**Formula Sheet (All notations/symbols are standard, note that not all information is relevant)**



Formula Sheet (continued):

Present value of a growing perpetuity : $\frac{C}{r-g}$

Present value of a growing annuity: $\frac{C}{r-g}$(1-$(\frac{1+g}{1+r})^{ N})$

Operating Cash Flow (CFO) = Net Income+Depreciation-$∆NWC$

Free Cash Flow = CFO– CapEx + After tax interest or

Free Cash Flow = Unlevered Net Income +Depreciation – CapEx-$∆NWC$

In equilibrium: $\frac{E\left(R\_{A}\right)-R\_{f}}{β\_{A}}=\frac{E\left(R\_{M}\right)-R\_{f}}{β\_{M}}$

The formula of SML using CAPM: $E\left(R\_{A}\right)=R\_{f}+β\_{A}(E\left(R\_{M}\right)-R\_{f})$

WACC = $w\_{E}×R\_{E}+w\_{D}×R\_{D}×(1-tax rate)$

**Formula Sheet of Excel:**

Payment per period: PMT (rate,nper,pv,[fv],[type])

Present value: PV (rate, nper, pmt,[fv],[type])

Future value: FV (rate, nper, [pmt], [pv], [type])

Number of payment: NPER (rate, pmt, pv, [fv], [type])

Net Present Value: NPV (rate, value1, value 2,…)

Internal rate of return: IRR(value 1, value 2,.)