

Financial statement analysis fundamental analysis and valuation

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Abercrombie & Fitch Company generated \$55,993.7 million in net profit in the present financial year from \$52,115.112 million in the year 2014. The sales of the company have increased by \$3,878.588 million. Presently, its growth has increased making it easy for the company to accomplish its underlying quarterly earnings target (Wahlen et al. 124-189). Nevertheless, cash flow from investment have in the year 2015 have drastically decreased as compared by the previous year 2014. Current income tax deduction emanates that share price, which is relatively less as compared to the previous years.

Moreover, taxation Abercrombie & Fitch Company was higher in the year 2015 as compared to year 2014 depicting that the company had relatively higher sales in the present financial year. The present share price is \$29.4 with total shares of 73.4 billion in both financial years. The net financial asset of the company is 1,729.5 million whilst the company adjusts share-based compensation expense on a quarterly basis for the real forfeitures. The company current inventory is valued at \$2.8 billion (Wahlen et al. 124-189). Commodities of the company are enduring and cool, which depicts longer average lifespan of current share price. Current Share price is higher compared to the previous years prior to the financial crisis when the share price.

The shares of Abercrombie & Fitch Company have reduced from 51.07 to 29.4 in the pre-market trading. Thus, an individual ought to hold on the present shares to monitor the prevailing behaviour in the year 2015 regarding the shares price. Moreover, the prices of the shares are likely to further decrease in their share price.

Work Cited

Wahlen, James M, Mark Bradshaw, Stephen P. Baginski, & Clyde P. Stickney.
Financial Reporting, Financial Statement Analysis, and Valuation. Mason,
Ohio: South-Western, 2010.