Company Credit Risk Report

JYSK A/S

CVR number: 13590400

March 19, 2026

View your company online

https://platform.creditreports.dk/CompanyViews.action?page=overview&fid=133268

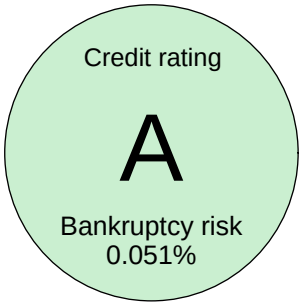
Credit Risk Report

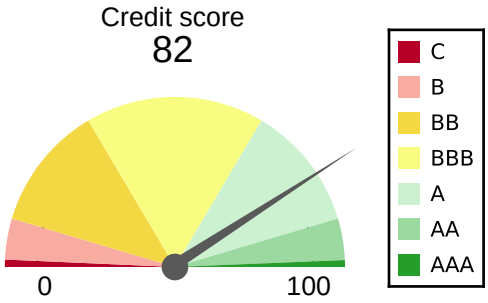
JYSK A/S

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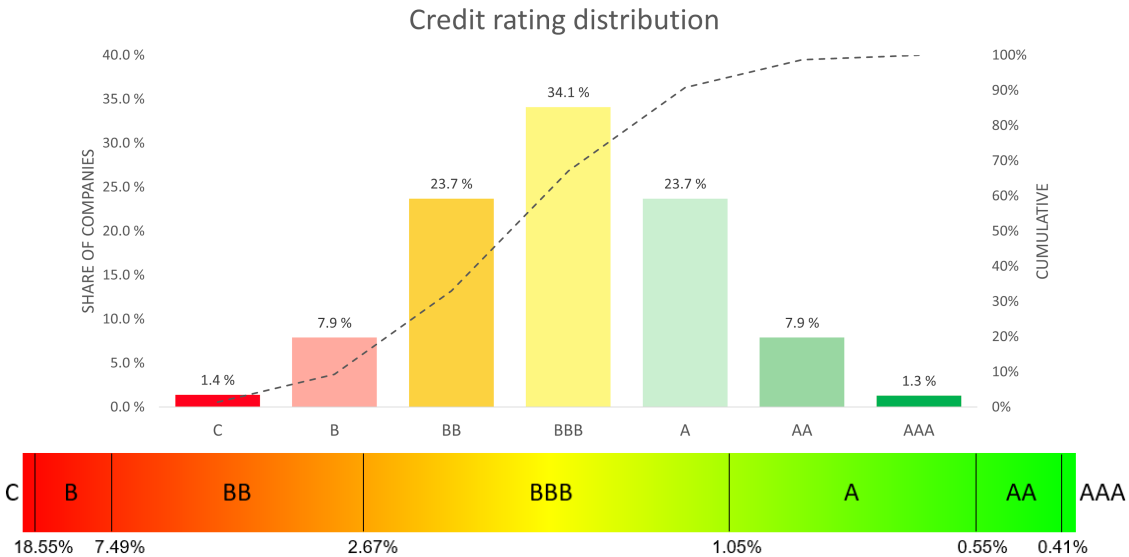
Credit Overview





Bankruptcy risk (2y)*:	0.051%	**Credit score*:**	82
Current rating (2025)*:	A	**Credit Limit (nullDKK)*:**	581.55
Previous rating (2024):	A	**Net sales (nullDKK):**	6518.8
Industry bankruptcy risk:	0.999%	**Net earnings (nullDKK):**	2443.9
Industry code:	Retail sale of home textiles, lighting and household items n.e.c.		

** For more information on the presented metrics, such as bankruptcy risk and credit score, and their calculation, please refer to the Appendix (page 12).*



The credit rating of a company is based on its bankruptcy risk (for more information about how the credit risk of a company is calculated see the appendix). The picture above depicts the distribution of credit ratings. The companies with the lowest risk will achieve AAA-rating whereas the most risky companies will be given the worst rating of 'C'.

The rating is based on the bankruptcy risk in such a way that a certain share of all companies will receive a certain rating. The chart above visualizes how the credit ratings are distributed, so for example the top 1.3% of companies (or companies at or above the 987th permille) will receive a 'AAA' rating and companies whose bankruptcy risk falls between the 334th and 667th permilles will receive a 'BBB' rating.

The credit score is simply the rank of the company in question with respect to all other companies. The scale of our credit score is 0-100, where 100 is the company that is least likely to go bankrupt and 0 is the company that is most likely to go bankrupt.

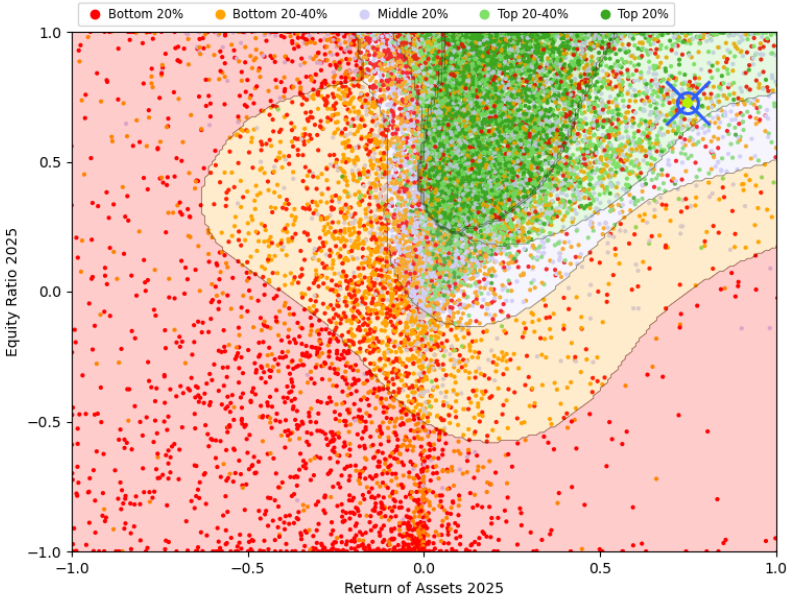
CreditReports.dk does not take responsibility of the validity of the credit limit or any other numbers presented in the report. The limit should be used solely as an indicative credit limit. The credit decisions should be based on a thorough analysis of the company's creditworthiness.

