



**Federal Retirement  
Thrift Investment Board**

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## **QUARTERLY VENDOR FINANCIAL ASSESSMENT**

Board Presentation: June 26, 2017

Prepared by:  
Office of Enterprise Risk Management (OERM)

## Table of Contents

I. Company Information and Analysis	
BlackRock, Inc.	3
Broadridge Financial Solutions	5
Equinix, Inc.	7
MetLife, Inc.	9
Serco Group Plc.	11
Fidelity National Information Services (acquired SunGard)	13
Science Applications International Corp. (SAIC)	15
II. Glossary of Financial Terms	17

**BlackRock, Inc. (BLK)****Exchange:** NYSE    **Sector:** Financials    **Industry:** Asset Management**Company Overview:**

- BlackRock, Inc. (BlackRock) is the world's largest publicly traded investment management firm with portfolio managers located around the world. As of September 30, 2016, BlackRock's assets under management (AUM) were \$5.1 trillion. BlackRock helps clients around the world with a range of products that include separate accounts, mutual funds, iShares® (exchange-traded funds), and other pooled investment vehicles.

**Strengths**

- Leading market position and reputation across asset management industry with a global customer base
- Strong earnings and cash flow generation capacity

**Challenges**

- Increasing price competition in the ETF market
- Potential regulatory changes in asset management business

**Services Provided:**

- BlackRock is the investment manager for the Thrift Savings Plan (TSP)'s C, F, S, and I Funds. BlackRock Institutional Trust Company, N.A. (BTC) has selected State Street Corporation to provide custodial services.

**Credit Ratings:**

- Moody's: A1** – Investment grade – Judged to be upper-medium grade and subject to low credit risk, and has best ability to repay short-term debt
- S&P: AA-** – Investment grade – Very strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances
- D&B:** Overall Business Risk is moderate (score range: Low – High).
- Overall assessment of BlackRock over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Exhibiting some financial difficulties
    - Based on the predicted risk of severely delinquent payments: Moderate potential for severely delinquent payments.

**Significant Events (January – March 2017):**

- In January, 2017, BlackRock declared a quarterly cash dividend of \$2.50 per share of common stock, payable March 23, 2017.

**Subsequent Events (after March 2017):**

- No significant events.

**Risk Monitoring:**

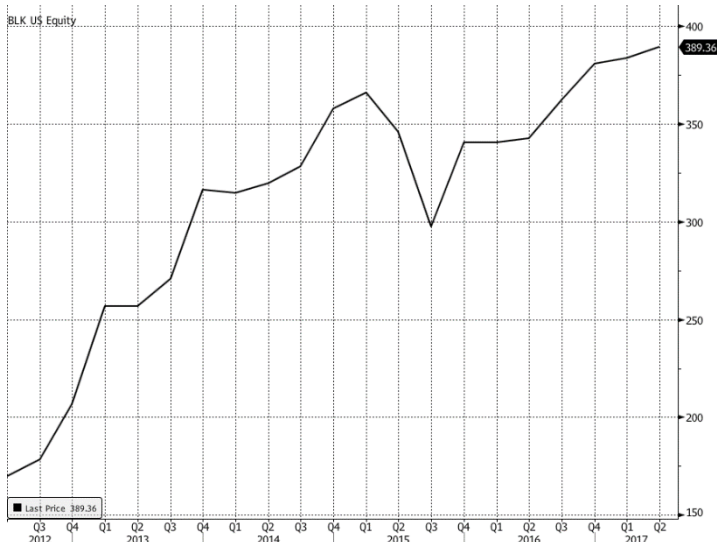
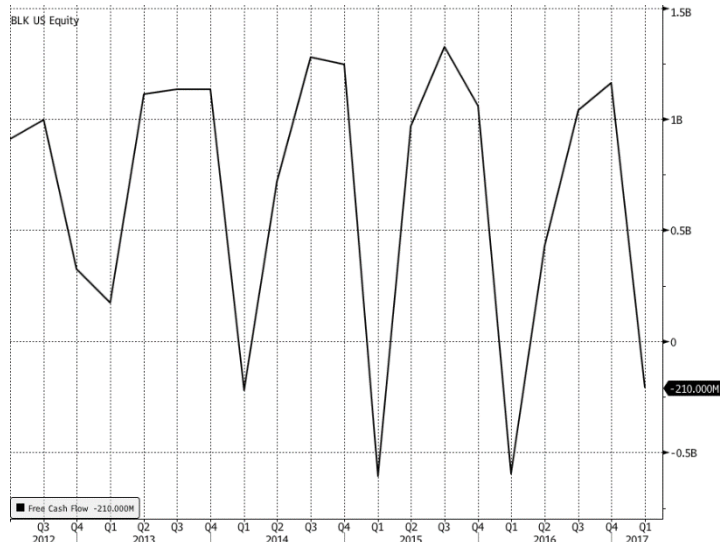
- Given the current analysis of the vendor, we find no indication that BlackRock is unable to fulfill its contractual obligations to FRTIB.

