

Financial Statement Analysis
Homework exercise 1
Due May 18

Using Tsingtao's financial statements (included in your casebook), prepare the following

Percentage change income statement for 2016 and 2017.

Common size income statement for 2016 and 2017

Calculate the following ratios for 2016 and 2017

Liquidity ratios

Current ratio
Quick ratio

Solvency ratios

Long term debt to equity
Liabilities to assets
Cash flow operations to liabilities
Cash flow operations to CAPEX
Interest coverage

Efficiency ratios

Accounts receivable turnover
Accounts payable turnover
Asset turnover
Days receivable outstanding
Days inventory outstanding
Days payable outstanding

Profitability ratios

Return on assets
Return on equity
Profit margin
Financial leverage

The case **An Overview of Financial Statement Analysis: The Mechanics** included in your casebook will be helpful.

You may do this in teams of up to three students.