

# HOW TO CALCULATE THE KEY FINANCIAL PERFORMANCE INDICATORS

Here is a cheat sheet to help you calculate the key financial KPIs for your business.

## Earnings before interest, taxes, depreciation and amortisation (EBITDA)

net income + interest + taxes  
+ depreciation + amortisation

= EBITDA



## Working capital



current assets  
÷ current liabilities

= Working capital

## Debt ratio



total debts  
÷ total assets

= Debt ratio

## Free cash flow



net income  
+ depreciation/amortisation  
- change in working capital  
- capital expenditure

= Free cash flow

## Profit margin



total revenue  
- cost of goods sold

= Gross profit margin

net profit  
- net revenue

= Net profit margin

## Self-financing ratio



operating cash flow  
÷ investment

= Net profit margin

Want to learn more about these KPIs and how to use them as part of your business strategy?  
Download our ebook "[Boost your financial performance analysis](#)"