**BlackRock, Inc. (BLK)**

Exchange: NYSE

Sector: Financials

Industry: Asset Management

**Share Price****Free Cash Flow****Key Metrics Supporting Analysis**

(\$ In Millions, except ratios, yields)	Q1 2016	Q1 2017	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	17.78	19.74	11%	↓
Debt to Capital Ratio	15.10	16.49	9%	↓
Interest Coverage Ratio	-	-	-	-
Enterprise Value	\$64,172	\$64,174	-	-
<b>Liquidity</b>				
Cash Ratio	-	-	-	-
Current Ratio	-	-	-	-
Quick Ratio	-	-	-	-
<b>Profitability</b>				
Revenue	\$2,624	\$2,824	7%	↑
EBITDA	\$1,017	\$1,256	24%	↑
EBIT	\$961	\$1,198	25%	↑
ROA	1.37	1.49	9%	↑
ROE	11.46	11.46	-	-
ROIC	7.73	8.47	10%	↑
Operating Margin	35.37	41.07	22%	↑
Profit Margin	25.04	30.52	22%	↑
EPS	3.97	5.29	33%	↑

**Broadridge Financial Solutions (BR)****Exchange:** NYSE**Sector:** Industrials**Industry:** Business Services**Company Overview:**

- Broadridge Financial Solutions, Inc. provides investor communications and technology-driven solutions to banks, broker-dealers, mutual funds and corporate issuers. Its services include investor communication solutions, and securities processing and business process outsourcing. It operates through two business segments: Investor Communication Solutions and Securities Processing Solutions.

**Strengths**

- Leading share in the proxy distribution market
- Long-term customer contracts and customer relationships

**Challenges**

- Changing regulations impacting proxy distribution business
- Integration and execution risks with acquisition growth strategy

**Services Provided:**

- Broadridge Financial Solutions provides bulk outgoing mailing services for FRTIB from its Coppel, Texas, and Edgewood, New York facilities. These services include printing and mailing FRTIB documents, education, and marketing materials to participants, beneficiaries, and third parties.
- New contract was awarded to Broadridge Financial Solutions (BR) on February 27, 2015. Broadridge Financial Solutions started sending out TSP mail on May 1, 2015.

**Credit Ratings:**

- Moody's: Baa1** – Judged to have speculative elements and a moderate credit risk
- S&P: BBB+** – Adequate capacity to meet its financial commitments but adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments
- D&B:** Overall Business Risk is moderate (score range: Low – High).
- Overall assessment of Broadridge over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Likelihood of continued operations.
    - Based on the predicted risk of severely delinquent payments: Moderate potential for severely delinquent payments.

**Significant Events (January – March 2017):**

- No significant events.

**Subsequent Events (after March 2017):**

- In May 2017, Broadridge Financial Solutions declared a quarterly cash dividend of \$0.33 per share, payable July 3, 2017.

**Risk Monitoring:**

- Risk of not successfully integrating and executing series of latest mergers and acquisitions* – Broadridge Financial Solutions is focused on successfully integrating its mergers and acquisitions and expects to increase net sales, drive cost savings from synergies, and provide additional capacity to meet customer needs. Broadridge Financial Solutions first quarter fiscal year 2017 results: Revenues for the second quarter of fiscal year 2017 increased 50% to \$895 million, from \$595 million for the prior year period.
- Risk Mitigation Strategy:* If the current facility that prints notices or statements for the Agency is unavailable, Broadridge will route work to be completed at another location. In the event of an immediate going concern and Broadridge goes out of business, the Agency will work with the Contracting office to award an emergency contract to another company for all printing and mailing.

