**MBA Comp Exam Questions AY 2022-2023 – FIN 6020**

1. Operating cash flow (OCF). This year Fin 6020 company shows EBIT of $500 and Depreciation of $100. Currently tax rate is 21%. Calculate NOPAT (Net Operating Profit After Tax) and OCF (Operating Cash Flow).
2. You have a saving plan. Under that plan, you will deposit $500 in a saving account with 12% (APR) at the end of every year. If you deposit that annual amount for 10 years, how much your total saving will be at the end of 10th year?
3. There is a project requesting an initial investment of $10,000. The project is expected to generate following cash flows over the next three years:

|  |  |  |  |
| --- | --- | --- | --- |
| 0 (now) | 1 | 2 | 3 |
| -10000 | 6000 | 7000 | 8000 |

If a firm plans to launch this project and its WACC (Weighted Average Cost of Capitals) is 10%, how much NPV (net present value) would be?