



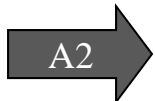
01-A2: Return on Assets


Return on Assets

Return on assets (ROA) is stated in ratio form as net income divided by the average total assets invested.

$$\text{Return on assets} = \frac{\text{Net income}}{\text{Average total assets}}$$

Fiscal Year	Return on Assets	
	Dell	Industry
2013	5.2%	4.9%
2012	8.4	6.9
2011	7.3	6.5
2010	4.8	4.7
2009	9.2	7.2





01-A3: Return and Risk Analysis

Appendix 1A

Return and Risk Analysis

Many different returns may be reported.

→ ROA

→ Interest return on savings accounts.

→ Interest return on corporate bonds.

Risk is the uncertainty about the return we will earn.

The lower the risk, the lower our expected return.

