Finance 331 Homework due February 5, 2003

1. Thirty years ago, Jesse Jones bought 10 acres of land for $1,000 per acre in what is now downtown Houston. If this land grew in value at an annual 8 percent rate, what is it worth today?

2. Simpson Peripherals earned $0.90 per share in 1997 and $1.52 in 2002. Calculate the annual growth rate in earnings per share over this period.