Finance 445
Spring 2000

Typographical errors discovered during the semester (all page numbers and locations on pages refer to the pdf files). I have highlighted the typos in **bold**.

1. Back side of the exam 2 study guide, the practice problem on the “calculation of beta”

   There are two references to “Project XYZ”. Change both of these to “Project ABC”

2. Chapter 6, towards the bottom of page 3.

   Change from: “This means that there is no balance due, or refund owing, on the 2000 Kentucky income tax return filed in 2000.”

   Change to: “This means that there is no balance due, or refund owing, on the 2000 Kentucky income tax return filed in 2001.”

3. Chapter 8, middle of page 9

   Change from: “4. Project X requires an initial investment of $100 and has a time one expected cash flow of $95. The beta of Project X’s time one cash flow is -1.5. What is the NPV of Project A? $2.81”

   Change to: “4. Project X requires an initial investment of $100 and has a time one expected cash flow of $95. The beta of Project X’s time one cash flow is -1.5. What is the NPV of Project X? $2.81”

4. Chapter 9, top of page 9

   Change from: “Projects with a high percentage of fixed costs with cyclical cash flows tend to have **high betas.”**

   Change to: “Projects with a high percentage of fixed costs with cyclical cash flows tend to have **high positive betas.”**

5. Chapter 10, middle of page 1 (description of Project Y)

   Change from: “Initial investment = -$100”
   Change to: “Initial investment = -$1000”

6. Chapter 10, bottom of page 2

   Change from: “The time zero initial investment is $3600”
   Change to: “The time zero initial investment is $3770”

7. Chapter 17, pages 5 and 6

   There are four tables on these two pages. The headings for the columns of these four tables are “recession,” “normal,” “boom.” Change the column headings to “pessimistic,” “middle,” and “optimistic.”