

Free Cash flows definition(s)

Free cash flow to firm	Free cash flow to equity
Sales	Sales
- Costs (operating costs)	- Costs (operating costs)
- Depreciation and Amortization	- Depreciation and Amortization
- Taxes	- Taxes
+Depreciation and Amortization	+Depreciation and Amortization
- Capital Expenditure	- Capital Expenditure
- Change in Working Capital	- Change in Working Capital
- Increase in other assets	- Increase in other assets
- Decrease in other liabilities	- Decrease in other liabilities
=Free cash flow of the firm	=Free cash flow of the firm
	-Interest expenses
	- Preferred dividends
	- Principal repayments
	+Proceeds with new debt issues
	=Free cash flow to equity