Brief Contents

PART ONE OVERVIEW OF FINANCIAL MANAGEMENT

1 Introduction to Financial Management 1

PART TWO UNDERSTANDING FINANCIAL STATEMENTS AND CASH FLOW

- 2 Financial Statements, Taxes, and Cash Flow 24
- 3 Working with Financial Statements 53

PART THREE VALUATION OF FUTURE CASH FLOWS

- 4 Introduction to Valuation: The Time Value of Money 102
- 5 Discounted Cash Flow Valuation 127

PART FOUR VALUING STOCKS AND BONDS

- 6 Interest Rates and Bond Valuation 172
- 7 Equity Markets and Stock Valuation 213

PART FIVE CAPITAL BUDGETING

- 8 Net Present Value and Other Investment Criteria 246
- 9 Making Capital Investment Decisions 284

PART SIX RISK AND RETURN

- 10 Some Lessons from Capital Market History 321
- 11 Risk and Return 361

PART SEVEN LONG-TERM FINANCING

- 12 Cost of Capital 402
- 13 Leverage and Capital Structure 437
- 14 Dividends and Dividend Policy 471
- 15 Raising Capital 502

PART EIGHT SHORT-TERM FINANCIAL MANAGEMENT

- 16 Short-Term Financial Planning 536
- 17 Working Capital Management 569

PART NINE TOPICS IN BUSINESS FINANCE

18 International Aspects of Financial Management 605

APPENDICES

- A Mathematical Tables 632
- **B** Key Equations 640
- C Answers to Selected End-of-Chapter Problems 643
- D Using the HP-10B and TI BA II Plus Financial Calculators 647

Glossary 650

Name Index 655 Subject Index 656