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| **Question 5**  |
| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

Selected financial data of ABCand XYZfor 2005 are presented here (in millions).

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|   |   | **ABC** |   | **XYZ** |
|   |   | **Corporation** |   | **Stores, Inc.** |
|   | **Income Statement Data for Year** |
|   | Net sales | $45,845 |   | $287,042 |
|   | Cost of goods sold | 31,561 |   | 221,290 |
|   | Selling and administrative expenses | 10,480 |   | 51,354 |
|   | Interest expense | 570 |   | 986 |
|   | Other income (expense) | 1,157 |   | 2,767 |
|   | Income tax expense | 1,146 |   | 5,589 |
|   | Net income | $ 3,245 |   | $ 10,590 |
|   |   |   |   |   |
|   | **Balance Sheet Data (End of Year)** |
|   | Current assets | $16,322 |   | $40,891 |
|   | Noncurrent assets | 18,371 |   | 81,732 |
|   | Total assets | $34,693 |   | $122,623 |
|   |   |   |   |   |
|   | Current liabilities | $ 8,220 |   | $ 42,888 |
|   | Long-term debt | 13,444 |   | 30,339 |
|   | Total stockholders' equity | 13,029 |   | 49,396 |
|   | Total liabilities and stockholders' equity | $34,693 |   | $122,623 |
|   |   |   |   |   |
|   | **Beginning-of-Year Balances** |
|   | Total assets | $31,416 |   | $105,405 |
|   | Total stockholders' equity | 11,132 |   | 43,623 |
|   | Current liabilities | 8,314 |   | 40,364 |
|   | Total liabilities | 20,284 |   | 61,782 |
|   |   |   |   |   |
|   |   | **Other Data** |
|   | Average net receivables | $4,845 |   | $ 1,485 |
|   | Average inventory | 4,958 |   | 28,030 |
|   | Net cash provided by operating activities | 3,821 |   | 15,044 |

For each company, compute the following ratios. ***(Round answers to 2 decimal places, e.g. 10.50.)***

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|   |   | **ABC** | **XYZ** |
| **(1)** | Current | :1 | :1 |
| **(2)** | Receivables turnover |  |  |
| **(3)** | Average collection period |  |  |
| **(4)** | Inventory turnover |  |  |
| **(5)** | Days in inventory  |  |  |
| **(6)** | Profit margin | % | % |
| **(7)** | Asset turnover |  |  |
| **(8)** | Return on assets | % | % |
| **(9)** | Return on common stockholders' equity | % | % |
| **(10)** | Debt to total assets | % | % |
| **(11)** | Times interest earned |  |  |

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