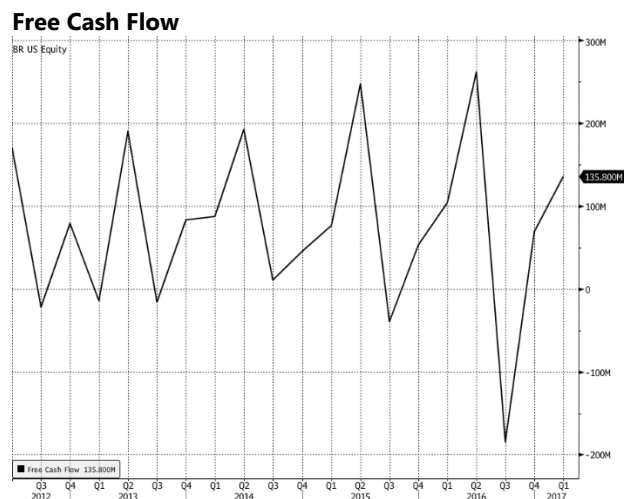
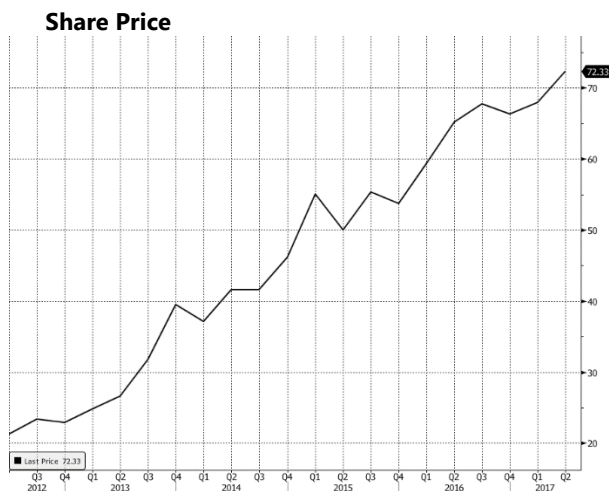
Given the current analysis of the vendor, we find no indication that Broadridge Financial Solutions is unable to fulfill its contractual obligations to FRTIB.

**Broadridge Financial Solutions (BR)**

Exchange: NYSE

Sector: Industrials

Industry: Business Services

**Key Metrics Supporting Analysis**

(\$ In Millions, except ratios, yields)	Q1 2016	Q1 2017	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	79.46	107.10	35%	↓
Debt to Capital Ratio	44.28	51.71	17%	↓
Interest Coverage Ratio	8.68	6.17	-29%	↑
Enterprise Value	\$6,995	\$8,917	27%	↑
<b>Liquidity</b>				
Cash Ratio	0.69	0.35	-49%	↓
Current Ratio	1.93	1.38	-28%	↓
Quick Ratio	1.69	1.13	-33%	↓
<b>Profitability</b>				
Revenue	\$595	\$895	50%	↑
EBITDA	\$86	\$96	12%	↑
EBIT	\$59	\$66	12%	↑
ROA	13.16	11.74	-11%	↓
ROE	30.40	31.54	4%	↑
ROIC	18.84	17.14	-9%	↓
Operating Margin	594.70	895.30	50%	↑
Profit Margin	5.63	3.76	-33%	↓
EPS	0.28	.028	-	-

**Equinix, Inc. (EQIX)****Exchange:** NASDAQ    **Sector:** Technology    **Industry:** Computer Services**Company Overview:**

- Equinix, Inc. (Equinix) provides global data center services that protect and connect information assets for its clients. Global enterprises, financial services companies, and content and network service providers rely upon Equinix's data centers in over 30 markets around the world for the safe housing of their critical IT equipment and the ability to directly connect to the networks that enable today's information-driven economy. Equinix has extensive operations in North America, Europe, Asia, United Arab Emirates, and Brazil.

**Strengths**

- Diversified and global customer base
- Well positioned to take advantage of the growing cloud market

**Challenges**

- Debt level is high creating poor financial leverage
- ROA and EBIT margin decreased when compared to prior year

**Services Provided:**

- Equinix is under contractual obligation to host data center services for the FRTIB. The FRTIB's primary data center operates out of a Northern Virginia facility.

