report for your company and familiarize yourself with the structure of the report and different items in the report.
- Your company is traded on the stock exchange. Find where out of which exchange(s) is listed.
- You can also find information about your company on websites like [www.etrade.com](http://www.etrade.com) ; [www.barchart.com](http://www.barchart.com) ; [www.investing.com](http://www.investing.com)

- It is also OK to use google and other sites to find any information you might require.

### EXAM QUESTIONS:

Some general information and explanation regarding the questions:

- Use data for the following years 2012, 2013, 2014, 2015, 2016, except for students who has Fressenius, she should use last 5 quarters or as much data as available.
- Anomaly is any kind of trend altering or strange deviation. For example, an item in profit and loss statement was +50 and next year it was -50. Or if an item in the balance sheet changes by more than 15% between two periods. However this is a loose definition and quantities are not exact. If you have a problem to find an anomaly you can contact me.

1. Describe what does your company do and give some general information about the company?
2. Create a table which contains following data: annual revenue, annual profits, annual balance sheet for the time period specified above. Is there a trend in any of the categories in the table, describe the data in the table?
3. Find an anomaly in an item in the **balance sheet** and use the explanation provided in financial report to explain the change? Make sure you clearly specify between which time periods the change has occurred and what is the name of the item in the balance sheet. (you can do a copy / paste from the report of the explanation, but cite name of the report and page of the report form which it was taken)
4. Find an anomaly in and item in the **profit and loss statement** and use the explanation provided in financial report to explain the change? Make sure you clearly specify between which time periods the change has occurred and what is the name of the item in the profit and loss statement. (you can do a copy / paste from the report of the explanation, but cite name of the report and page of the report form which it was taken)
5. Find an anomaly in an item in the **cash flow statement** and use the explanation provided in financial report to explain the change? Make sure you clearly specify between which time periods the change has occurred and what is the name of the item in the cash flow statement. (you can do a copy / paste from the report of the explanation, but cite name of the report and page of the report form which it was taken)
6. Go to one of the three web sites provided in the explanation above and find your company on one of the websites. Then find the graph of changes in prices over the period of 5 years. Copy that graph in your exam. Compare the trends in the table from question 2. Does the change in price follow the changes in total assets, total revenue and total profits?
7. For year 2016. Calculate the ratio of total debt to total stock holder's equity? (just a number and calculation is sufficient for an answer to the question)
8. How is the ratio you have calculated in question 7 called in finance and what is this ratio used to indicate when financial analysis is concerned?