

# Income Statement

## Metrics

Gross Profit Margin: 0.55

Cost Efficiency: 1.11

Operating Profit Margin: 0.27

SG&A; Efficiency: 6.65

Net Profit Margin: 0.21

Interest Coverage Ratio: 200.8

## Insights

### ***Revenue Health***

The company showed a robust total revenue of \$281.3 billion in 2022. This suggests a significant volume in sales, hinting at a strong demand for its products or services. The level of this revenue signifies that the primary business operations have generated a substantial amount of income for the firm, indicating a healthy situation for the company's primary activities.

### ***Operational Efficiency***

The company's operating expenses equated to \$81.8 billion, which is roughly 29% of the total revenue. This suggests that the company's operations are run relatively efficiently, with a greater proportion of revenue available for reinvestment or distribution to shareholders after covering all expenses associated with running the business operations. A lower percentage of expenses imply better profit margins and can suggest effective control over costs.

### ***R&D; Focus***

The company has a strong commitment to Research & Development (R&D;) as evident from the \$39.5 billion expenditure, which accounts for about 14% of the total revenue. This considerable allocation towards R&D; signifies the company's focus on innovation, implying a strategic initiative to drive future growth and stay competitive in the market. It also speaks volumes about the firm's potential sustainability in the enigma of changing market technologies.

### ***Debt Management***

The company has reported an interest expense of \$357 million, indicating that the company has a substantial level of borrowing. However, without details on the asset base or the scheme of leveraging in place, it's difficult to comment on the prudence of its debt management tactics. It is important for stakeholders to understand the company's approach to leveraging and its ability to fulfill these

obligations while ensuring profitability.

### ***Profit Retention***

The company retained a considerable amount of profit, as depicted by the net income of \$59.97 billion. This is an indication of the company's substantial earning power post all expenses. It depicts a high level of profit retention that invariably enhances the firm's potential for growth and development. This retained earnings can be further invested for expansion or returned to the shareholders, both of which reinforce the company's financial stability.