

Tips, Tricks, & Techniques

Annual Report Analysis {a major Due Diligence item}

BetterInvesting member, Bob Adams from the Puget Sound Chapter and InvestEd has created a most useful Annual Report Analysis program. Follow the below instructions to give it a try.

1. Go to Bob Adam's personal website at <http://www.bob-adams.net>.



2. In the left hand panel of selections, click the 3rd one - "Analyze Ann. Rpt - Mfg."

NOTE: Select the form that matches the version of Excel on your computer. "Save" it to your computer. It will not function if your choose to "Open" it during the download process.

Updated **Annual Report Analysis form** version 4.0.3 updated 9-28-09

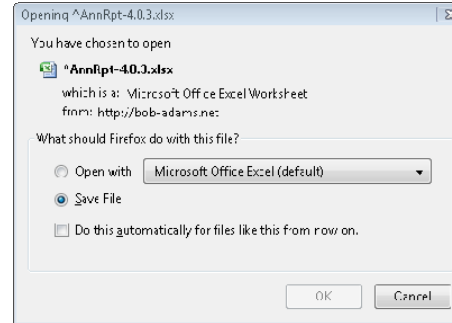
[\(Click here if using Excel 2000-2003\)](#) [\(Click here if using Excel 2007--newest version\)](#)

SAVE the form to your computer

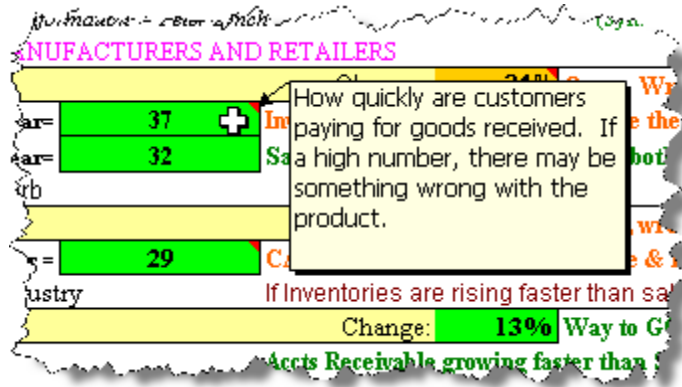
This tool will retrieve data from the Internet automatically. Enter a company ticker symbol and the Internet will be searched for the data and inserted into the spreadsheet automatically. A numerical valuation of the results of the analysis has been added--as well as five year graphs of key data. The print function now includes the entire Analysis page, showing all the data. The automatic insertion of data does not work with Open Office or the Mac--except for the newest Mac operating system running Windows.

Annual Report Analysis (continued)

- Click on the download appropriate to your version of MS Excel.
- When the File Download window opens, click on "Save" and, if asked, pick a location known to you on your computer.
- Find the file "^AnnRpt-4.0.3.xls(x)" Click to open this Excel Workbook.



Notice that it opens with the Intel ticker showing in the blue box. You may type any symbol you desire to see analyzed in this location. It is the only location where you can change anything as this Workbook is protected from user changes. You must be logged on to the internet. This automatic feature only works with Excel 2000 or newer. Be patient as this may take several seconds.



Hover your cursor over any box (cell) with a red triangle in its upper right corner to open an information window.

Note the Competitors window with remarks. Results and annotations are color coded based in the severity of the findings.

	Danger
	Caution
	Good
	Very Good

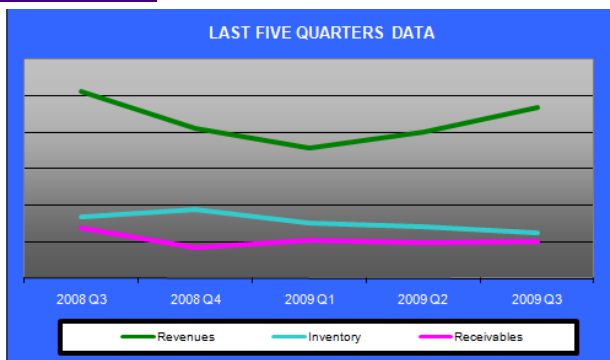
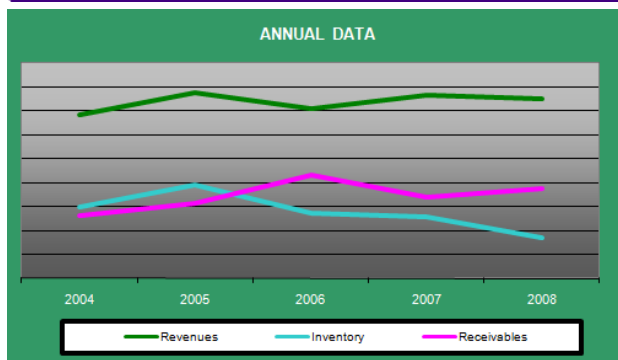
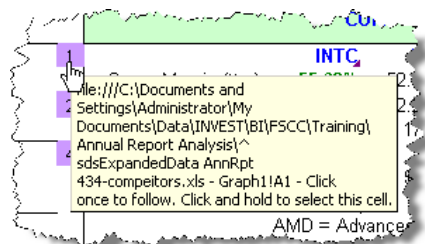
COMPETITORS TO: Intel Corp.		0	0	0	0	0
Qtrly Rev Growth (yoy):	-15.3%	-13.1%	N/A	-26.7%	8.7%	
Gross Margin (ttm):	52.7%	40.2%	N/A	44.8%	41.3%	
Oper Margins (ttm):	17.0%	-16.8%	N/A	15.3%	-4.0%	
P/E (ttm):	46.0	N/A	N/A	30.9	34.8	
PEG (5 yr expected):	2.4	N/A	N/A	1.8	2.7	
P/S (ttm):	3.4	0.8	N/A	2.8	2.3	

Oops, Quarterly Revenue growth is lower than the Industry
Good, Gross Margin is higher than the Industry
Good, Operating Margin is higher than the Industry
Whoa, The P/E is higher than the Industry Average
Good, the PEG is less than the Industry Aver. Based on the PEG Ratio the current Price is high
Bummer, the Price to Sales Ratio is higher than the Ind. Avg.

0 Compare the company being analyzed to its peers and to the industry.
 0 <<< Peer company ticker symbol are shown on the left.
 0 (Put indicates a privately held company—no data are available)

Annual Report Analysis (continued)

Click on the purple numbered boxes to open useful plots or alternatively you may click on the Graph tabs along the bottom of the Worksheet to open another Worksheet.



[Return to Analysis Summary](#)



If all else fails, read the Instructions!

Peruse, play have fun with this useful Workbook. Then add this to your bag of tricks when considering a new stock or use regularly with your other Portfolio Management and Maintenance tasks. This is a major Due Diligence item.

A version of this tool, which runs on the Mac as well as the PC is available on StockCentral.com. When on the site, click on "Tools" then "Ratio Analyzer". This is a subscription site with a generous 45 day trial period.