



Financial Analysis Assignment

Thecasesolutions.com





Agenda

- *Overview*
- *Financial Analysis*
 - > *Horizontal Analysis*
 - > *Vertical Analysis*
 - > *Key Ratios*
 - > *Trends*
- *SWOT Analysis*
- *Q&A*

Overview

- "Best is yet to come"
 - Families and Adults
 - provide services such as: Cable, Internet, Home Phone, and many more
 - CSR (Corporate Social Responsibility)
 - won many awards, one of them for being the best diversity employers of 2014
 - manage energy consumption, allow purchases to be made safely
- ***Founded in 1960 by Ted Rogers***
 - ***current stock price of \$45.85***



Financial Analysis—Vertical

	2012		2011	
	Amount	Percentage	Amount	Percentage
Operating Revenue				
Wireless	\$7,280	58.31%	7,158	57.82%
Cable	5,358	28.89%	5,329	28.88%
MS	251	2.85%	405	3.28%
Media	1,636	12.97%	1,811	14.83%
Corporate items and intercompany eliminations	(12)	-0.99%	(117)	-0.95%
Total Operating Revenue	\$12,491	100%	\$12,346	100.00%
Operating Expenses				
Operating costs	7,229	78.53%	7,062	81.05%
Integration, restructuring and acquisition costs	92	0.95%	56	0.59%
Depreciation and amortization	1,819	18.71%	1,743	18.88%
Impairment of Assets	80	0.62%	—	—
Total Operating Expenses	9,720	100.00%	9,481	100.00%
Operating Income	2,766		2,865	
Finance Costs	(664)	(2.29%)	(758)	(2.68%)
Other income, net	13	+0.02%	1	+0.00%
Share of the income of associates	233	+2.05%	7	+0.04%
Income before income taxes	2,333		2,135	
Income tax expenses	(23)	0.12%	(5)	0.16%
Net Income from continuing operations	1,732		1,559	
Loss from discontinued operations, net of tax	(32)	-0.20%	(27)	-0.08%
Net Income (in \$'s)	\$1,700	100.00%	\$1,532	100.00%

	2012		2011	
	Amount	Percentage % of total	Amount	Percentage % of total
Current assets				
Trade receivables, net	\$713	4.16%	\$	0.00%
Accounts receivable	1,222	28.25%	1,279	30.84%
Other current assets	461	10.46%	129	3.28%
Current portion of noncurrent investments	5	0.10%	—	0.00%
Total Current Assets	2,401	18.97%	1,408	12.12%
Property, plant and equipment	1,970	16.10%	1,714	14.85%
Goodwill	2,212	18.45%	2,306	20.14%
Intangible assets	281	2.34%	2,025	17.64%
Other intangibles	1,842	15.35%	1,127	9.74%
Deferred intangible assets	42	0.35%	94	0.82%
Other long-term assets	15	0.12%	154	1.35%
Investments	11	0.09%	—	0.00%
Total Non-Current Assets	12,912	107.66%	14,985	127.88%
Total Assets	15,313	100.00%	16,393	100.00%
Liabilities and Shareholders' Equity				
Current liabilities				
Bank Accounts	\$	—	(27)	-0.16%
Accounts payable and accrued liabilities	1,125	7.35%	1,020	6.19%
Income tax payable	28	0.18%	—	0.00%
Current portion of investments	7	0.04%	15	0.09%
Current portion of long-term debt	189	1.23%	—	0.00%
Current portion of derivative instruments	546	3.56%	17	0.10%
Unearned revenue	244	1.59%	215	1.31%
Total Current Liabilities	1,849	12.34%	1,054	6.43%
Provision	11	0.07%	16	0.10%
Long-term debt	20,143	132.87%	22,044	134.47%
Derivative instruments	(27)	-0.17%	265	1.62%
Other long-term liabilities	(40)	-0.26%	(27)	-0.17%
Deferred tax liabilities	1,264	8.25%	1,269	7.74%
Total Long-Term Liabilities	\$20,341	133.66%	\$23,341	142.49%
Total liabilities	\$22,190	145.50%	\$24,395	148.81%
Shareholders' equity	(6,877)	-45.25%	(8,002)	-49.41%
Total Liabilities and Shareholders' Equity	\$15,313	100.00%	\$16,393	100.00%