## Cantor Fitzgerald Ireland Valuation Metrics

**EPS (Earnings Per Share):** The portion of a company's attributable profit allocated to each outstanding share of common stock. It is calculated by dividing Net Income by the number of issued shares

**P/E Ratio (Price to Earnings ratio)**: A valuation metric calculated by dividing the price of the share by the EPS. A P/E on 7 for example, means that investors is willing to pay €7 for every €1 the company earns.

**EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation):** EBITDA is a measure of profitability, measuring the profits generated after all day-to-day operating costs have been accounted for but not including depreciation and amortisation.

**EV (Enterprise Value):** Enterprise Value is a method of estimating how much a company is worth. In its simplest form, EV is calculated by adding the companies Market Cap to its Total Debt and subtracting its Cash Balance.

**BV (Book Value):** Another way of valuing a company's worth, it is the company's total assets less its total liabilities.

**P/BV (Price to book value):** - A valuation metric used to compare a stock's market value to its book value relative to other stocks. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

**EBIT (Earnings before Interest and Tax):** An indicator of a company's profitability, calculated as revenue minus cost of sales and operating expenses, excluding tax and interest. EBIT can also be referred to as "operating profit" or "operating income".

**Tangible Book Value:** This is the book value of the company as defined above, less any intangible assets on the balance sheet such as goodwill, patents, trademarks etc.

**PEG Ratio:** A stock's price-to-earnings ratio divided by the growth rate of its earnings for a specified time period. The price/earnings to growth (PEG) ratio is used to determine a stock's value while taking the company's earnings growth into account, which is considered to provide a more complete picture than the P/E ratio.

**DCF (Discounted Cash Flow):** Discounted cash flow analysis uses future free cash flow projections and discounts them (most often using the weighted average cost of capital) to arrive at a present value, which is used to theoretically evaluate whether or not a stock is under or over-valued.