**Credit Ratings:**

- Moody's: Ba3** – Speculative grade – Has speculative elements and high credit risk.
- S&P: BB+** – Speculative grade – Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions
- D&B:** Overall Business Risk is low-moderate (score range: Low – High).
- Overall assessment of Equinix over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Likelihood of continued operations.
    - Based on the predicted risk of severely delinquent payments: Low potential for severe for severely delinquent payments.

**Significant Events (January – March 2017):**

- No significant events.

**Subsequent Events (after March 2017):**

- No significant events.

**Risk Monitoring:**

- Risk Mitigation Strategy:* In the unlikely event Equinix is unable to provide support and services to FRTIB, as a contingency measure, FRTIB processing could be restored at the backup data center.

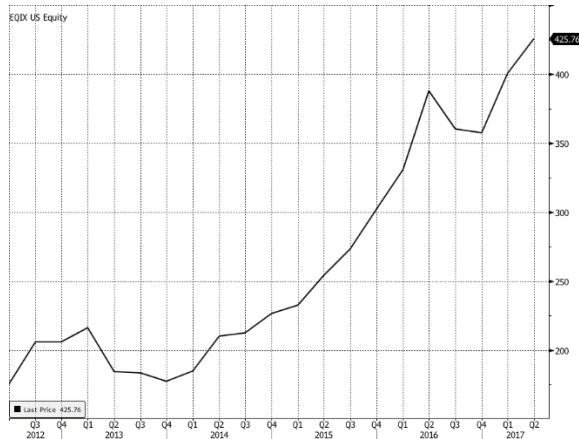
We will continue to monitor Equinix's performance. At this point in time, we find no indication that Equinix is unable to fulfill its contractual obligations to FRTIB given the current analysis of the vendor.

**Equinix, Inc. (EQIX)**

Exchange: NASDAQ

Sector: Technology

Industry: Computer Services

**Share Price****Free Cash Flow****Key Metrics Supporting Analysis**

(\$ In Millions, except ratios, yields)	Q1 2016	Q1 2017	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	149.03	140.87	-5%	↑
Debt to Capital Ratio	59.84	58.48	-2%	↑
Interest Coverage Ratio	1.09	1.42	30%	↑
Enterprise Value	\$29,363	\$34,947	19%	↑
<b>Liquidity</b>				
Cash Ratio	0.41	4.84	1080%	↑
Current Ratio	1.37	5.46	299%	↑
Quick Ratio	0.62	5.29	748%	↑
<b>Profitability</b>				
Revenue	\$844	\$950	12%	↑
EBITDA	\$313	\$384	23%	↑
EBIT	\$113	\$167	48%	↑
ROA	0.76	1.30	71%	↑
ROE	3.46	3.72	7%	↑
ROIC	4.97	3.58	-28%	↓
Operating Margin	13.35	17.61	32%	↑
Profit Margin	-3.69	4.43	-220%	↑
EPS	-0.46	0.58	-226%	↑



**MetLife, Inc. (MET)****Exchange:** NYSE    **Sector:** Financials    **Industry:** Life Insurance**Company Overview:**

- MetLife, Inc. (MetLife) is a leading global provider of insurance, annuities, and employee benefit programs throughout the United States, Japan, Latin America, Asia, Europe and the Middle East.

**Strengths**

- Market leader and well diversified in individual and group life insurance as well as commercial mortgage

**Challenges**

- MetLife business and results of operations are materially affected by conditions in the global capital markets and the overall economy

**Services Provided:**

- MetLife has been the annuity provider to the TSP since 1987. The Federal Employees Retirement System Act of 1986 (FERSA) requires the FRTIB to offer a participant who has separated from federal service the option of purchasing an annuity, using all or a portion of the participant's account balance.

**Credit Ratings:**

- Moody's: A3** – Investment grade – Judged to be upper-medium grade and is subject to low credit risk, and has high ability to repay short-term debt
- S&P: A-** – Investment grade – Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances
- D&B:** Overall Business Risk is low-moderate (score range: Low – High).
- Overall assessment of MetLife over the next 12 months: Stable condition.
- Predicted risk of business discontinuation: High likelihood of continued operations.
- Predicted risk of severely delinquent payments: Low potential for severely delinquent payments.

**Significant Events (January – March 2017):**

- MetLife and two subsidiaries facing \$50 million dollar lawsuit regarding overtime wages in February 2017.
- February 2017, MetLife declared a first quarter 2017 dividend of \$0.25 per share.

