

# PART ONE

## VALUE

---

Part One presents the concepts and theories that underpin all important financial decisions. In particular, we will examine their impact on value, keeping in mind that basically to maximise a value, we must minimise a cost. You will see that we have travelled far from the world of accounting, since cost is the one parameter that should not affect the choice of capital structure. The chapters in this section will introduce you to the many considerations involved when a company chooses its:

- capital structure policy. Don't forget that "capital structure" is the mixture of debt and equity resulting from decisions on financing operations;
- dividend or, more generally, equity policy.