



**ISS Governance Services – Proxy Research**  
**Company Financials – Compustat Data Definitions**

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## Overview

Data displayed in the Company Financials section of the proxy research is sourced from Standard & Poor's Compustat® Xpressfeed product. The data that is being displayed in each of the tables (Stock Snapshot, Historical Financial Performance, and Comparative Performance) is for the company's fiscal year-end. The data points displayed in the Stock Price Performance chart and the Revenue/Income Performance chart is based on the most recent data available.

Compustat data is "standardized", not "as reported" by the company so there may be a difference from what is reported in the 10-K or 10-Q. Compustat standardizes data from the original filings to remove reporting variability and to allow for an accurate comparison across companies, industries and time.

### 1. Closing Price

This item contains the absolute close market prices for each calendar month.

### 2. Common Shares Outstanding

This item represents the net number of all common shares outstanding at fiscal year end, excluding treasury shares and scrip.

### 3. Market Cap

Consolidated company-level market value is the sum of all issue-level market values, including trading and non-trading issues.

### 4. Book Value/Share

Book Value Per Share represents fiscal year end Common Equity – Liquidation Value *divided* by fiscal year end Common Shares Outstanding.

### 5. Dividend Yield

Dividend Yield is the Dividend Per Share By Ex-Date (defined as the cash dividends per share for which the ex-dividend dates occurred during the reporting period) *divided* by the company's close price for the fiscal year. This figure is then multiplied by 100.

### 6. Annual Dividend

This item represents the cash dividends per share for which the ex-dividend dates occurred during the Fiscal Year, adjusted for all stock splits and stock dividends that occurred during the Fiscal Year.

## 7. Sales/Share

Sales Per Share is a ratio that computes the total revenue earned per share over the Fiscal Year. It is calculated by dividing total revenue earned in the fiscal year by fiscal year end common shares outstanding (fiscal year end common shares outstanding represents the net number of all common shares outstanding at fiscal year end, excluding treasury shares and scrip).

## 8. EPS (i.e., Earnings Per Share (Basic) - Excluding Extraordinary Items)

This item represents basic earnings per share before extraordinary items and discontinued operations.

## 9. Price to Earnings

Price to Earnings Ratio is the Price-Close (for fiscal year end month) divided by fiscal year end Earnings Per Share (Basic) - Excluding Extraordinary Items.

## 10. Price-to-Book-Value

This concept is fiscal year end month Price-Close *divided* by fiscal year Book Value per Share.

Formula:

$$\frac{\text{Fiscal year end month Price-Close}}{\text{Fiscal year end Total Common Equity / Fiscal year end Common Shares Outstanding}}$$

## 11. Price to Cash Flow Per Share

This concept is fiscal year end Price-Close *divided* by fiscal year end Cash Flow per Share.

Formula:

Step 1: *Add* fiscal year end Income before Extraordinary Items *with* fiscal year end Depreciation and Amortization.

Step 2: *Divide* the results of step 1 *by* fiscal year end Common Shares Outstanding.

Step 3: Divide fiscal year end Price-Close by the results of step 2.

## 12. Price to Sales Per Share

This concept is fiscal year end month Price-Close *divided* by fiscal year Revenue per Share.

Formula:

$$\frac{\text{Fiscal year end month Price-Close}}{\text{Sales (Net) for Fiscal year end / Fiscal year end Common Shares Outstanding}}$$

### **13. YTD Performance**

YTD Performance shows the Price Percentage Change - 1-Year Close (for fiscal year end)

Formula description: Fiscal year end Month Closing Price divided by the Closing Price which the company had 12 months before. One (1) is subtracted from this quantity, and the result is multiplied by 100.

### **14. Total Revenue**

This item represents gross sales (the amount of actual billings to customers for regular sales completed during the period) reduced by cash discounts, trade discounts, and returned sales and allowances for which credit is given to customers.

### **15. Operating Income after Depreciation**

This item represents the operating income of a company after deducting expenses for cost of goods sold, selling, general, and administrative expenses, and depreciation.

### **16. Net Income (Loss)**

This item represents the income or loss reported by a company after expenses and losses have been subtracted from all revenues and gains for the fiscal period including extraordinary items and discontinued operations.

### **17. Working Capital (Balance Sheet)**

This item represents the difference between total current assets minus total current liabilities as reported on a company's Balance Sheet.

### **18. EBITDA – Earnings Before Interest**

EBITDA is the *sum* of Sales - Net *minus* Cost of Goods Sold *minus* Selling, General & Administrative Expense.

### **19. Net Cash Flow from Operating Activities**

This item represents the net change in cash from all items classified in the Operating Activities section on a Statement of Cash Flows.

