Capital IQ Get Started Guide

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Introduction

What is Capital IQ?

Capital IQ is a web and Excel-based finance and economics related research application delivered by Standard and Poor's. It archives historical data on firms, markets, certain transactions/trades, and leaders within firms around the world. It gives customers the information needed to investigate the essentials of organizations, assemble budgetary models, screen for worthwhile investment and/or transaction opportunities, and implement the needed research around these activities. This guide deals with the most often used tools in this software and is written for beginners. Capital IQ cane be split into multiple sections as indicated by the Top Menu choices. The basic sections include My Capital IQ, Companies, Markets, Screening, Charting, Coverage. The additional sections are Projects, Alpha Factors, Real-Time, Structured Models and any additional custom add-ins. In this guide we describe the basic sections.

My Capital IQ

Directions: When you open Capital IQ from via the web login, the software signs you in and takes you to "My Capital IQ" page.

Each of the Capital IQ pages have the same format as described below.

1. Top Menu Bar: access to other components of Capital IQ, for example, "Companies", "Markets", "Screening", “Charting", "Coverage," and many more tabs.
2. Left Menu: rundown of the selected features from Top Menu Bar with sub-details.
3. Body: details the selected item with more information.

Key Functions

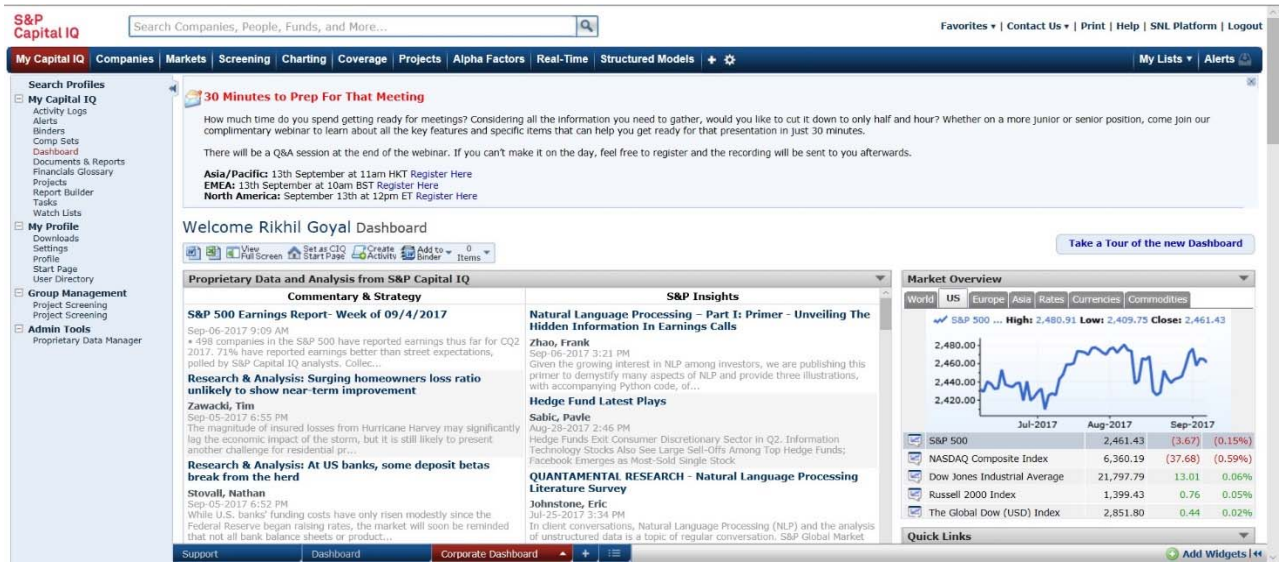
Companies

To search for a company, one can select either of the two ways:

1. Slide over the “Companies tab” in the Top Menu and select the “Search Profiles Companies”
2. Directly type the name of the company in the search box on the top of the My Capital IQ page.

Users are given a variety of options from which they can pick their desired industry organization to create their tear sheet.

