

5 TYPES OF CASH FLOWS



MICRO BUSINESS
ACADEMY™
MINDSET-BELIEVE-ACHIEVE

OPERATING CASH FLOW

Net Income

+ Depreciation and Amortization

+/- Non Cash Items

+/- Changes in Net Working Capital

INVESTING CASH FLOW

Net Capital Expenditures (CAPEX)

FINANCING CASH FLOW

+Net Debt Proceeds

+Net Equity Proceeds

FREE CASH FLOW TO FIRM (FCFF OR UNLEVERED CF)

Net Income

+ Depreciation and Amortization

+/- Non Cash Items

+/- Changes in Net Working Capital

- Net Capital Expenditures (CAPEX)

+Interest Expense x (1 - tax)

FREE CASH FLOW TO EQUITY (FCFE OR LEVERED CF)

Net Income

+ Depreciation and Amortization

+/- Non Cash Items

+/- Changes in Net Working Capital

- Net Capital Expenditures (CAPEX)

+/- Net Debt Proceeds