Credit Risk Visualizations & Explanations

Analysis of bankruptcy risk

JYSK A/S has a credit rating of A and it belongs to the the top 20 % of companies in terms of its bankruptcy risk. This rating is better than what other companies with similar levels of profitability and solidity typically have. Usually, companies with similar financial performance are in the top 20-40 % of companies. Below you will find a more detailed explanation of the company and its credit risk.

As you can see from the accompanying graph, JYSK A/S has achieved an outstanding level of profitability and maintains an excellent level of solidity. For instance, in 2025, the company recorded a ROA-% of 75.13 % and had an impressive equity ratio of 72.4 %. The net sales for 2025 were 6518.82 mDKK, reflecting a growth of 10.4% compared to the previous year. Additionally, as indicated by an outstanding quick ratio of 2.5x at the end of 2025, the company possesses enough liquid assets to overcome any near-term challenges.Furthermore, the company operates within an industry that has a higher than average credit risk. Considering these factors, among others, our credit risk model has assessed that the company bears a very low bankruptcy risk of 0.051 %, which corresponds to a credit score of 81.9 (excellent).



Company info

ROA-%:	75.1%
Equity ratio (%):	72.4%
Bankruptcy risk:	0.051%
Credit rating:	A
Credit score:	82
Class:	Top 20%

Graph interpretation

The image above displays a sample of all Danish companies by representing each company with a small colored dot indicating a specific level of credit risk. Companies are distributed with respect to overall profitability and solidity measured by ROA and Equity ratio respectively, with higher values towards the top-right indicating stronger financial health and lower values towards the bot-left indicating weaker financial health. Companies exhibiting the highest credit risk are indicated by a red dot, while companies with the lowest credit risk are represented by a dark green dot. Typically, the red dots are located on the bot-left corner and the green dots on the top-right.

The company in question is highlighted with a blue marker to visualize its financial position in terms of profitability and solidity. A company's credit risk can differ significantly from other companies in the same area of the graph. Text above the image will provide a detailed explanation for any possible deviations and its underlying reasons to the best extent possible. Alternatively, the text may also indicate that the company is categorized as a "typical" case, meaning its credit risk aligns with the credit risk of other companies with similar financial position.

Company Overview & Credit History

Company Overview

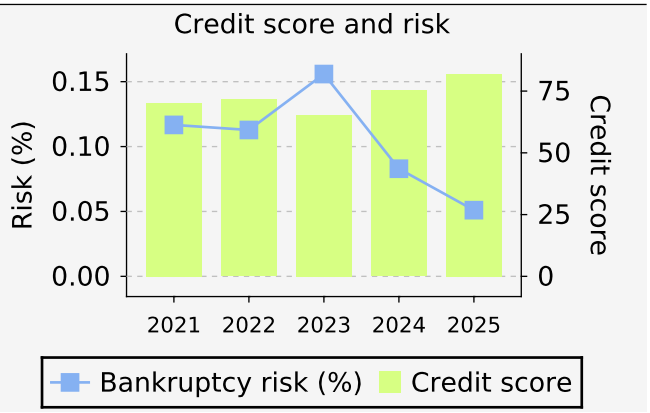
Postal code & city:	8220 Brabrand
Address:	Sødalsparken 18
Website:	www.jysk.com
CVR number:	13590400
Registration date:	1989-11-01
Industry code:	Retail sale of home textiles, lighting and household items n.e.c.
Personnel:	3183

Credit Analysis

Equity ratio (%)	72.4%	**Bankruptcy risk (2y)**	0.051%
Interest-bearing liabilities (nullDKK)	21.4	**Credit rating**	A
ROA-%	75.1%	**Credit score***	82
Net sales growth	10.4%	**Industry bankruptcy risk**	1.00%

Credit History

	2021	2022	2023	2024	2025
Credit score	70	72	65	75	82
Credit rating	A	A	A	A	A
Bankruptcy risk (2y)	0.117%	0.113%	0.156%	0.083%	0.051%



*The credit score refers to a company's risk relative to other companies. The value ranges from 0 to 100, and the higher the score the lower the risk. For example, a credit score of 78 means that the company in question has a lower risk than 78 % of all companies. A credit score is showed in addition to the rating, as some rating classes can cover a wide range of credit scores.

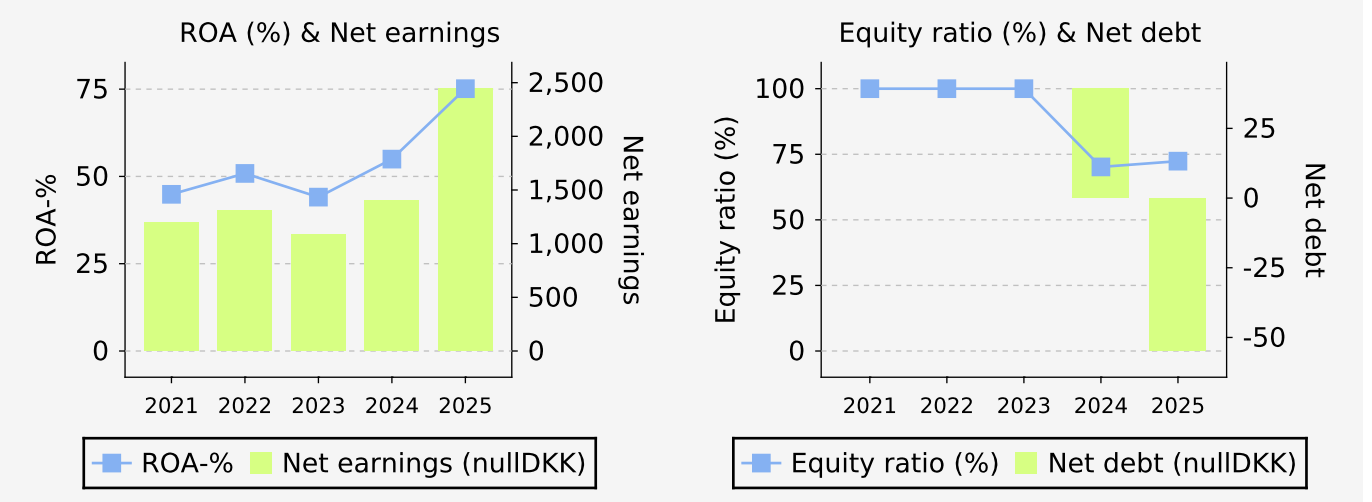
Financial overview

Financial overview (nullDKK)

