

FINANCIAL METRICS 1: MEASURES OF PROFITABILITY

DESCRIPTION:

This module covers the definitions of common financial measures used in business and marketing including Net Income, Gross Profit, Operating Profit, Pre-tax Profit, EBIT, EBITDA, Effective Tax Rate, NOPAT, Return on Sales (ROS), EPS, ROI, RONA, and EVA.

Tutorial: 21 slides
Problem Sets: 4 problem sets; 29 questions
Average Time: 99 minutes

Sample question from problem set:

Course: Faculty Access (All Modules in Alphabetical Order)

Module: Financial Metrics 1 / Problem Set ID: 148

Best Motors Works is world-wide maker of automobiles and trucks. Here is their partially completed income statement for the most recent fiscal year.

Dilbert Bosendorfer, the CEO, requested that you calculate a complete set of financial metrics for the company. The balance sheet showed \$15 million in cash, **\$151** million of other assets, and an initial investment of **\$376** million.

For Year Ending Dec 31, 2013	\$Mill
Total Revenue	\$687
Cost of Revenue	\$548
Gross Profit	?
General, Selling and Admin	\$25
Depreciation	\$30
Operating Income or Loss	?
Interest Expense	\$15
Pre-Tax Income	?
Income Taxes	\$2
Net Income	?



Problem Sets **0** / **4** Total Questions **0** / **29**



CALCULATED VARIABLES:

grmar = **\$139**

What is Best Motor Works's Net Income?

  dollars (\$mill)

PS4 1 2 3 4 5 6 7

SUBMIT ANSWER

EXIT