**10-A1 ROI and Economic Profit Calculations**

Consider the following data (in thousands) :

**Division**

Tinker Evers Chance

Average invested capital $2000 $600 $1800

Revenue 3600 1200 9000

Income 180 126 360

**1)**For each division, compute the return on sales, the capital turnover, and the return on investment (ROI)

**2)**Which division is the best performer if evaluation is based on ROI? Explain.

**3)**Suppose each division is assessed a cost of capital of 10% on invested capital. Compute the economic profit for each division. Which division is the best performer based on economic profit? Explain.