	2021	2022	2023	2024	2025	2026e*	2027e	2028e
Net sales	5750.2	5978.2	5925.7	5902.5	6518.8	6518.8	6518.8	6518.8
Net sales growth	11.6%	4.0%	-0.9%	-0.4%	10.4%	0.0%	0.0%	0.0%
EBITDA	1533.9	1659.1	1405.5	1842.9	3158.2	0.0	0.0	0.0
EBIT	1533.9	1659.1	1405.5	1783.6	3109.0	0.0	0.0	0.0
Pre-tax profit (PTP)	1198.2	1308.0	1087.8	1802.8	3133.2	0.0	0.0	0.0
Net earnings	1198.2	1308.0	1087.8	1406.2	2443.9	0.0	0.0	0.0
Net debt	0.0	0.0	0.0	39.2	-54.9	-1025.5	-1025.5	-1025.5
Balance sheet total (assets)	3223.6	3300.9	3077.3	3509.9	4841.2	1025.5	1025.5	1025.5

Key ratios

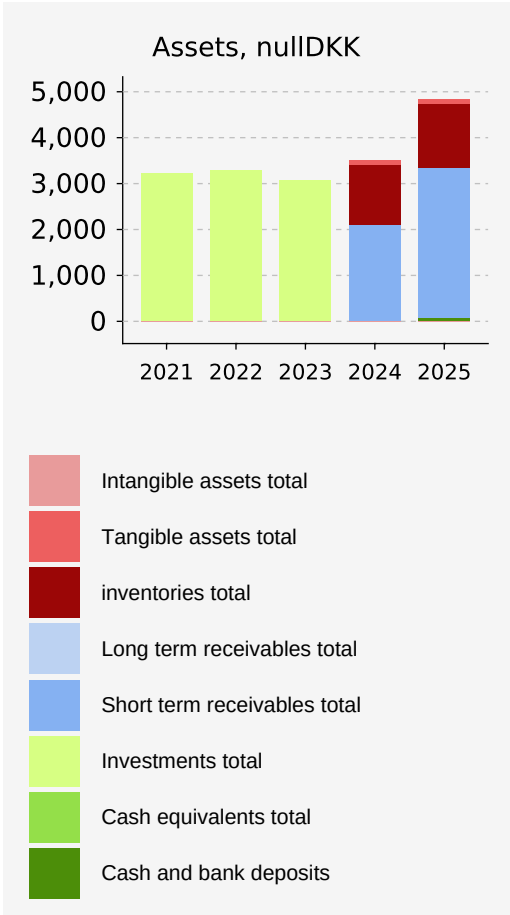
	2021	2022	2023	2024	2025	2026e	2027e	2028e
Equity ratio (%)	100.0%	100.0%	100.0%	70.2%	72.4%	100.0%	100.0%	100.0%
Relative indebtedness (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Relative net indebtedness (%)	0.0%	0.0%	0.0%	18.1%	19.9%	-15.7%	-15.7%	-15.7%
Gearing (%)	0.0%	0.0%	0.0%	1.6%	-1.6%	-100.0%	-100.0%	-100.0%
ROA-%	44.9%	50.9%	44.1%	55.0%	75.1%	0.0%	0.0%	0.0%
Financing costs (%)	0.0%	0.0%	0.0%	29.4%	10.5%	0.0%	0.0%	0.0%
Quick ratio	0.0	0.0	0.0	2.0	2.5	0.0	0.0	0.0
Current ratio	0.0	0.0	0.0	3.2	3.4	0.0	0.0	0.0
Cash and cash equivalents (nullDKK)	0.0	0.0	0.0	10.5	76.2	0.0	0.0	0.0



*The values with blue background are estimate figures and they can be changed in our system using the 'Change estimates' mode.

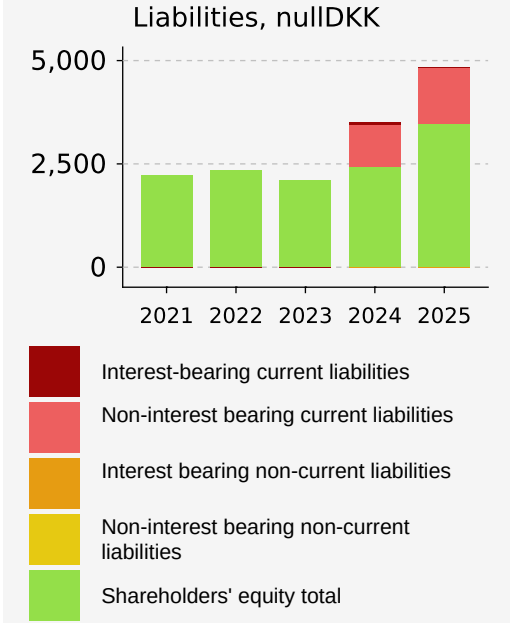
Balance Sheet Overview

Assets overview (nullDKK)



	2021	2022	2023	2024	2025
Intangible assets total	0.0	0.0	0.0	0.0	0.0
Intangible assets %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Tangible assets total	0.0	0.0	0.0	104.0	107.7
Tangible assets %	*0.0%*	*0.0%*	*0.0%*	*3.0%*	*2.2%*
inventories total	0.0	0.0	0.0	1292.4	1382.0
Inventories %	*0.0%*	*0.0%*	*0.0%*	*36.8%*	*28.5%*
Long term receivables total	0.0	0.0	0.0	0.0	0.0
Non-current receivables %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Short term receivables total	0.0	0.0	0.0	2099.6	3271.0
Current receivables %	*0.0%*	*0.0%*	*0.0%*	*59.8%*	*67.6%*
Investments total	3223.6	3300.9	3077.3	3.5	4.2
Investments %	*100.0%*	*100.0%*	*100.0%*	*0.1%*	*0.1%*
Cash equivalents total	0.0	0.0	0.0	0.0	0.0
Cash equivalents %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Cash and bank deposits	0.0	0.0	0.0	10.5	76.2
Cash and bank deposits %	*0.0%*	*0.0%*	*0.0%*	*0.3%*	*1.6%*
Balance sheet total (assets)	**3223.6**	**3300.9**	**3077.3**	**3509.9**	**4841.2**

