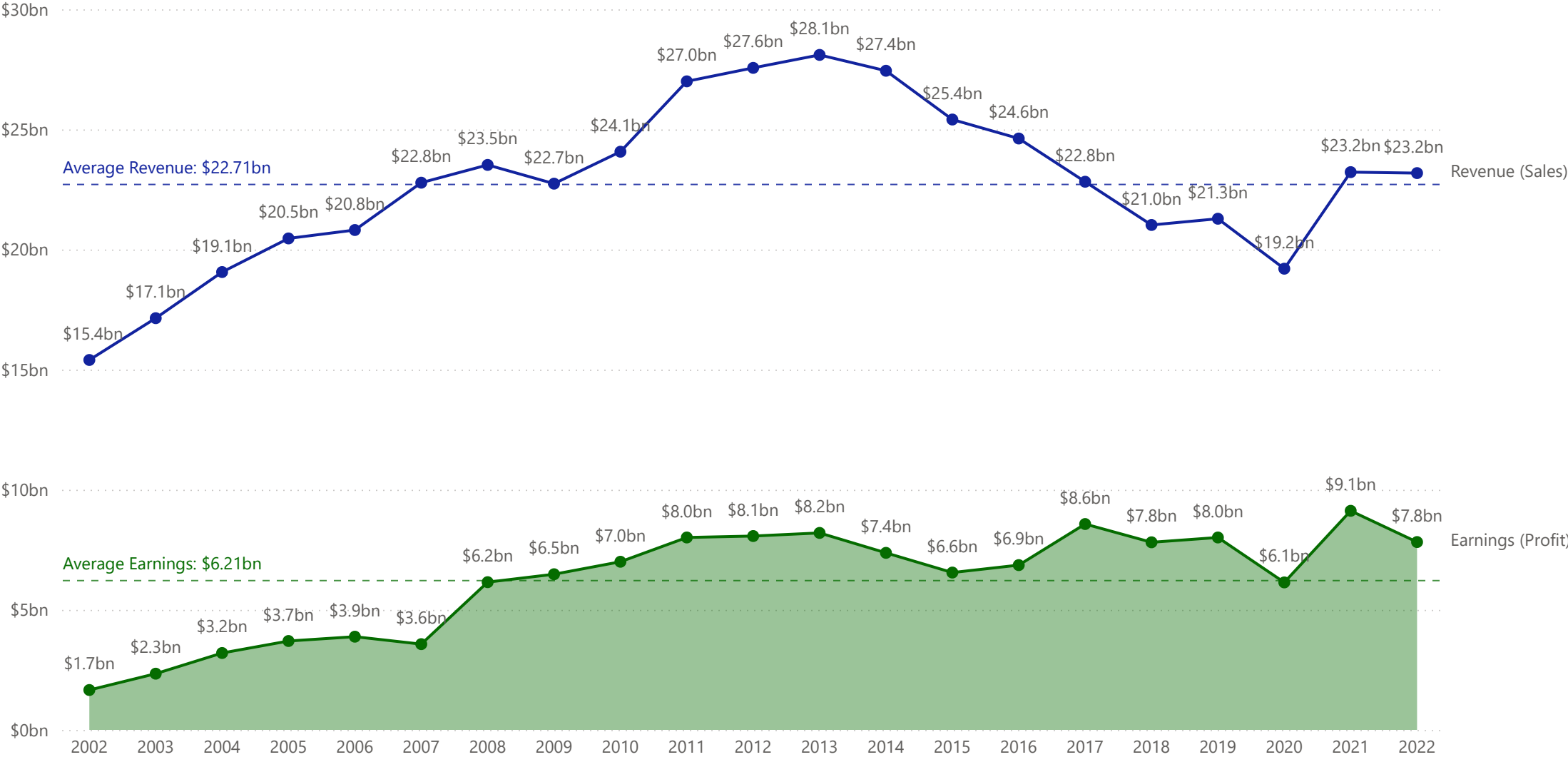


# FINANCIAL ANALYSIS

This is a fundamental financial analysis using some basic data about income, profit and sales. I developed measures usually used in financial analysis such as ratios, margins and expenses some findings have been shared.

