

COMPARATIVE ANALYSIS

BTN 1-2 Key comparative figures (\$ millions) for both Apple and Google follow.

A1 A2 A3



APPLE

GOOGLE

Key Figure	Apple	Google
Liabilities + Equity.....	\$207,000	\$110,920
Net income	37,037	12,920
Revenues and sales.....	170,910	59,825

Required

1. What is the total amount of assets invested in (a) Apple and (b) Google?
2. What is the return on assets for (a) Apple and (b) Google? Apple's beginning-year assets equal \$176,064 (in millions) and Google's beginning-year assets equal \$93,798 (in millions). **Check** (2b) 12.6%
3. How much are expenses for (a) Apple and (b) Google?
4. Is return on assets satisfactory for (a) Apple and (b) Google? (Assume competitors average a 10% return.)
5. What can you conclude about Apple and Google from these computations?