### **20. Total cash from investing**

This field displays: Investing Activities - Net Cash Flow (this item represents net cash received or paid for all transactions classified as investing activities on a Statement of Cash Flows).

## **21. Total Cash from financing**

This field displays: Financing Activities - Net Cash Flow (this item represents cash paid or received for all transactions classified as Financing Activities on a Statement of Cash Flows).

## **22. Net Change in cash**

This field displays: Cash and Cash Equivalents - Increase (Decrease) (this item represents the net change in cash presented separately from cash equivalents for companies reporting a Cash by Source and Use of Funds Statement, a Cash Statement by Activity, or a Statement of Cash Flows).

## **23. Gross Profit Margin**

Gross Profit Margin is Fiscal Year end Net Sales minus Fiscal Year end Cost of Goods Sold. This total is divided by Fiscal Year end Net Sales and multiplied by 100.

## **24. Pretax Profit Margin**

Pretax Profit Margin is fiscal year end Pretax Income (which is operating and non-operating income before taxes and minority interest) divided by fiscal year end Net Sales. This is then multiplied by 100.

## **25. Operating Margin after Depreciation**

Operating Margin After Depreciation is fiscal year end Operating Income Before Depreciation *minus* fiscal year end Depreciation, Depletion, and Amortization *divided* by fiscal year end Net Sales. This is then multiplied by 100.

## **26. EBITDA Margin**

This concept is fiscal year end Earnings Before Interest and Taxes and Depreciation Annual (Sales (Net) less Cost of Goods Sold and Selling, General, and Administrative Expense before deducting Depreciation, Depletion, and Amortization) divided by fiscal year end Net Sales. This total is then multiplied by 100.

## **27. Return on Equity**

Return on Equity is Income Before Extraordinary Items - Available for Common (which is defined as income before extraordinary items and discontinued operations less preferred dividend requirements, but before adding savings due to common stock equivalents) *divided* by Common Equity as Reported (which is defined as the common shareholders' interest in the company). This is then multiplied by 100.

## **28. Return on Investment**

Return on Investment is fiscal year end Income Before Extraordinary Items - Available for Common, divided by fiscal year end Total Invested Capital, which is the *sum* of the following items: Total Long-Term Debt; Preferred Stock; Minority Interest; and Total Common Equity. This is then multiplied by 100.

## **29. Return on Assets**

Return on Assets is Income Before Extraordinary Items - Available for Common, *divided by* Total Assets, which is defined as the sum of current assets, net property, plant, and equipment, and other noncurrent assets. This is then multiplied by 100.

## **30. Price to Earnings**

Price to Earnings Ratio is the Price-Close (for fiscal year end month) divided by fiscal year end Earnings Per Share (Basic) - Excluding Extraordinary Items.

## **31. Quick Ratio**

Quick Ratio is the *sum* of fiscal year end Cash and Equivalents (which represent cash and all securities readily transferable to cash) *plus* fiscal year end Total Receivables (which are claims against other collectible in money [within one year]) *divided by* fiscal year end Total Current Liabilities (which are liabilities due within one year).

## **32. Current Ratio**

This concept is fiscal year end Current Assets - Total (which represents cash and other assets that in the next 12 months are expected to be realized or used in the production of revenue) *divided by* fiscal year end Current Liabilities - Total, which represents liabilities due within one year, including the current portion of long term debt.

## **33. Debt/Asset Ratio**

Debt/Asset ratio is total liabilities divided by total assets.

## **34. Debt-to-Equity Ratio**

A company's debt-to-equity ratio is calculated by dividing its fiscal year end Total Long-Term Debt by its fiscal year end Total assets minus its Fiscal Year end total debt in Current Liabilities

### **35. One Year Total Return**

Formula:

$$\left( \frac{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor}}{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor} [-12]} - 1 \right) * 100$$

The Total Return concepts are annualized rates of return reflecting price appreciation plus reinvestment of monthly dividends and the compounding effect of dividends paid on reinvested dividends.

### **36. Three Year Total Return**

Formula:

$$\left( \frac{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor}}{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor} [-36]} - 1 \right)^{\frac{1}{3}} * 100$$

The Total Return concepts are annualized rates of return reflecting monthly price appreciation plus reinvestment of monthly dividends and the compounding effect of dividends paid on reinvested dividends.

### **37. Five Year Total Return**

Formula:

$$\left( \frac{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor}}{\text{Price-Close for Fiscal Year End Month} * \text{Fiscal Year End Monthly Total Return Factor} [-60]} - 1 \right)^{\frac{1}{5}} * 100$$

The Total Return concepts are annualized rates of return reflecting monthly price appreciation plus reinvestment of monthly dividends and the compounding effect of dividends paid on reinvested dividends.