**Financial Accounting Week 8 Written Assignment**

Please submit a 3 page word document in APA format with references comparing and contrasting the company ratios (See table 1.1) to one another and the industry. Make a determination of which company is in a better financial situation as part of your conclusion. Also discuss how each company compares to the industry averages.

Table 1.1 Completed Company Ratios Table

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Urban Outfitters** | **American Eagle** | **Industry Average** |
| Return on equity | 20.9% | 13.0% | 13.1% |
| Earnings per share | $1.20 | $0.87 | N/A |
| Profit margin | 10.9% | 6.0% | 3.8% |
| Current ratio | 4.4 | 2.3 | 2.6 |
| Inventory turnover | 6.6 | 6.2 | 5.9 |
| Debt/Equity | .26 | .39 | 1.1 |
| Price earnings | 23.3 | 17.2 | 6.8 |
| Dividend yield | 0% | 2.7% | 2.2% |