**Problem 11.6 – Prepare a common size balance sheet, 2008**

Refer to the consolidated balance sheets of the Intel Corporation annual report ***(see attached).***

**REQUIRED:**

Prepare a common size balance sheet at December 29, 2008, using the following captions:

* Total currents assets
* Property, plane, and equipment (net)
* Marketable equity securities and other long-term investments
* Goodwill and other long-term assets
* Total assets
* Total current liabilities
* Total long-term liabilities (including deferred tax liabilities)
* Total stockholder’s equity
* Total liabilities and stockholder’s equity

**Problem 11.10 – Ratio Analysis – Comprehensive problem, 2008 data**

This problem is based on the 2008 annual report of Intel Corporation.

**REQUIRED:**

**Compute the following profitability measures for the year ended December 27, 2008:**

1. Return on investment, based on net income (perform a DuPont analysis)
2. Return on equity, based on net income
3. Price/earnings ratio. Use $14.18 as the year-end market price
4. Dividend yield
5. Dividend payout ratio

**Compute the following liquidity measures at December 27, 2008:**

1. Working capital
2. Current ratio
3. Acid-test ratio

**Compute the following activity measures for the year ended December 27, 2008:**

1. Number of days’ sales in accounts receivable, based on a 365-day year
2. Number of days’ sales inventory, based on a 365-day year
3. Accounts receivable turnover
4. Inventory turnover
5. Turnover of net property, plant, and equipment

**Compute the following financial leverage measures at December 27, 2008:**

1. Debt ratio
2. Debt/equity ratio

**Compute the following physical measures of Intel’s profitability at December 27, 2008:**

1. Net revenues per employee
2. Operating income per employee. (Employees (in thousands 8309)