

CACI International

FY 1999

FY 1998

Dupont Framework

Return on Equity (ROE):	$\frac{\text{Net earnings}}{\text{Total shareholders' equity (average)}}$
Profit Margin:	$\frac{\text{Net earnings}}{\text{Net sales}}$
Asset Turnover:	$\frac{\text{Net sales}}{\text{Total assets (average)}}$
Financial Leverage (Assets to Equity):	$\frac{\text{Total assets (average)}}{\text{Total shareholders' equity (average)}}$

PROFITABILITY RATIOS

Return on Equity (ROE):	$\frac{\text{Net earnings}}{\text{Total shareholders' equity (average)}}$
Return on Assets (ROA):	$\frac{\text{Net earnings}}{\text{Total assets (average)}}$
Return on Invested Capital (ROIC):	$\frac{\text{EBIT}(1-\text{tax rate})}{\text{Interest-bearing debt} + \text{Equity}}$
Profit Margin:	$\frac{\text{Net earnings}}{\text{Net sales}}$
Gross Margin:	$\frac{\text{Gross profit}}{\text{Net sales}}$
P/E Ratio:	$\frac{\text{Market price per share (average)}}{\text{Earnings per share}}$

**B. TURNOVER CONTROL RATIOS
(ACTIVITY or EFFICIENCY RATIOS)**

Asset Turnover:	$\frac{\text{Net sales}}{\text{Total assets (average)}}$
Inventory Turnover:	$\frac{\text{COGS}}{\text{Inventory (average)}}$
Collection period (days):	$\frac{\text{Accounts receivable (average)}}{\text{Credit sales per day}}$
Days' sales in cash:	$\frac{\text{Cash} + \text{securities}}{\text{Net sales per day}}$
Payables period (days):	$\frac{\text{Accounts payable (average)}}{\text{Credit purchases per day}}$