**Subsequent Events (after March 2017):**

- The expected \$10 billion spin-off of MetLife consumer business is delayed

**Risk Monitoring:**

- Risk of increased regulatory and compliance costs* – In March, 2016, a federal judge rescinded the federal government's labeling of MetLife Inc. as a SIFI (systemically important financial institution). In August, MetLife filed a brief calling on federal appeals court to uphold decision to rescind the federal government's labeling of MetLife Inc. as a SIFI.
- Risk Mitigation Strategy:* In the unlikely event MetLife is unable to provide annuities as a distribution option for TSP participants, as a contingency measure, FRTIB could elect to not exercise options under the existing annuity contract or could offer participants monthly payments until a new vendor is identified or identify an interim annuity vendor (via a non-competitive bid process).

Given the current analysis of the vendor, we find no indication that MetLife is unable to fulfill its contractual obligations to FRTIB.

**MetLife, Inc. (MET)**

Exchange: NYSE

Sector: Financials

Industry: Life Insurance

**Share Price****Free Cash Flow****Key Metrics Supporting Analysis**

(\$ In Millions, except ratios, yields)	Q1 2016	Q1 2017	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	33.31	35.54	6%	↓
Debt to Capital Ratio	24.99	26.06	4%	↓
Interest Coverage Ratio	-	-	-	-
Enterprise Value	\$62,498	\$66,296	6%	↑
<b>Liquidity</b>				
Cash Ratio	-	-	-	-
Current Ratio	-	-	-	-
Quick Ratio	-	-	-	-
<b>Profitability</b>				
Revenue	\$18,433	\$16,269	-11%	↓
EBITDA	-	-	-	-
EBIT	-	-	-	-
ROA	0.59	-0.06	-110%	↓
ROE	7.78	7.34	-5%	↓
ROIC	-9.18	13.36	-246%	↑
Operating Margin	17.54	6.84	-61%	↓
Profit Margin	11.94	5.08	-57%	↓
EPS	1.99	0.75	-62%	↓

**Serco Group Plc (SRP)****Exchange:** LSE**Sector:** Technology**Industry:** Technology Services**Company Overview:**

- Serco Group Plc, (Serco) is a public limited company based in the United Kingdom with its North American headquarters in Reston, VA. Serco N.A. is an independent subsidiary that provides professional, technology, and management services focused on U.S. Federal and Canadian governments.

**Strengths**

- One of the largest entities by revenue in its industry
- Diverse and unique business model

**Challenges**

- Operating Margin decreased when compared to prior year
- Spending reductions and uncertainty around federal funding and contracts in the U.S.

**Services Provided:**

- Serco currently operates a call center, court order, death benefit and agency technical service center, as well as provides incoming mail data entry, imaging, and special processing support through its subcontractor.

**Credit Ratings:**

- Moody's:** NR – N/A
- S&P:** NR – N/A
- D&B:** Overall Business Risk is moderate (score range: Low – High).
- Overall assessment of Serco over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Exhibiting some financial stress.
    - Based on the predicted risk of severely delinquent payments: High potential for severely delinquent payments.

**Significant Events (January – March 2017):**

- No significant events were noted.

**Subsequent Events (after March 2017):**

- No significant events were noted.

**Risk Monitoring:**

- Risk of Serco not meeting its profitability goals* – Fiscal year revenue was \$3.048 billion versus \$3.515 billion a year ago. The organic revenue decline was 11%, driven by the phased transfer of contracts such as that for the Defense Science and Technology Laboratory (DSTL), and the end of contracts for Suffolk Community Healthcare, the National Citizen Service, Thurrock Council BPO services, US National Benefits Centre and the Virginia Department of Transportation (VDOT). There was limited growth elsewhere to offset these declines.
- Risk Mitigation Strategy:* In the unlikely event Serco is unable to provide support and services to FRTIB, as a contingency measure, FRTIB could take steps to directly hire, on a temporary basis (or if needed, permanent basis) key Serco staff to continue processing legal and death cases as well as agency technical services. Also, for services such as special processing and incoming mail data entry, the FRTIB can look at setting up emergency contracts directly with Serco subcontractors. For call center operations, FRTIB may be able to temporarily absorb added workload at the second call center and can work with the second call center to add needed staff.