The tear sheet page gives an organization's essential business information, industry classification, current and pending investors, office address, stock data, financial information, and present investors. The following is a screenshot of Amazon Inc's tear sheet:



Amazon.com, Inc. (NasdaqGS:AMZN) Public Company Profile

Website: Add	www.amazon.com	**Coverage Summary**	
Number of Employees	341,400	**Coverage List:**	No
Ticker:	AMZN (NasdaqGS)	**Relationships:**	No
Current Professionals Profiled:	22	**Projects:**	No
Year Founded:	1994	**Activity Logs/Tasks:**	No

Business Description Add

Amazon.com, Inc. engages in the retail sale of consumer products and subscriptions in North America and internationally. It operates through the North America, International, and Amazon Web Services (AWS) segments. The company sells merchandise and content purchased for resale from vendors, as well as those offered by third-party sellers through retail Websites, such as amazon.com, amazon.ca, amazon.com.mx, amazon.com.au, amazon.com.br, amazon.cn, amazon.fr, amazon.de, amazon.in, amazon.it, amazon.co.jp, amazon.nl, amazon.es, and amazon.co.uk. It also manufactures and sells electronic devices, including kindle e-readers, fire tablets, fire TVs, and echo; and provides Kindle Direct Publishing, an online service that allows independent authors and publishers to make their books available in the Kindle Store. In addition, the company offers programs that enable sellers to sell their products on its Websites, as well as their own branded Websites; and programs that allow authors, musicians, filmmakers, app developers, and others to publish and sell content. Further, it provides compute, storage, database, and other AWS services, as well as fulfillment, publishing, digital content subscriptions, advertising, and co-branded credit card agreements services. Additionally, the company offers Amazon Prime, an annual membership program, which provides free shipping of various items; access to unlimited streaming of movies and TV episodes; and other services. It serves consumers, sellers, developers, enterprises, and content creators. The company was founded in 1994 and is headquartered in Seattle, Washington.

Primary Industry Classification View Complete Industry Classification

Internet and Direct Marketing Retail

Primary Office Location View All Office Addresses

410 Terry Avenue North | Seattle, WA | 98109 | United States
Phone: 206-266-1000

Current and Pending Investors View Details

2020 Ventures, LLC, Access Technology Ventures, Aldrich Capital Partners, Calvert Investment Management, Inc., Capital World Investors, T. Rowe Price Associates, Inc., Tugboat Ventures, LLC, Turki Almadhi Ventures Inc.

Prior Investors View Details

Cedar Grove Investments LLC, Destination Wealth Management, Kingdom Holdings Company (SASE:4280), Kleiner Perkins Caufield & Byers (L. Doerr, William Gordon), KPCB China Fund, Madrona Venture Group, LLC (Tom Alberg), Oath Inc.

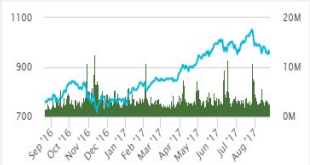
Investment Arms

Amazon.com Inc., Investment Arm

Stock Quote and Chart (Currency: USD)

Last (Delayed)	958.00	Market Cap (mm)	460,203.6
Open	959.38	Shares Out. (mm)	480.4
Previous Close	958.00	Float %	83.3%
Change on Day	(8.90)	Shares Sold Short (mm)	4.7
Change % on Day	(0.9)%	Dividend Yield %	-
Day High/Low	962.00/ 954.20	Diluted EPS Excl. Extra Items	3.93
52 wk High/Low	1,083.31/ 710.10	P/Diluted EPS Before Extra	243.63x
Volume (mm)	2.64	Avg 3M Dly Vlm (mm)	3.88
Beta 5Y	1.48		

Quick Chart



Delayed Quote** | Last Updated on Aug-23-2017 12:00 AM (GMT-5)

NasdaqGS:AMZN - Common Stock Go

Financial Information (Currency: USD, in mm) View Details | Financial FAQs

Total Revenue	150,124.0	Market Capitalization	464,479.0	TEV/Total Revenue	3.1x
EBITDA	12,301.0	Total Enterprise Value	466,647.0	TEV/EBITDA	38.0x
EBIT	3,462.0	Cash & ST Invst.	21,451.0	P/Diluted EPS Before Extra	245.9x
Net Income	1,922.0	Total Debt	23,619.0	Price/Tang BV	24.5x
Capital Expenditure	(8,209.0)	Total Assets	87,781.0	Total Debt/EBITDA	1.9x

