

TRƯỜNG ĐẠI HỌC VĂN LANG
KHOA: TÀI CHÍNH – NGÂN HÀNG

ĐÁP ÁN THI KẾT THÚC HỌC PHẦN
Học kỳ 2, năm học 2022 - 2023

Mã học phần: 7TC0320

Tên học phần: Quản trị tài chính công ty đa quốc gia

Mã nhóm lớp học phần: 222_7TC0320_01

Thời gian làm bài (phút/ngày): 75 phút

Hình thức thi: **Thực hành trên phần mềm Ms Excel**

Question 1 (7,0 marks)

1A. Summarize the inputs of the project? (1,5 marks)

INPUT

Content	Value	Units			
Initial investment (plant & equipments)	50	million NZ\$			
Spot rate NZD/USD	0,5				
Initial investment	25	million \$			
Working capital investment	20	million NZ\$			
Debt from NZ bank (for W.C.)					
Period	10	years			
Interest rate	14%	per year			
Project life cycle	3	years			
Fixed cost	6	million NZ\$/year			
			<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Demand		units	40.000	50.000	60.000
Price per unit		NZ\$	500	511	530
Variable cost per unit		NZ\$	30	35	40
Expected exchange rate NZD/USD			0,52	0,54	0,56
Income tax from NZ government	30%				
Withholding tax on earnings remitted by the subsidiary	10%				
No tax from US government					
Rate of cash flows received by the subsidiary sent to the parent	100%				
Depreciation of plant & equipments					
Method of depreciation		Straight-line			
Depreciation period	10	years			
Salvage (after tax)	78	million NZ\$			

Kien Tu's rate of return on this project 20%

1B. Analyse Capital Budgeting for Kien Tu Corporation. (3,0 marks)

Capital Budgeting Analysis: Kien Tu Corporation

	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
1. Demand		40,000	50,000	60,000
2. Price per unit		NZ\$500	NZ\$511	NZ\$530
3. Total revenue = (1) × (2)		NZ\$20,000,000	NZ\$25,550,000	NZ\$31,800,000
4. Variable cost per unit		NZ\$30	NZ\$35	NZ\$40
5. Total variable cost = (1) × (4)		NZ\$1,200,000	NZ\$1,750,000	NZ\$2,400,000
6. Fixed cost		NZ\$6,000,000	NZ\$6,000,000	NZ\$6,000,000
7. Interest expense of New Zealand loan		NZ\$2,800,000	NZ\$2,800,000	NZ\$2,800,000
8. Noncash expense (depreciation)		NZ\$5,000,000	NZ\$5,000,000	NZ\$5,000,000
9. Total expenses = (5)+(6)+(7)+(8)		NZ\$15,000,000	NZ\$15,550,000	NZ\$16,200,000
10. Before-tax earnings of subsidiary = (3)–(9)		NZ\$5,000,000	NZ\$10,000,000	NZ\$15,600,000
11. Host government tax (30%)		NZ\$1,500,000	NZ\$3,000,000	NZ\$4,680,000
12. After-tax earnings of subsidiary = (12)+(8)		NZ\$3,500,000	NZ\$7,000,000	NZ\$10,920,000
13. Net cash flow to subsidiary = (12)+(8)		NZ\$8,500,000	NZ\$12,000,000	NZ\$15,920,000
14. NZ\$ remitted by sub. (100% of CF)		NZ\$8,500,000	NZ\$12,000,000	NZ\$15,920,000
15. Withholding tax imposed on remitted funds (10%)		NZ\$850,000	NZ\$1,200,000	NZ\$1,592,000
16. NZ\$ remitted after withholding taxes		NZ\$7,650,000	NZ\$10,800,000	NZ\$14,328,000
17. Salvage value				NZ\$52,000,000
18. Exchange rate of NZ\$		\$.52	\$.54	\$.56
19. Cash flows to parent		\$3,978,000	\$5,832,000	\$37,143,680
20. PV of parent cash flows (20% of discount rate)		\$3,315,000	\$4,050,000	\$21,495,185
21. Initial investment by parent	–\$25,000,000			
22. Cumulative NPV of cash flows		–\$21,685,000	–\$17,635,000	\$3,860,185

1C. Determine the net present value of this project. Should Wolverine accept this project? Explain (1,0 mark)

The net present value of this project is \$3,860,185. Therefore, Kien Tu Corporation should accept this project.

1D. Calculate the expected NPV due to the changes in withholding tax on earnings remitted by the subsidiary and salvage as below (1,5 mark):

Withholding tax imposed by NZ government		Salvage of project		NPV	Probability
Tax rate	Probability	Value (million NZ\$)	Probability		

40%	30%	52	60%	2.872.685	18%
30%	70%	78	40%	12.286.111	28%
40%	30%	78	40%	11.298.611	12%
30%	70%	52	60%	3.860.185	42%
E(NPV)	6.934.306				100%

Question 2 (3,0 marks)

<u>Japanese Interest Rate</u>	<u>Possible % Change in Yen Value</u>	<u>Effective Financing Rate Based on That Change</u>	<u>Probability</u>	<u>Computation of Expected Value</u>
8%	-4%	3.68%	20%	.736%
8%	-1%	6.92%	30%	2.076%
8%	0%	8.00%	10%	.800%
8%	3%	11.24%	40%	<u>4.496%</u>
				8.108%

Expected value = 8.108%

Ngày biên soạn: 28/02/2023

Giảng viên biên soạn đề thi:

ThS. Hoàng Hoa Sơn Trà

Ngày kiểm duyệt: 28/02/2023

Trưởng (Phó) Khoa/Bộ môn kiểm duyệt đề thi:

TS. Mai Thanh Loan

Sau khi kiểm duyệt đề thi, **Trưởng (Phó) Khoa/Bộ môn** gửi về Trung tâm Khảo thí qua email: khaothivanlang@gmail.com bao gồm file word và file pdf.