



CORPORATE FINANCE: A READING

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**Buku ini saya dedikasikan kepada istriku Marsaurina Yudiciana Sitanggang,
boruku: Castelia Romauli dan anakku Adry Gracio.**

Prof. Dr. Adler Haymans Manurung, SE., SH., M.Com., ME.
CIFM, CMA, CIMA, CIERM, CIBG, CIABV, CIQnR,. CIQaR, CIRR

Buku ini kupersembahkan kepada suamiku Budiono
dan putraku Bona Fauzun Nur serta Farish Faza Machya

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anakku Calvin Jhon Junior dan boruku Jessie Jhon Junior.

Dr. M. Jhonni Sinaga, SE.MM

Foreword

Financial system allows money to transfer from one to another (say from the creditor to borrower). It helps the businesses to have smooth operations in case of deficit conditions. Financial system also allocates the resources more efficiently in the current economic situations. It includes the banks, financial markets, instruments and other finance related services.

Corporate finance mainly deals with the financing sources, capital structure, decisions that increase the value of a firm as well as allocating resources efficiently. A manager's primary goal is shareholder's wealth maximizing. Such goal can be reached only through corporate finance as it helps in selecting the best investment plan that adds value to the respective company. Also helps in forecasting the funds required and the possible sources from which the funds can be acquired.

This book is prepared for everyone that has strong intention to enrich his or her theories and empirical information dealing with corporate finance which is favorable, as can pave the way to open the parachute of user minds and make it easier for them to make decisions in regards maximizing the shareholder's wealth.

This book is also a reading material for students attending the class of "Corporate Finance" as it is the compilation of various international journals. Various international journals, both theoretical and empirical, were collected in the context of teaching materials for Doctoral students.

Constructive criticisms are welcome realizing that this book are still with various shortcomings. Due to, this book is going to be continuously and accordingly updated as well.

Sincerely,

Prof. Dr. Adler Haymans Manurung, CIFM, CMA.
Prof. Dr. Nera Miranda Machdar, SE.Ak
Dr. M. Jhonni Sinaga, SE., MM., CIPFM

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