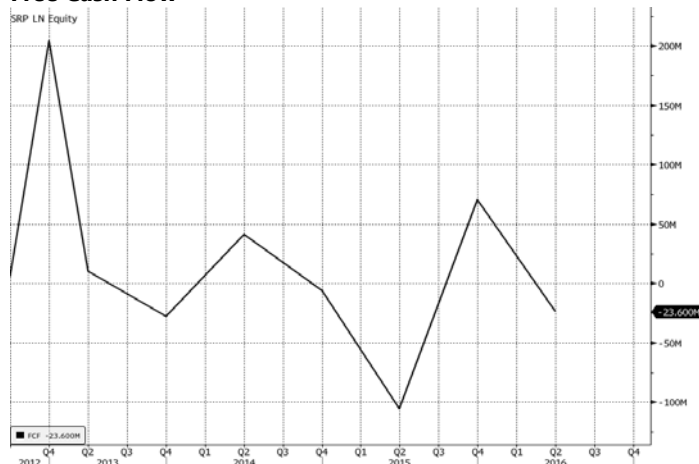
We will continue to monitor Serco's financial performance. At this point in time, we find no indication that Serco is unable to fulfill its contractual obligations to FRTIB given the current analysis of the vendor.

**Serco Group Plc (SRP LN)**

Exchange: LSE

Sector: Technology

Industry: Technology Services

**Share Price****Free Cash Flow****Key Metrics Supporting Analysis\***

(\$ In Millions, except ratios, yields )	S2 2015	S2 2016	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	150.90	82.27	-45%	↑
Debt to Capital Ratio	60.14	45.14	-25%	↑
Interest Coverage Ratio	1.78	-4.66	-362%	↓
Enterprise Value	\$1,142	\$1,726	51%	↑
<b>Liquidity</b>				
Cash Ratio	0.35	0.24	-31%	↓
Current Ratio	1.01	1.02	1%	↑
Quick Ratio	0.54	0.24	-56%	↓
<b>Profitability</b>				
Revenue	\$1,388	\$1,518	9%	↑
EBITDA	\$51.60	\$-11.70	-123%	↓
EBIT	\$19.00	\$-38.70	-304 %	↓
ROA	-7.51	-0.07	99%	↑
ROE	-	-0.35	-	-
ROIC	2.70	0.17	-94%	↓
Operating Margin	1.37	-2.55	-286%	↓
Profit Margin	-4.40	-3.14	29%	↑
EPS	-0.06	-0.04	-33%	↓

\*Serco reports semi-annually.

**Fidelity National Information Services (FIS) (acquired SunGard)** Exchange: NYSE    Sector: Technology  
 Industry: Technology Services

### Company Overview:

- Fidelity National Information Services is a financial services technology company based in Jacksonville, Florida. The Company offers a range of solutions in retail and enterprise banking, payments, capital markets, asset and wealth management, risk and compliance, treasury and insurance, as well as providing financial consulting and outsourcing services. The Company operates through three segments: Integrated Financial Solutions (IFS), Global Financial Solutions (GFS) and Corporate and Other. FIS provides disaster recovery services, managed IT services, information availability consulting services and business continuity management software to its clients.

#### **Strengths**

- Largest global provider dedicated to banking and payments technologies
- Operates on long-term contracts with its clients, generating steady, recurring revenues

#### **Challenges**

- SunGard acquisition expected to hit the net profitability of FIS for some time due to the debt load created by this acquisition
- SunGard has almost tripled FIS's debt ratios while its ability to generate cost and revenues synergies still remains to be seen

### Services Provided:

- FRTIB contracts with FIS for use of their suite of Omni software products that form the core of the FRTIB recordkeeping system.
- FIS provides incoming mail data entry and imaging support as a subcontractor to Serco.
- FIS provides recordkeeping business process services as a subcontractor on the TESS contract.

### Credit Ratings:

- Moody's: Baa3** – Negative – Judged to have speculative elements and a moderate credit risk
- S&P: BBB** – Negative – More vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments
- D&B:** Overall Business Risk is low-moderate (score range: Low – High).
- Overall assessment of FIS over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Likelihood of continued operations.
    - Based on the predicted risk of severely delinquent payments: Moderate potential for severely delinquent payments.

### Significant Events (January – March 2017):

- FIS increased quarterly dividend 12% to \$0.29 per share in January 2017.
- In February 2017, FIS completed the sale of its Public Sector and Education businesses to Vista Equity Partners for \$850 million.
- FIS announced redemption of \$700 million 5.000% Senior Notes due 2022.

