

Market Value Measures	Market Capitalization = Price per share * # Shares Outstanding P/E Ratio = Price Per Share / Earnings Per Share Market to Book Ratio = Market Value per Share / Book Value per Share
External Financing Formulas	$EFN = \left(\frac{\text{Assets}}{\text{Sales}} \right) \times \Delta \text{Sales} - \frac{\text{Spon Liab}}{\text{Sales}} \times \Delta \text{Sales} - (PM \times \text{Projected Sales}) \times (1 - d)$ Internal Growth Rate = $\frac{ROA \times b}{1 - ROA \times b}$ Sustainable Growth Rate = $\frac{ROE \times b}{1 - ROE \times b}$
Accounting Ratios	Current Ratio = Current Assets / Current Liabilities Quick Ratio = (Current Assets – Inventory) / Current Liabilities Cash Ratio = Cash / Current Liabilities Total Debt Ratio = (Total Assets – Total Equity) / Total Assets Debt/Equity = Total Debt / Total Equities Equity Multiplier = Total Assets / Total Equity Times Interest Earned = (Earnings Before Interest And Taxes) / Interest Cash Coverage = (EBIT + Depreciation + Amortization) / Interest Inventory Turnover = Cost of Goods Sold / Inventory Days' Sales in Inventory = 365 / (Inventory Turnover) Receivables Turnover = Sales / Accounts Receivable Days' Sales in Receivables = 365 / Receivables Turnover Total Asset Turnover = Sales / Total Assets Profit Margin = Net Income / Sales Return on Assets = Net Income / Total Assets Return on Equity = Net Income / Total Equity
Financial Cash Flow	$C(A) = C(B) + C(S)$ $C(A) = OCF - \text{Change in NWC} - \text{Cash Flow to Fixed Assets}$ $OCF = EBIT + \text{Depreciation} - \text{Tax}$ Change in NWC = Ending NWC – Beginning NWC Cash Flow to Fixed Assets = Ending NFA - Beginning NFA + Depreciation (if we use the gross fixed assets, then = Ending Gross Fixed Assets – Beginning Gross Fixed Assets) $C(B) = \text{Interest} - (\text{Ending Long Term Debt} - \text{Beginning Long Term Debt})$ $C(S) = \text{Dividends} - (\text{Stocks sold} - \text{Stocks purchased})$