

Summary (cont.)

Financial Performance Strategies From: MANAGING BY THE NUMBERS p. 172 by Kremer, Rizzuto and Case

$\frac{\text{Net Profit}}{\text{Sales}} = 2.67\%$ Return on Sales	X	$\frac{\text{Sales}}{\text{Average Assets}} = 2.47\%$ Asset Turnover	X	$\frac{\text{Net Profit}}{\text{Average Assets}} = 6.58\%$ Return on Assets	X	$\frac{\text{Average Assets}}{\text{Average Equity}} = 1.78\%$ Financial Leverage	=	$\frac{\text{Net Profit}}{\text{Average Equity}} = 11.68\%$ Return on Equity
Cost & Exp Info (%) COGS/Sales 69.33% MSG&A Exp/Sales 26.00% Ending Balance Sheet	Average Days & Other Receivables 33.40% Inventory 84.20% Net Profit/Avg Net Fixed Assets 30.77%	Financial Statement Info Average Assets 426 Average Liabilities 184 Average Equity 242 Average Net Fixed Assets 91	Cash Flow Statement Operating Cash Flow 98 Fixed Asset Investment -20 Other Investing Cash Flow 0 Financing Cash Flow 34 Change In Cash 112	THREE BOTTOM LINES Operating Cash Flow (OCF) 98 Net Profit (NET PROFIT) 28 Return on Assets (ROA) 6.58%				

