## Start your task below

You can reattempt the task as many times as you want. If you have allowed BCG to contact you and view your information, they may view your work and reach out to you.

## What do the following terms mean?

Drag and drop to match up the terms with their description!

### Description

The percentage of a market accounted for by a specific entity.

Market Share

Shows the relationship between the market value of a company or its equity and some fundamental financial metric (e.g., earnings). The point of a \_\_\_\_\_ is to show the price you are paying for some stream of earnings, revenue, or cash flow (or other financial metric).

Valuation ratios

The revenue generated from a company's primary business activities. For example, a retailer produces revenue through merchandise sales, and a physician derives revenue from the medical services he/she provides.

Operating revenue

A measure of a company's operating profit as a percentage of its revenue.

Knowing the allows

for a comparison of one company's real performance to others in its industry

**EBITDA Margins** 

An expense a business incurs through its normal business operations. Often abbreviated as OPEX, operating expenses include rent, equipment, inventory costs, marketing, payroll, insurance, step costs, and funds allocated for research and development

Operating expense

The result of subtracting (i) the interests accrued by the Financial Debt during the relevant calculation period, minus (ii) the interests accrued by provisions made during the calculation period.

Net Finance Expense

The process of comparing companies based on similar metrics to determine their enterprise value. A company's valuation ratio determines whether it is overvalued or undervalued. If the ratio is high, then it is overvalued. If it is low, then the company is undervalued.

Key comparable

A measure used primarily by consumer communications, digital media, and networking companies, defined as the total revenue divided by the number of subscribers.

**ARPU** 

The amount of money that is left after you subtract your total business expenses from your total revenue. In other words, it is a calculation that includes almost all financial transactions in your business

Net profit

The increase or decrease in the size of a market for a product or service over time. It is typically measured as the percentage change in total sales in an industry or product category

Growth

An accounting measure calculated using a company's earnings, before interest expenses, taxes, depreciation, and amortization are subtracted, as a proxy for a company's current operating profitability.

**EBITDA** 

A calculation made internally by a company to show what it believes is a more accurate reflection of how much money it generates. The number focuses on regular accounting cycle events and often excludes one-time charges or infrequent occurrences.

Underlying profit

Refers to the reduction in the cost of the tangible fixed assets over its lifespan which is proportionate to the use of the asset in that specific year.

Depreciation

Refers to the reduction in the cost of the intangible assets over its lifespan.

Amortisation

#### Correct!

Return to the task page to receive a complete list of these technical terms for use in the next activity.



# Submit your task attempt

Practice or learning attempt: toggle this switch to flag this was a practice attempt to BCG

#### **Submit**

You may resubmit work, iterate upon, and reattempt work as many times as you want.



Return to the task

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