MergentOnline Ratio Definitions:

**Profitability Ratios**
ROA % (Net) → Return on Assets % (Net)
- Net Income (Annualized) ÷ Total Assets (Average over Period)

ROE % (Net) → Return on Equity % (Net)
- Net Income (Annualized) ÷ Stockholder’s Equity (Average over Period)

ROI % (Operating) → Return on Investment % (Operating)
- Operating Income (Annualized) ÷ Invested Capital (Average over Period)

EBITDA Margin % → Earnings before Interest, Taxes, Depreciation, and Amortization Margin %
- EBITDA ÷ Revenue

Calculated Tax Rate % → Calculated Tax Rate %
- Taxation ÷ Earnings Before Taxes (EBT) Continuing

Revenue per Employee – Revenue per Employee
- Revenue (Annualized) ÷ Number of Employees

**Liquidity Indicators**
Quick Ratio → Measures a company’s ability to meet its short-term obligations with its most liquid assets
- Quick Assets ÷ Current Liabilities

Current Ratio → Measures a company’s ability to pay its short-term obligations
- Current Assets ÷ Current Liabilities

Net Current Assets % TA → Net Current Assets % Total Assets
- Net Current Assets ÷ Total Assets

**Asset Management**
Total Asset Turnover
- Revenue (Annualized) ÷ Total Assets (Average over Period)

Receivables Turnover
- Revenue (Annualized) ÷ Receivables Net (Average over Period)

Inventory Turnover
- Revenue (Annualized) ÷ Inventories (Average over Period)

Accounts Payable Turnover
- Revenue (Annualized) ÷ Accounts Payable (Average over Period)

Accrued Expenses Turnover
- Revenue (Annualized) ÷ Accrued Expenses (Average over Period)

Property, Plant, & Equip Turnover
- Revenue (Annualized) ÷ PPE Net (Average over Period)

Cash & Equivalents Turnover
- Revenue (Annualized) ÷ Cash and Equivalents (Average over Period)

**Per Share**
Cash Flow per Share
- Cash from Operations (Annualized) ÷ Shares (Primary)

Book Value per Share
- Book Value ÷ Shares (Outstanding)