### Subsequent Events (after March 2017):

- In April 2017, Fidelity National Information Services declared quarterly cash dividend of \$0.29 per common share, payable June 30, 2017.

### Risk Monitoring:

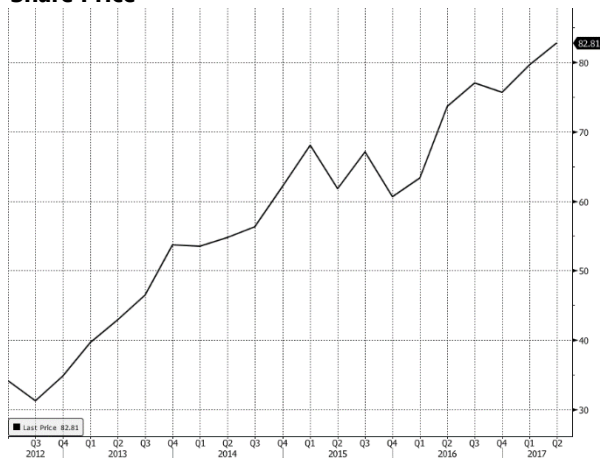
- Risk of not successfully integrating and executing series of latest mergers and acquisitions* – FIS is focused on successfully integrating its merger and acquisition and expects to increase net sales, drive cost savings from synergies, and provide additional capacity to meet customer needs. 1Q17 results: Revenues increased 3 percent on a reported basis to \$2.2 billion from \$2.1 billion in the prior year quarter.

Given the current analysis of the vendor, we find no indication that Fidelity National Information Services is unable to fulfill its contractual obligations to FRTIB.

## Fidelity National Information Services (FIS) (acquired SunGard) Exchange: NYSE Sector: Technology

Industry: Technology Services

Share Price



Free Cash Flow



### Key Metrics Supporting Analysis

(\$ In Millions, except ratios, yields)	Q4 2015	Q4 2016	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	121.65	106.43	-13%	↑
Debt to Capital Ratio	54.88	51.56	-6%	↑
Interest Coverage Ratio	-	-	-	-
Enterprise Value	\$27,947	\$34,726	24%	↑
<b>Liquidity</b>				
Cash Ratio	0.29	0.22	-24%	↓
Current Ratio	1.48	1.36	-8%	↓
Quick Ratio	1.02	0.74	-27%	↓
<b>Profitability</b>				
Revenue	\$1,875	\$2,445	30%	↑
EBITDA	\$468	\$730	56%	↑
EBIT	\$259	\$432	67%	↑
ROA	3.10	2.17	-30%	↓
ROE	7.95	5.96	-25%	↓
ROIC	3.89	3.64	-6%	↓
Operating Margin	13.80	17.67	28%	↑
Profit Margin	5.61	8.47	50%	↑
EPS	0.36	0.63	75%	↑

**Science Applications International Corp. (SAIC)**    **Exchange:** NYSE    **Sector:** Technology    **Industry:** Information

**Company Overview:**

- Science Applications International Corp. (SAIC) is a scientific, engineering, and technology applications company, serving the U.S. and foreign governments, and selected commercial customers.

**Strengths**

- Balanced distribution of revenue sources with more than 1500 contracts and task orders
- Potential for SAIC to access \$25B in new market opportunities, for a total market of \$185B in government contracts

**Challenges**

- Decrease in sales and current customer base
- Spending reductions and pricing pressures for federal contracts.

**Serviced Provided:**

- SAIC provides a broad range of IT support services under the Technology and Enterprise Support Services (TESS) contract.

**Credit Ratings:**

- Moody's: B1** – Speculative grade – Has speculative elements and high credit risk.
- S&P: S&P: BB** – Adequate grade – Has capacity to meet financial commitments, but more subject to adverse economic conditions.
- D&B:** Overall Business Risk is moderate (score range: Low – High).
- Overall assessment of SAIC over the next 12 months:
  - Stability Concerns:
    - Based on the predicted risk of business discontinuation: Likelihood of business closure.
    - Based on the predicted risk of severely delinquent payments: Moderate potential for severely delinquent payments.

**Significant Events (January – March 2017):**

- February 2017 SAIC unveiled first amphibious combat vehicle.
- In January 2017 SAIC stock fell 2.9% the biggest move since December 2016.