Liabilities overview (nullDKK)



	2021	2022	2023	2024	2025
Shareholders' equity total	2224.2	2334.0	2113.8	2432.2	3469.9
Equity %	*100.0%*	*100.0%*	*100.0%*	*69.3%*	*71.7%*
Non-current liabilities total	0.0	0.0	0.0	0.0	0.0
Non-current liabilities %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Current liabilities total	0.0	0.0	0.0	1077.7	1371.3
Current liabilities %	*0.0%*	*0.0%*	*0.0%*	*30.7%*	*28.3%*
Balance sheet total (liabilities)	**2224.2**	**2334.0**	**2113.8**	**3509.9**	**4841.2**

Financial statements

Income statement (nullDKK)

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Net sales	5750.2	5978.2	5925.7	5902.5	6518.8	6518.8	6518.8	6518.8
Other operating income	0.0	0.0	0.0	1534.8	2957.9	0.0	0.0	0.0
Purchases during the financial year	0.0	0.0	0.0	-3531.2	-3890.0	0.0	0.0	0.0
External services	0.0	0.0	0.0	-891.3	-1037.3	0.0	0.0	0.0
Gross profit	**5750.2**	**5978.2**	**5925.7**	**3014.9**	**4549.5**	**0.0**	**0.0**	**0.0**
Employee benefit expenses	0.0	0.0	0.0	-1170.3	-1391.2	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0	-1.7	-0.1	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	-59.3	-49.2	0.0	0.0	0.0
EBIT	**1533.9**	**1659.1**	**1405.5**	**1783.6**	**3109.0**	**0.0**	**0.0**	**0.0**
Other financial income	0.0	0.0	0.0	26.5	27.9	0.0	0.0	0.0
Other financial expenses	0.0	0.0	0.0	-7.3	-3.7	0.0	0.0	0.0
Pre tax profit less extra ordinaries	**1533.9**	**1659.1**	**1405.5**	**1802.8**	**3133.2**	**0.0**	**0.0**	**0.0**
Unallocated items	-335.7	-351.1	-317.7	0.0	0.0	0.0	0.0	0.0
Pre-tax profit (PTP)	**1198.2**	**1308.0**	**1087.8**	**1802.8**	**3133.2**	**0.0**	**0.0**	**0.0**
Income taxes	0.0	0.0	0.0	-396.6	-689.3	0.0	0.0	0.0
Net earnings	**1198.2**	**1308.0**	**1087.8**	**1406.2**	**2443.9**	**0.0**	**0.0**	**0.0**

Financial statements

Balance sheet - Assets (nullDKK)

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Intangible assets total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Land and waters	0.0	0.0	0.0	0.0	4.1	0.0	0.0	0.0
Buildings	0.0	0.0	0.0	14.3	18.8	0.0	0.0	0.0
Machinery and equipment	0.0	0.0	0.0	89.7	83.9	0.0	0.0	0.0
Advance payments and construction in progress	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0
Tangible assets total	**0.0**	**0.0**	**0.0**	**104.0**	**107.7**	**0.0**	**0.0**	**0.0**
Other receivables	3223.6	3300.9	3077.3	3.5	4.2	0.0	0.0	0.0
Investments total	3223.6	3300.9	3077.3	3.5	4.2	0.0	0.0	0.0
Long term receivables total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Finished products/goods	0.0	0.0	0.0	1292.4	1382.0	0.0	0.0	0.0
inventories total	**0.0**	**0.0**	**0.0**	**1292.4**	**1382.0**	**0.0**	**0.0**	**0.0**
Current trade debtors	0.0	0.0	0.0	241.8	58.9	0.0	0.0	0.0
Current amounts owed by group member comp.	0.0	0.0	0.0	1783.1	3125.5	0.0	0.0	0.0
Current other receivables	0.0	0.0	0.0	2.0	3.1	0.0	0.0	0.0
Prepayments and accrued income	0.0	0.0	0.0	29.8	42.7	0.0	0.0	0.0
Current deferred tax assets	0.0	0.0	0.0	42.8	40.9	0.0	0.0	0.0
Short term receivables total	**0.0**	**0.0**	**0.0**	**2099.6**	**3271.0**	**0.0**	**0.0**	**0.0**
Cash equivalents total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Cash and bank deposits	0.0	0.0	0.0	10.5	76.2	0.0	0.0	0.0
Cash (generated)	0.0	0.0	0.0	0.0	0.0	1025.5	1025.5	1025.5
Cash and cash equivalents total	**0.0**	**0.0**	**0.0**	**10.5**	**76.2**	**1025.5**	**1025.5**	**1025.5**
Balance sheet total (assets)	**3223.6**	**3300.9**	**3077.3**	**3509.9**	**4841.2**	**1025.5**	**1025.5**	**1025.5**

Financial statements

Balance sheet - Liabilities (nullDKK)

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Share capital	2224.2	2334.0	2113.8	0.5	0.5	0.0	0.0	0.0
Shares repurchased	0.0	0.0	0.0	1406.2	2443.9	0.0	0.0	0.0
Retained earnings	-1198.2	-1308.0	-1087.8	-380.7	-1418.4	1025.5	1025.5	1025.5
Profit of the financial year	1198.2	1308.0	1087.8	1406.2	2443.9	0.0	0.0	0.0
Shareholders' equity total	**2224.2**	**2334.0**	**2113.8**	**2432.2**	**3469.9**	**1025.5**	**1025.5**	**1025.5**
Non-current loans from credit institutions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-current liabilities total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Current convertibles	0.0	0.0	0.0	38.1	0.0	0.0	0.0	0.0
Advances received	0.0	0.0	0.0	44.0	47.0	0.0	0.0	0.0
Current trade creditors	0.0	0.0	0.0	425.3	351.9	0.0	0.0	0.0
Current owed to group member	0.0	0.0	0.0	11.7	21.4	0.0	0.0	0.0
Other current creditors	0.0	0.0	0.0	164.5	263.0	0.0	0.0	0.0
Accruals and deferred income	0.0	0.0	0.0	3.6	4.2	0.0	0.0	0.0
Short-term deferred tax liabilities	0.0	0.0	0.0	390.7	683.8	0.0	0.0	0.0
Current liabilities total	**0.0**	**0.0**	**0.0**	**1077.7**	**1371.3**	**0.0**	**0.0**	**0.0**
Balance sheet total (liabilities)	**2224.2**	**2334.0**	**2113.8**	**3509.9**	**4841.2**	**1025.5**	**1025.5**	**1025.5**