Sales and Profit Representation over the past 20 years



**\$346.32bn**

Total Expenses

**\$16.49bn**

Average Expenses

**27.43%**

Operating Margin

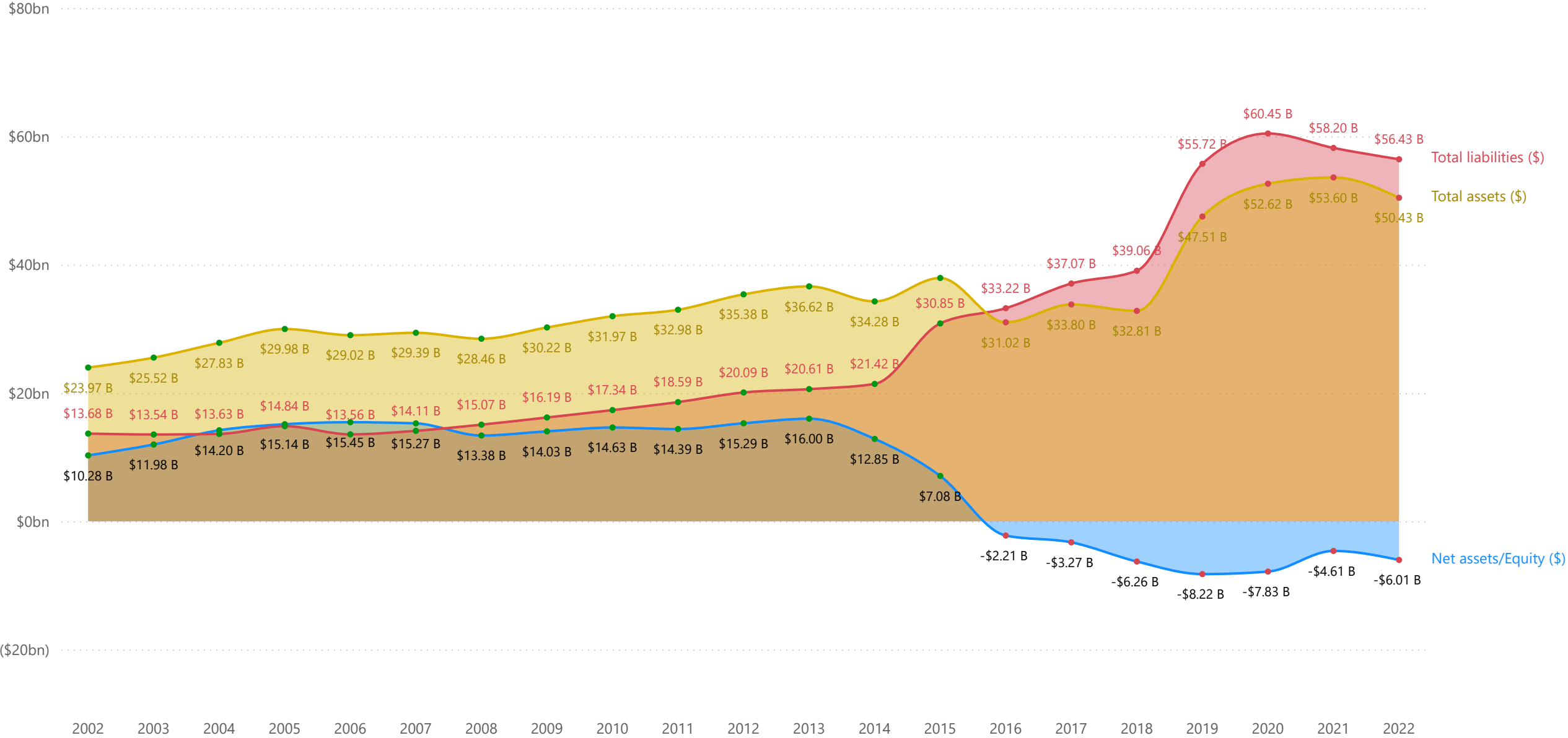
**27.37%**

Net Profit Margin

A net profit margin of 27.37% is excellent — this means the company keeps nearly 28 cents in profit for every dollar of revenue. Operating margin of 27.43% is almost equal to the net margin, which is interesting. This means the company has:

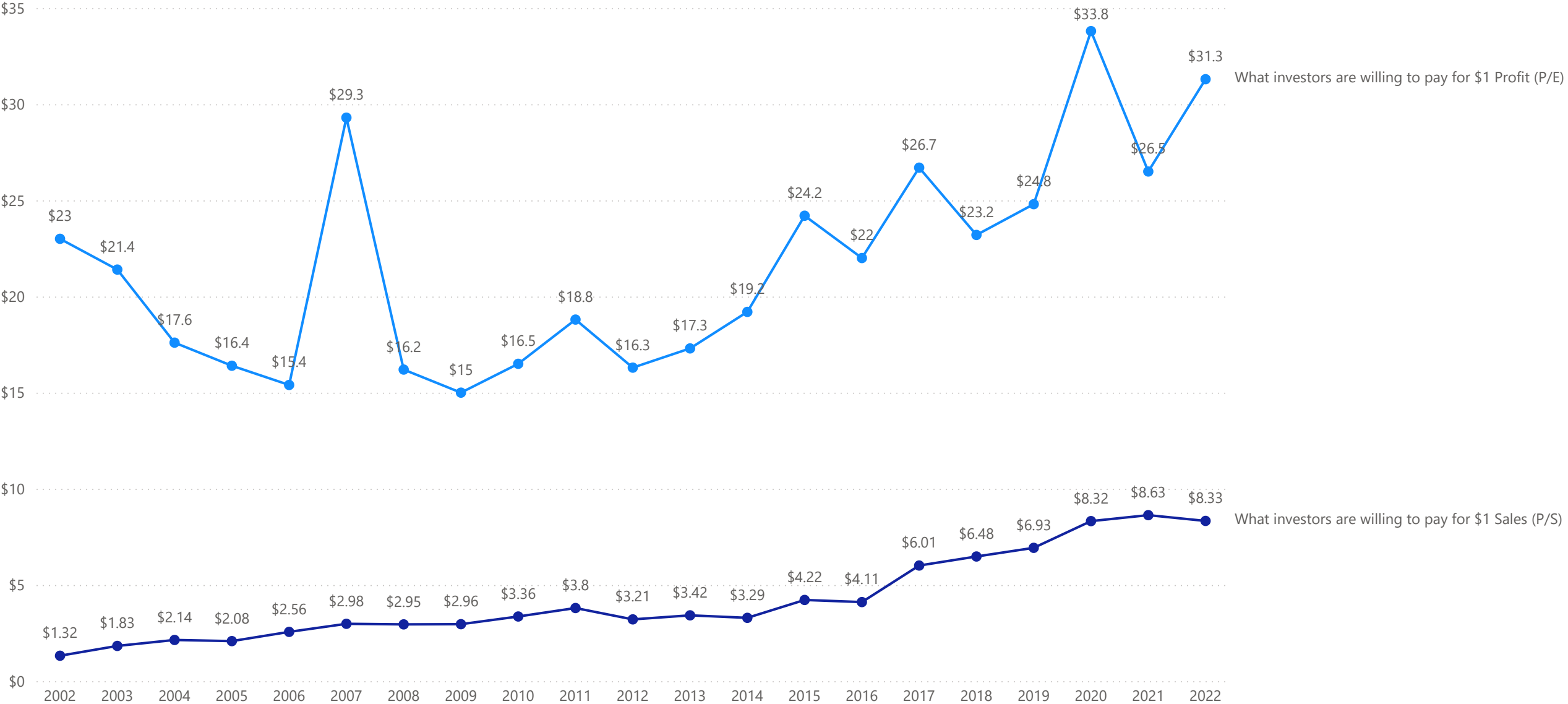
- Low interest expenses
- Low taxes or effective tax management
- Little to no major non-operating expenses

