Part V
LONG-TERM FINANCING
20 Raising Capital
21 Leasing

Part VI
OPTIONS, FUTURES, AND CORPORATE FINANCE
22 Options and Corporate Finance
23 Options and Corporate Finance: Extensions and Applications
24 Warrants and Convertibles
25 Derivatives and Hedging Risk

Part VII
SHORT-TERM FINANCE
26 Short-Term Finance and Planning
27 Cash Management
28 Credit and Inventory Management

Part VIII
SPECIAL TOPICS
29 Mergers, Acquisitions, and Divestitures
30 Financial Distress
31 International Corporate Finance

Appendix A: Mathematical Tables
Appendix B: Solutions to Selected End-of-Chapter Problems
Appendix C: Using the HP 10B and TI BA II Plus Financial Calculators
Glossary
Name Index
Subject Index
## Brief Contents

### Part I
**OVERVIEW**
1. Introduction to Corporate Finance  
2. Financial Statements and Cash Flow  
3. Financial Statements Analysis and Financial Models

### Part II
**VALUATION AND CAPITAL BUDGETING**
4. Discounted Cash Flow Valuation  
5. Net Present Value and Other Investment Rules  
6. Making Capital Investment Decisions  
7. Risk Analysis, Real Options, and Capital Budgeting  
8. Interest Rates and Bond Valuation  
9. Stock Valuation

### Part III
**RISK**
10. Lessons from Market History  
11. Return, Risk, and the Capital Asset Pricing Model  
12. An Alternative View of Risk and Return  
13. Risk, Cost of Capital, and Valuation

### Part IV
**CAPITAL STRUCTURE AND DIVIDEND POLICY**
14. Efficient Capital Markets and Behavioral Challenges  
15. Long-Term Financing  
16. Capital Structure: Basic Concepts  
17. Capital Structure: Limits to the Use of Debt  
18. Valuation and Capital Budgeting for the Levered Firm  
19. Dividends and Other Payouts