Key Ratios

Profitability

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Gross profit - %	100.0%	100.0%	100.0%	51.1%	69.8%	0.0%	0.0%	0.0%
EBITDA - %	26.7%	27.8%	23.7%	31.2%	48.4%	0.0%	0.0%	0.0%
EBIT - %	26.7%	27.8%	23.7%	30.2%	47.7%	0.0%	0.0%	0.0%
Net earnings %	20.8%	21.9%	18.4%	23.8%	37.5%	0.0%	0.0%	0.0%
Profit before dep. and eo. items (%)	20.8%	21.9%	18.4%	24.8%	38.2%	0.0%	0.0%	0.0%
Pre tax profit less eo. %	26.7%	27.8%	23.7%	30.5%	48.1%	0.0%	0.0%	0.0%
ROA-%	44.9%	50.9%	44.1%	55.0%	75.1%	0.0%	0.0%	0.0%
ROI-%	44.9%	50.9%	44.1%	65.1%	105.0%	0.0%	0.0%	0.0%
ROE-%	54.8%	57.4%	48.9%	61.9%	82.8%	0.0%	0.0%	0.0%

Solidity

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Equity ratio (%)	100.0%	100.0%	100.0%	70.2%	72.4%	100.0%	100.0%	100.0%
Relative indebtedness (%)	0.0%	0.0%	0.0%	18.3%	21.0%	0.0%	0.0%	0.0%
Relative net indebtedness (%)	0.0%	0.0%	0.0%	18.1%	19.9%	-15.7%	-15.7%	-15.7%
Gearing (%)	0.0%	0.0%	0.0%	1.6%	-1.6%	-100.0	-100.0	-100.0
Financing costs (%)	0.0%	0.0%	0.0%	29.4%	10.5%	0.0%	0.0%	0.0%

Liquidity

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Quick ratio	0.0	0.0	0.0	2.0	2.5	0.0	0.0	0.0
Current ratio	0.0	0.0	0.0	3.2	3.4	0.0	0.0	0.0
Cash and cash equivalents (nullDKK)	0.0	0.0	0.0	10.5	76.2	0.0	0.0	0.0
Cash ratio	0.0%	0.0%	0.0%	0.3%	1.6%	0.0%	0.0%	0.0%

Capital use efficiency

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Trade debtors turnover (days)	0.0	0.0	0.0	15.0	3.3	0.0	0.0	0.0
Trade creditors turnover (days)	0.0	0.0	0.0	35.1	26.1	0.0	0.0	0.0
Current assets / Net Sales (%)	0.0%	0.0%	0.0%	57.6%	72.5%	15.7%	15.7%	15.7%
Net working capital (nullDKK)	0.0	0.0	0.0	2324.7	3358.0	0.0	0.0	0.0
Net working capital (%)	0.0%	0.0%	0.0%	39.4%	51.5%	0.0%	0.0%	0.0%

Turnover ratios

	2021	2022	2023	2024	2025	2026e	2027e	2028e
Assets turnover	2.6	2.6	2.8	2.4	1.9	6.4	6.4	6.4

