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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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