Net Assets's negative trend is due to increasing liabilities



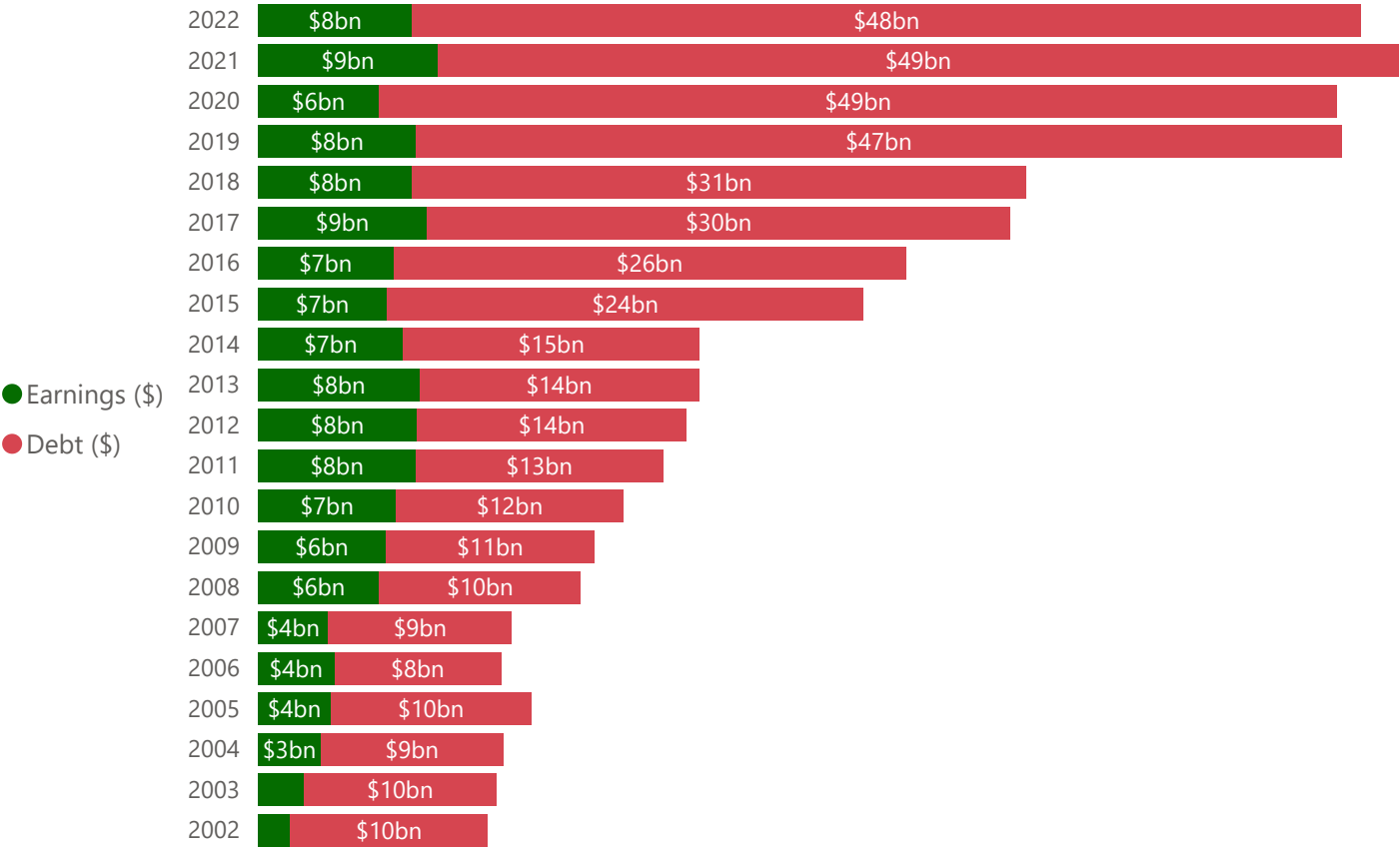
There is negative trend for net assets after 2014. The possible cause for that may be significant increase in Total Liabilities which seems debt is not paid off in proportion to borrowings. Also considering total assets are increasing which mostly comes from borrowing, the combined effect is shown in net asset's negative growth.

Investors are willing to pay more for what company profits from its sales



There is a clear difference in investor sentiment on how much confidence they have in sales vs profit. While sales have been steady, the company's good maintenance of operating cost and profitability allows investors to think that profitability will keep increasing hence betting more on growth of profit, year on year.

Earnings vs Total Debt



Even with company keeping a healthy profit from every dollar of sale it makes, it is still not increasing the proportion towards paying off the debt or it is taking more debt compared to the net earnings

79.37%

Debt Ratio

This means 79% of the company assets are financed through debt

How much profit a company keeps from each dollar of sales, after paying for regular business operations