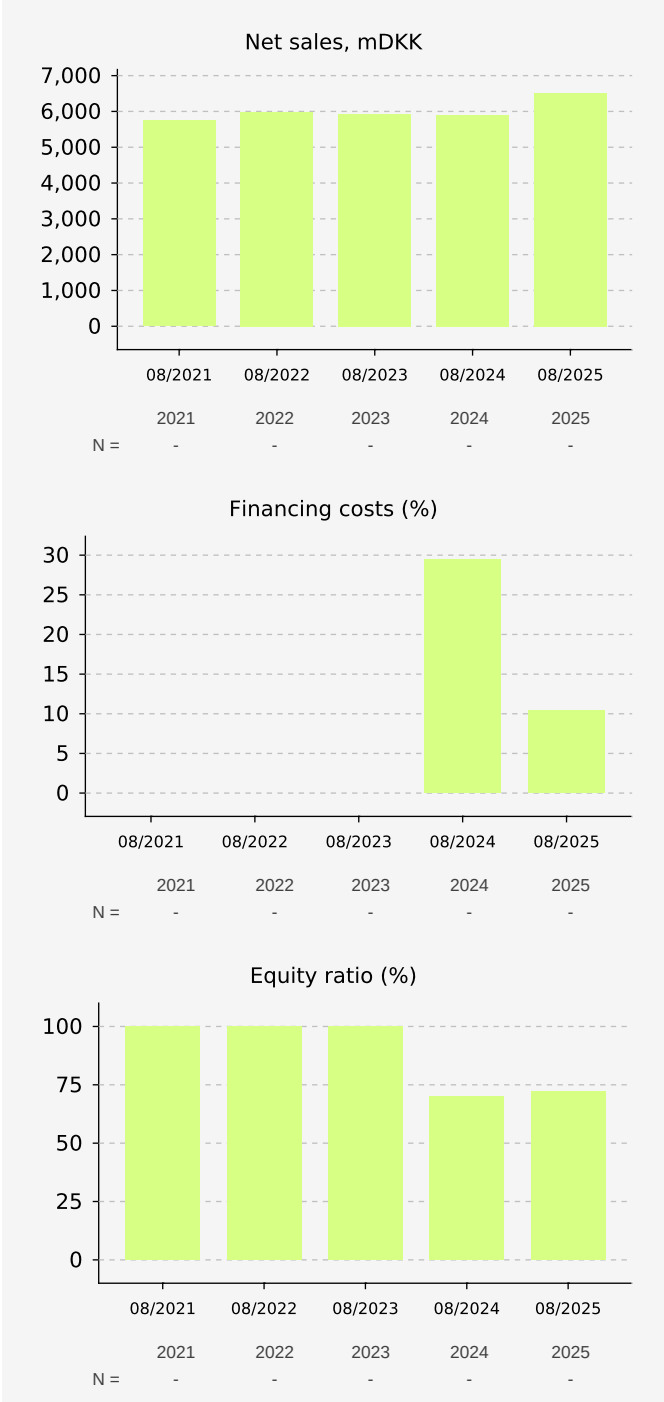
Industry Comparison

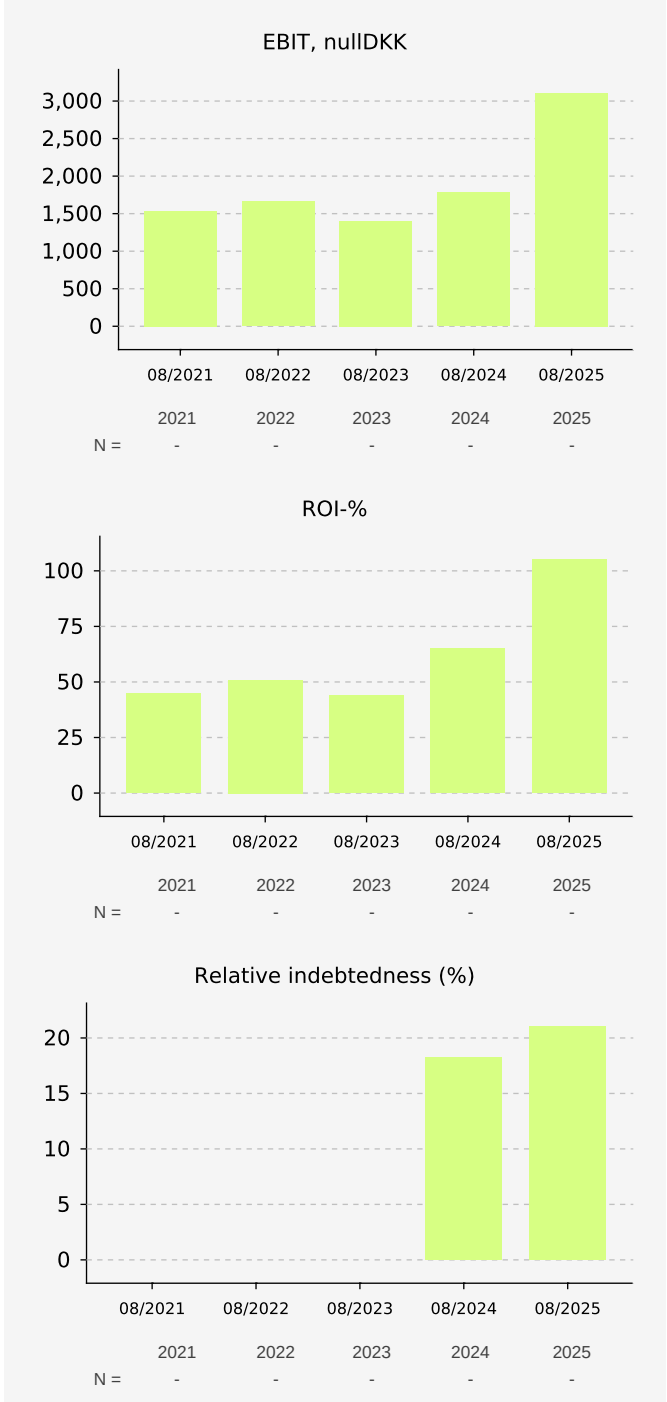
JYSK A/S

Retail sale of home textiles, lighting and household items n.e.c.

Comparison group

No comparison group





N = size of the comparison group in each year

mm/yyyy = fiscal year end (company), yyyy = fiscal year (comparison group)

Company		
Upper quartile	**The number above which lies the top 25% of the data (largest values)**	
Median	**The midmost observation in the data set, i.e. 50% of the data is below and 50% above**	
Lower quartile	**The number below which lies the bottom 25% of the data (smallest values)**	