**Subsequent Events (after March 2017):**

- SAIC was awarded a \$320 Million EPA Task Order for end user technology in May 2017.
- In May 2017, SAIC was awarded \$61 Million Task Order by Space and Naval Warfare Systems Center engineering upgrades.

**Risk Monitoring:**

- Risk of not meeting profitability goals* – SAIC\* financial results for the fourth quarter of fiscal year 2016: Revenues were \$1,026 billion compared to \$1,071 billion during the prior year quarter.

Given the current analysis of the vendor, we find no indication that SAIC is unable to fulfill its contractual obligations to FRTIB.

**Science Applications International Corp. (SAIC)**

Exchange: NYSE

Sector: Technology

Industry: Information

**Share Price****Free Cash Flow**

Note: This information is reported for fourth quarter ended February 3, 2017.

**Key Metrics Supporting Analysis\***

(\$ In Millions, except ratios, yields)	Q4 2016	Q4 2017	% Change	Direction
<b>Solvency</b>				
Debt to Equity Ratio	281.58	295.76	5%	↓
Debt to Capital Ratio	73.79	74.73	1%	↓
Interest Coverage Ratio	-	-	-	-
Enterprise Value	\$2,812	\$4,466	59%	↑
<b>Liquidity</b>				
Cash Ratio	0.28	0.34	21%	↑
Current Ratio	1.38	1.47	7%	↑
Quick Ratio	1.21	1.22	1%	↑
<b>Profitability</b>				
Revenue	\$1,071	\$1,026	-4%	↓
EBITDA	\$74	\$73	-1%	↓
EBIT	\$54	\$61	13%	↑
ROA	6.65	7.11	7%	↑
ROE	32.28	40.33	25%	↑
ROIC	12.54	12.68	1%	↑
Operating Margin	5.04	5.95	18%	↑
Profit Margin	2.61	3.51	34%	↑
EPS	0.61	0.82	34%	↑



## Glossary of Financial Terms

<b>Cash Ratio:</b> A liquidity ratio that measures a company's ability to pay short-term obligations.	<b>Operating margin:</b> A measurement the proportion of revenue left over after paying the variable costs of production. It is an important indicator of efficiency and profitability
<b>Current Ratio:</b> A liquidity ratio that measures a company's ability to pay short-term obligations.	<b>Profit Margin:</b> A ratio of profitability calculated as net income divided by revenues, or net profits divided by sales. It measures how much out of every dollar of sales a company actually keeps in earnings.
<b>Debt/Capital:</b> A measurement of a company's financial leverage, calculated as the company's debt divided by its total capital; Debt includes all short-term and long-term obligations; Total capital includes the company's debt and shareholders' equity, which includes common stock, preferred stock, minority interest and net debt.	<b>Quick Ratio:</b> A solvency metric to determine a firm's ability to pay down current liabilities with its cash, short term equivalents, and accounts receivables.
<b>Debt/Equity:</b> A measure of a company's financial leverage calculated by dividing its total liabilities by stockholders' equity; It indicates what proportion of equity and debt the company is using to finance its assets.	<b>Return on Asset (ROA):</b> An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings.
<b>Earnings per share (EPS):</b> The amount of income that "belongs" to each share of common stock. An important tool for investors, EPS is often used in determining the value of a stock.	<b>Return on Equity:</b> A measurement a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
<b>EBIT:</b> An indicator of a company's profitability, calculated as revenue minus expenses, excluding tax and interest; EBIT is also referred to as "operating earnings", "operating profit" and "operating income."	<b>Return on Invested Capital (ROIC):</b> A calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.
<b>EBITDA:</b> An indicator of a company's financial performance; EBITDA is essentially net income with interest, taxes, depreciation, and amortization added back to it, and can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.	<b>Revenue:</b> The amount of money that a company actually receives during a specific period, including discounts and deductions for returned merchandise; It is the "top line" or "gross income" figure from which costs are subtracted to determine net income.
<b>Enterprise Value:</b> An economic measure reflecting the market value of a whole business; It is a sum of claims of all claimants: creditors (secured and unsecured) and equity holders (preferred and common).	<b>Interest Coverage Ratio:</b> A ratio used to determine how easily a company can pay interest on outstanding debt; The interest coverage ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) of one period by the company's interest expenses of the same period.