DESCRIPTION	FORMULA
Present value of a growing annuity	$$PVA = \frac{C}{i-g} \times \left[1 - \frac{(1+g)^N}{(1+i)^N}\right]$$
Present value of a growing perpetuity	$$PVP = \frac{C}{i-g}$$
Expected return and systematic risk (CAPM)	$$E(R_i) = R_{rf} + \beta_i\left[E(R_m) - R_{rf}\right]$$
Net Present Value	$$NPV = NCF_0 + \frac{NCF_1}{1+i} + \frac{NCF_2}{(1+i)^2} + \cdots + \frac{NCF_n}{(1+i)^n} = \sum_{t=0}^{n} \frac{NCF_t}{(1+i)^t}$$
Cost of equity (Constant Dividend Growth model)	$$R = \frac{D_1}{P_0} + g$$
Asset Cost of Capital (or Unlevered Cost of Capital)	$$R_A = \frac{D}{D+E} \times R_D + \frac{E}{D+E} \times R_E$$
Asset Beta (or Unlevered Beta)	$$\beta_A = \frac{D}{D+E} \times \beta_D + \frac{E}{D+E} \times \beta_E$$
Weighted Average Cost of Capital (WACC)	$$R_{WACC} = \frac{D}{D+E} \times R_D(1-T) + \frac{E}{D+E} \times R_E$$
WACC (alternate)	$$R_{WACC} = R_A - \frac{D}{D+E} \times R_D \times T$$
MM Prop 1	Value of Levered Firm = Value of Unlevered Firm
Expected return on equity (MM Prop 2)	$$R_E = R_A + \frac{D}{E} \times (R_A - R_D)$$
Trade-Off theory	Value of Levered Firm = Value of Unlevered Firm + PV of Tax Shield - PV of Financial Distress Costs
Value of an unlevered firm or project	$$NPV\ (unlevered) = \sum_{t=0}^{\infty} \frac{FCF_t}{(1+R_A)^t}$$
Value of a levered firm or project	$$NPV\ (levered) = \sum_{t=0}^{\infty} \frac{FCF_t}{(1+R_{WACC})^t}$$