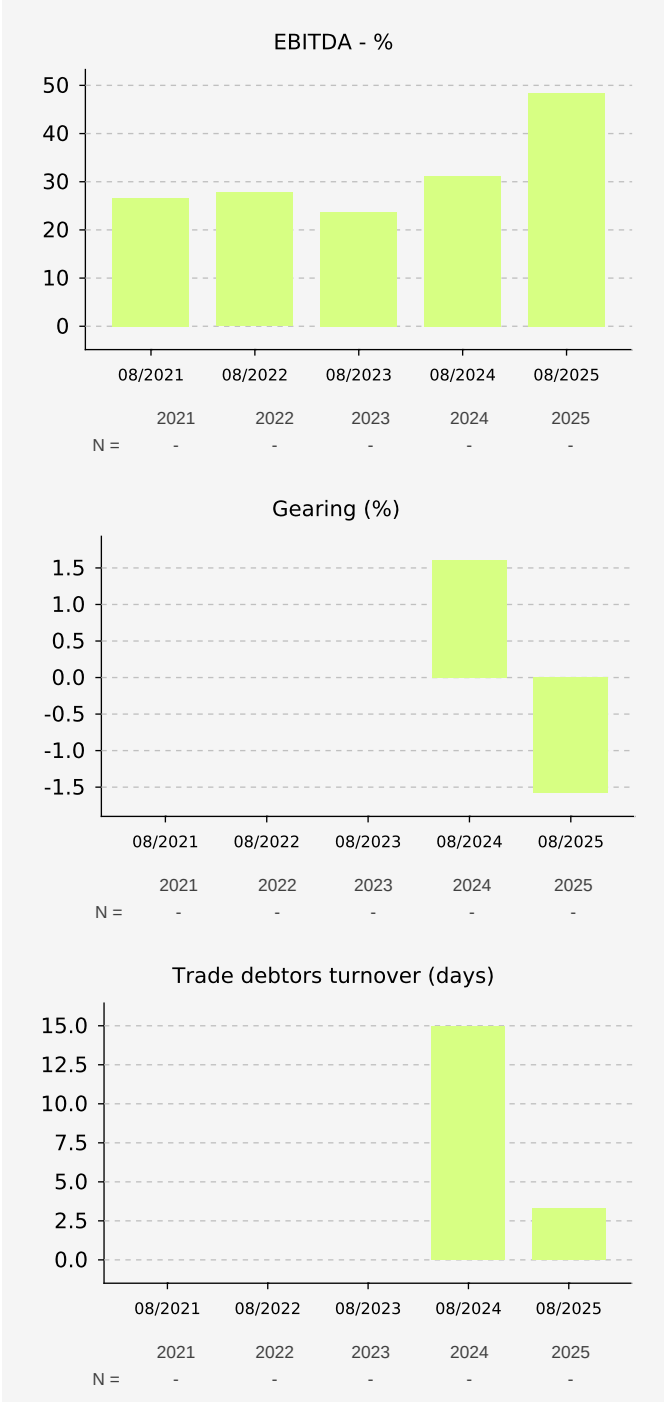
Industry Comparison

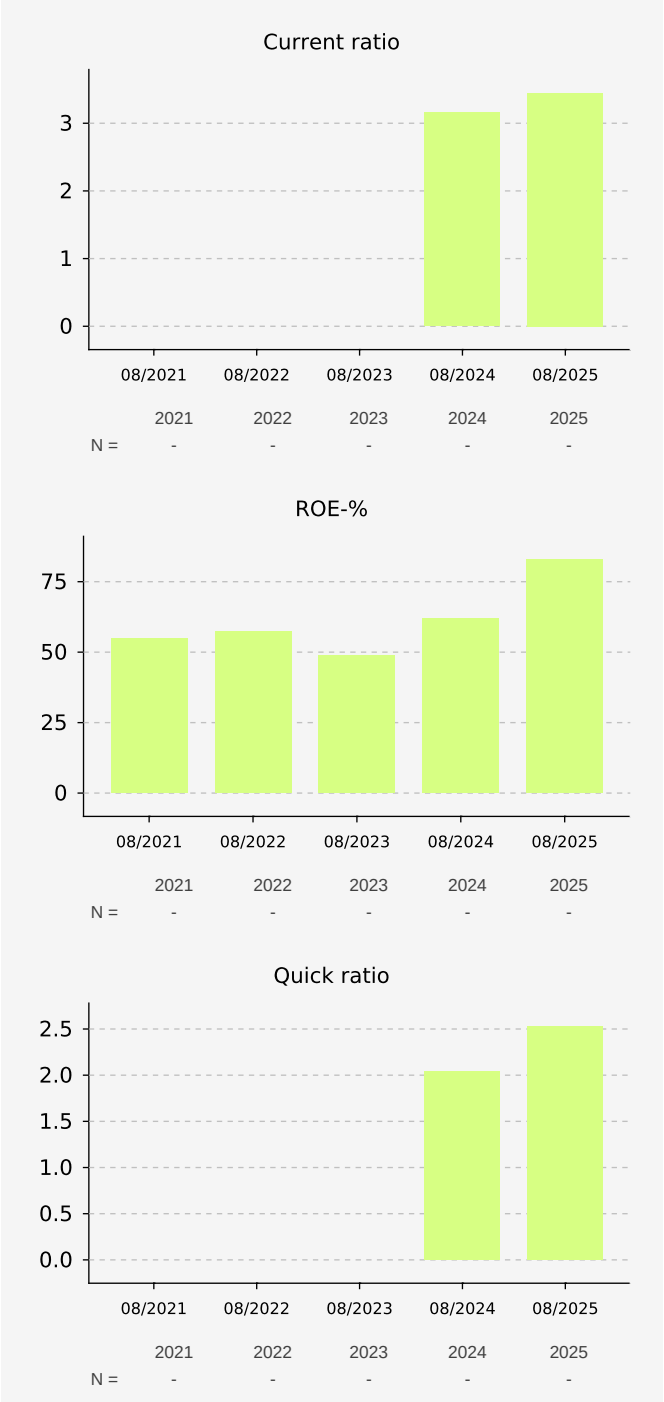
JYSK A/S

Retail sale of home textiles, lighting and household items n.e.c.

Comparison group

No comparison group





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Credit Rating, Score, and Limit Appendix

Credit rating

Credit rating is a way to classify companies into larger groups, making it easy to quickly compare a given company to all the others in our database. In our system, the credit rating is based on the bankruptcy risk of a company. The companies with higher risks have lower credit ratings and the low-risk companies have high ratings.

We use the standard seven rating categories that range from AAA-C where AAA is the category containing companies with the lowest bankruptcy risks and C is the category containing companies with the highest bankruptcy risks. Each rating class contains of a certain fixed share of all companies in the system. The distribution of companies to different rating classes is illustrated in the graph below. Refer to "Bankruptcy risk" section at the end of the page to learn more about our method.

For more information, please visit https://creditreports.dk/en/support/faq/

Credit score

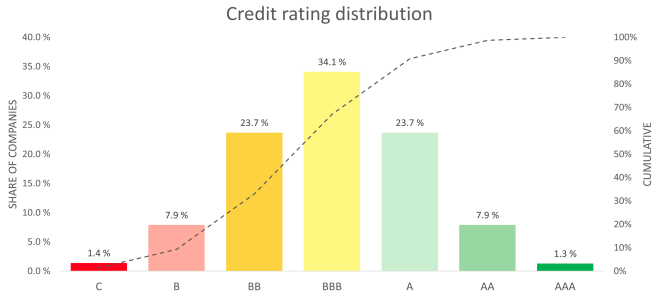
The credit score refers to a company's risk relative to other companies. The value ranges from 0 to 100, and the higher the score the lower the risk. For example, a credit score of 78 means that the company in question has a lower risk than 78 % of all companies. A credit score is showed in addition to the rating, as some rating classes can cover a wide range of credit scores.

Credit limit

The credit limit provided in the report is a preliminary estimate of a potential credit limit, determined by a company-specific maximum limit and its associated bankruptcy risk. The maximum limit calculation takes into account various factors, such as shareholder's equity and available cash. This initial maximum limit is then adjusted based on the company's bankruptcy risk to arrive at the final credit limit.

