

Group Analysis Project: Industry Ratio - Telecommunications

	FY 2010/09	FY 2009/08
<i>Operating Efficiency</i>		
Gross Profit Margin	52.7%	56.0%
Net Profit Margin	8.9%	7.9%
EBITDA Margin	32.1%	32.1%
NOPAT Margin	10.3%	9.4%
Return on Equity (ROE)	13.7%	14.7%
Return on Assets (ROA)	3.8%	3.8%
<i>Investing Efficiency</i>		
T/R Turnover	7.2X	7.7X
Inventory Turnover	37.0X	31.0X
T/P Turnover	5.1X	5.4X
OWC Turnover	(1.3)X	9.8X
Cash Cycle	(23.7) days	(20.0) days
PPE Turnover	1.6X	1.7X
Total Asset Turnover	0.5X	0.5X
<i>Liquidity</i>		
Current Ratio	0.72X	0.66X
Quick Ratio	0.68X	0.62X
Cash Ratio	0.19X	0.20X
CFO Ratio	0.72X	0.70X
<i>Solvency</i>		
Total Liab-to-Equity Ratio	2.41X	2.41X
Debt-to-Equity Ratio	1.32X	1.30X
Interest Coverage (earnings)	3.99X	4.00X
Dividend Payout Ratio	233.5%	116.1%
<i>Growth Rates</i>		
Sales	1.2%	4.4%
Net Profit	5.0%	13.5%
<i>Price multiples</i>		
Price-to-Earnings (P/E)	34.79	17.96
Price-to-Book (P/B)	2.04	2.09

Data source: Compustat. Industry ratios are averages of comparable firms in the U.S. and Europe.