

Financial Statement Analysis

Horizontal Analysis

Company ABC

	2011	2010	\$ Chg	% Chg
<i>Net Sales</i>				
<i>COGS</i>				
<i>Gross Profit</i>				
<i>Operating Expenses</i>				
<i>Operating Income</i>				
<i>Other Income/(Expense)</i>				
<i>Net Income Before Income Taxes</i>				
<i>Income Taxes</i>				
<i>Net Income</i>				

Company XYZ

	2011	2010	\$ Chg	% Chg
<i>Net Sales</i>				
<i>COGS</i>				
<i>Gross Profit</i>				
<i>Operating Expenses</i>				
<i>Operating Income</i>				
<i>Other Income/(Expense)</i>				
<i>Net Income Before Income Taxes</i>				
<i>Income Taxes</i>				
<i>Net Income</i>				

Vertical Analysis

	ABC	XYZ
<i>Net Sales</i>		
<i>COGS</i>		
<i>Gross Profit</i>		
<i>Operating Expenses</i>		
<i>Operating Income</i>		
<i>Other Income/(Expense)</i>		
<i>Net Income Before Income Taxes</i>		
<i>Income Taxes (35%)</i>		
<i>Net Income</i>		

Current Ratio			
<i>Current Assets</i>			
<i>Current Liabilities</i>			

Quick Ratio			
<i>Quick Assets</i>			
<i>Current Liabilities</i>			

Working Capital			
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Inventory Turnover			
<i>COGS</i>			
<i>Average Inventory</i>			

Accounts Receivable Turnover			
<i>Net Credit Sales</i>			
<i>Average Accounts Receivable</i>			

Days'-Sales-In-Receivables			
<i>Average Accounts Receivable</i>			
<i>One Day's Sales</i>			

Debt Ratio			
<i>Total Assets</i>			
<i>Total Liabilities</i>			

Times-Interest-Earned			
<i>Operating Income</i>			
<i>Interest Expense</i>			

Return on Net Sales			
<i>Net Income</i>			
<i>Net Sales</i>			

Return on Total Assets			
<i>Net Income</i>			
<i>Interest Expense</i>			
<i>Total Assets</i>			

Return on Common S/E			
<i>Net Income</i>			
<i>Preferred Dividends</i>			
<i>Average Common Equity</i>			

Earnings per Share			
<i>Net Income</i>			
<i>Preferred Dividends</i>			
<i>Common Shares Outstanding</i>			

Price/Earnings Ratio			
<i>Earnings per Share</i>			
<i>Market Price @ 11/20/2012</i>			

Divident Yield			
<i>Dividends</i>			
<i>Common Shares Outstanding</i>			
<i>Market Price @ 11/20/2012</i>			

Book Value			
<i>Average Common Equity</i>			
<i>Common Shares Outstanding</i>			