Please be advised that the credit limit we offer is an estimate based on a limited set of variables and bankruptcy risk assessment. We strongly recommend conducting a comprehensive evaluation of the company's financial status before making any decisions regarding the loan amount.

Credit Risk Distribution



Bankruptcy risk

Bankruptcy risk probability assesses the likelihood of a company failing to meet its financial obligations and declaring bankruptcy within the next 24 months. Our current methodology involves the utilization of the XGBoost machine learning model, which incorporates approximately 30 explanatory variables for risk estimation.

In our evaluations, XGBoost has consistently outperformed alternative approaches, including random forest. Notably, academic studies have also demonstrated the superior performance of machine learning models when compared to conventional logistic regression-based models. To learn more about our bankruptcy risk assessment methodology, visit https://www.creditreports.dk/credit-risk-assessment-methods/

Vocabulary Appendix

Accounting period	A period over which a financial statement is made. Usually 12 months starting from January and ending in December, but other options are possible.
Accounts payables turnover	Tells how many days it takes on average for a company to pay back its supply purchases.
Asset turnover ratio	The ratio between a company's net sales and the average total assets.
Assets	The side of a company's balance sheet that tells what it owns. Divided into current and non-current assets.
Balance sheet	Balance sheet provides information about what a company owns and how it is financed at the end of its accounting period.
Bankruptcy risk	The probability of a company going bankrupt. Calculated using statistical models.
Cash ratio	The ratio of cash and cash equivalents to current liabilities.
Credit limit	A suggested maximum limit of credit for a company based on its credit risk profile.
Credit rating	An evaluation of the credit risk of a company. Usually in grade letter form, e.g., A or B.
Credit risk	The risk of a company not being able to meet its financial obligations, leading to defaults.
Credit score	An evaluation of a company's credit risk, based on different risk measures and functions.
Current assets	Assets which are meant to be owned by the firm for a maximum of one accounting period. E.g. inventories.
Current ratio	Measures a company's ability to cover its short-term debts with liquid assets. Calculated by dividing current assets by current liabilities.
EBIT	Earnings before Interest and Tax. Net sales minus expenses excluding tax and interest.
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization. Net sales minus expenses excluding taxes, interest and depreciation & amortization.
Equity	Equity is the amount of money invested into a company plus its retained earnings.
Equity & Liabilities	The side of the balance sheet which tells how assets are financed.
Equity ratio	The ratio between equity and balance sheet total.
Financial assets	Tangible assets in a liquid form that is used in the daily operations.
Financial costs	The costs associated with the company's financing. For example, interest payments and other costs related to loans.
Financial ratio	Measures used to assess a company's financial position.
Gearing	Measures a company's financial leverage. Interest-bearing net debt divided by equity.
Goodwill	An intangible asset which provides a competitive advantage, such as a strong brand or reputation. In an acquisition, goodwill appears on the balance sheet of the acquirer in the
Gross investment	The monetary value of investments made within an accounting period.
Gross margin	A measure of profitability calculated by subtracting variable and fixed costs from net sales.
Industry	Companies that operate in a similar line of business form an industry. In practice, industry definitions and boundaries are vague.

Vocabulary Appendix

Intangible assets	Assets which do not physically exist but are valuable nonetheless, e.g., brand value.
Interest coverage ratio	The ratio between EBIT and interest expense. Measures how easily a company is able to pay interest on its outstanding debt.
Interest expense	Interest payments incurred by debt financing.
Interest income	Interest payments received from lending to other entities.
Interest-bearing debt	A debt which requires interest payments. E.g. a bank loan.
Interest-bearing net debt	A company's total interest-bearing debt minus cash and cash equivalents.
Inventories	Goods ready to be sold or to be sold later; in other words finished and unfinished goods + raw materials used to produce them.
Inventory turnover ratio	The ratio between cost of goods sold and average inventory. Measures how many times a company has sold and replaced its inventory during an accounting period.
Liabilities	Financing obtained from outside the company and must be paid back.
Liquidity	Company's liquidity describes its ability to meet its financial obligations with liquid assets.
Long term	In business accounting measures long-term often refers to a time period longer than 12 months. In investment measures long-term refers to a time period longer than 7-10 years.
Long term receivables	Receivables which are due in more than 12 months.
Medium term	In investment measures medium-term often refers to a time period lasting up to ten years.
Net earnings	A company's total earnings. Revenues minus all the expenses. The amount left for shareholders.
Net investment	The amount of investments which increase the capacity. Gross investments minus depreciations.
Net sales	The monetary value of sales during an accounting period minus value-added tax.
Non-cash charge	Charges which do not have a cash flow effect but affect the income statement and/or balance sheet.
Non-current assets	Assets which are intended to be owned by the company for more than one accounting period.
Non-interest-bearing debt	Debt for which a firm does not have to pay interest. E.g. accounts payable.
Operating profit	Net sales minus variable and fixed costs and depreciation & amortization. See EBIT.
Operative cash flow	The cash flow generated by a company's operations.
Quick ratio	Measures a company's ability to cover its short-term debts with liquid assets. Calculated by dividing liquid assets by current liabilities.
Receivables turnover	Tells how many days it takes on average for customers to deliver the cash payment for their purchases.
Relative indebtedness	Measures the extent to which a company's operations are financed with debt. Total debt divided by sales.
Retained earnings	Earnings that are not paid out to shareholders but kept within the company and used to finance its operations.
Return on assets	Measures how much returns are generated to capital providers (both equity and debt). Calculated by dividing EBIT by total assets.

Vocabulary Appendix

Return on equity	Measures the rate of return for an equity investment. Calculated by dividing net earnings by equity.
Risk	The uncertainty involved in every business. In practice, risk can be observed from the unexpected fluctuation in a company's returns.
ROA	See return on assets.
ROE	See return on equity.
ROI	Tells us how much returns an investment generates.
Shareholder's equity	The amount of equity on the balance sheet. Constitutes of invested money and retained earnings.
Short term	A period less than 12 months.
Short term receivables	Receivables which are due in less than 12 months.
Tangible assets	Assets that are physical in nature. E.g. machinery. Compare to intangible assets.
Tax rate	The tax rate used to calculate annual taxes.
Working capital	The part of a company's capital that is needed to maintain day-to-day operations. Calculated as the difference between current assets and current liabilities.

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