

DEBT TO EQUITY

Debt : Equity

Indicates the level of gearing. The higher the gearing the higher the financial risk.
Calculated as Debt / Equity

NET DEBT TO EQUITY

(Debt - Cash) : Equity

Indicates gearing after cash reserves has been used to clear debt.

CAPITAL STRUCTURE COMPARISON

Compare the actual capital structure to the target capital structure and investigate why a variance has occurred

Capital Structure & **SOLVENCY RATIO'S**

INTEREST COVER

EBIT / Total Finance Cost

This indicates how much of our earnings before interest and cash remain to cover our finance expense

TOTAL DEBT RATIO

Expressed as a percentage and calculated as Debt / Assets.

Indicates how much of our assets can cover our debt obligations

NET DEBT TO EBITDA

(Debt - CASH) : EBITDA

Indicates how many times you operating profit excluding financing and accounting estimates can finance you current debt