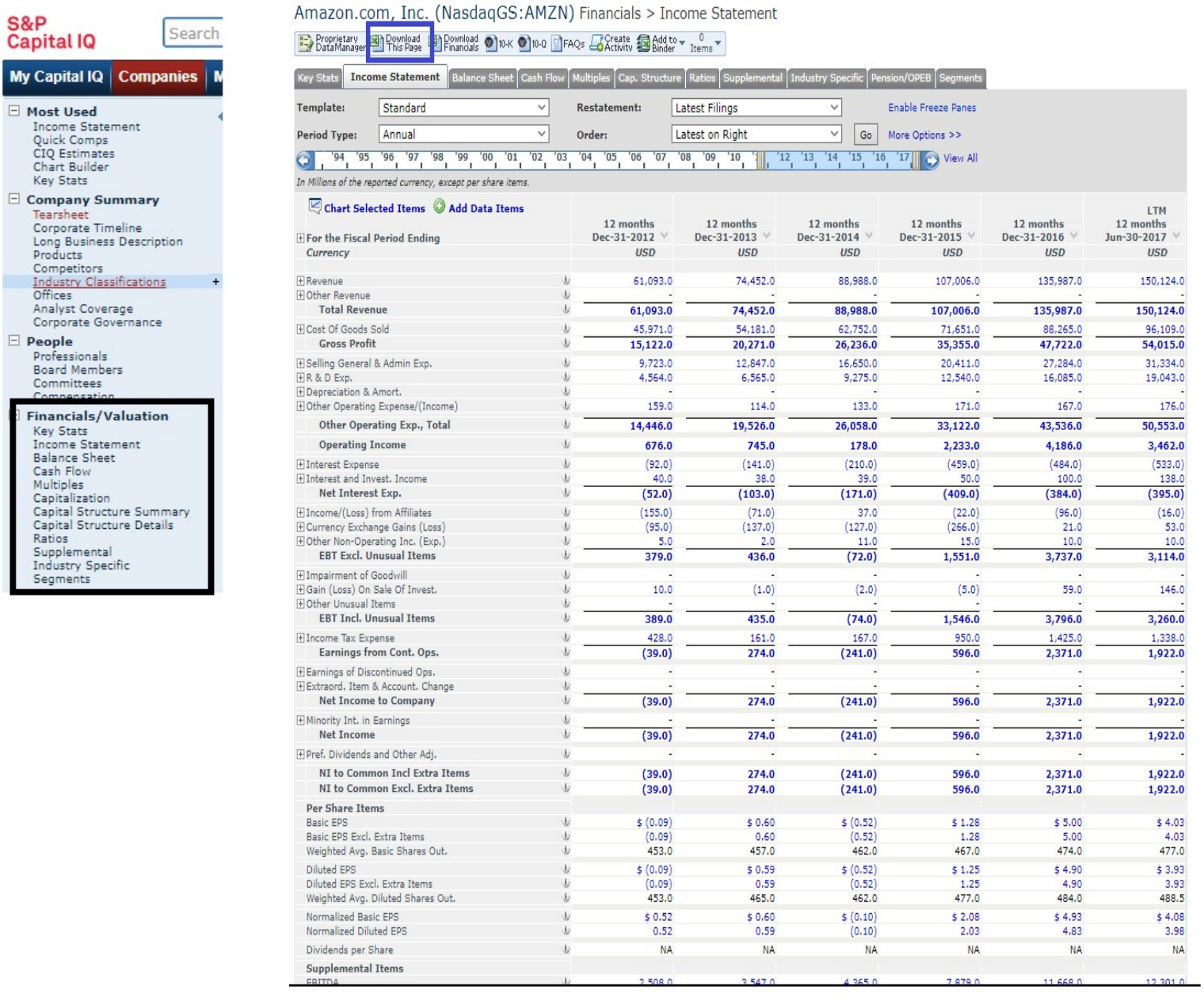
Latest Annual: Income Statement Balance Sheet Cash Flow **Latest Interim:** Income Statement Balance Sheet Cash Flow

Currency in USD in mm, LTM as of Jun-30-2017 TEV and Market Cap are calculated using a close price as of Aug-22-2017

Financials/Valuation

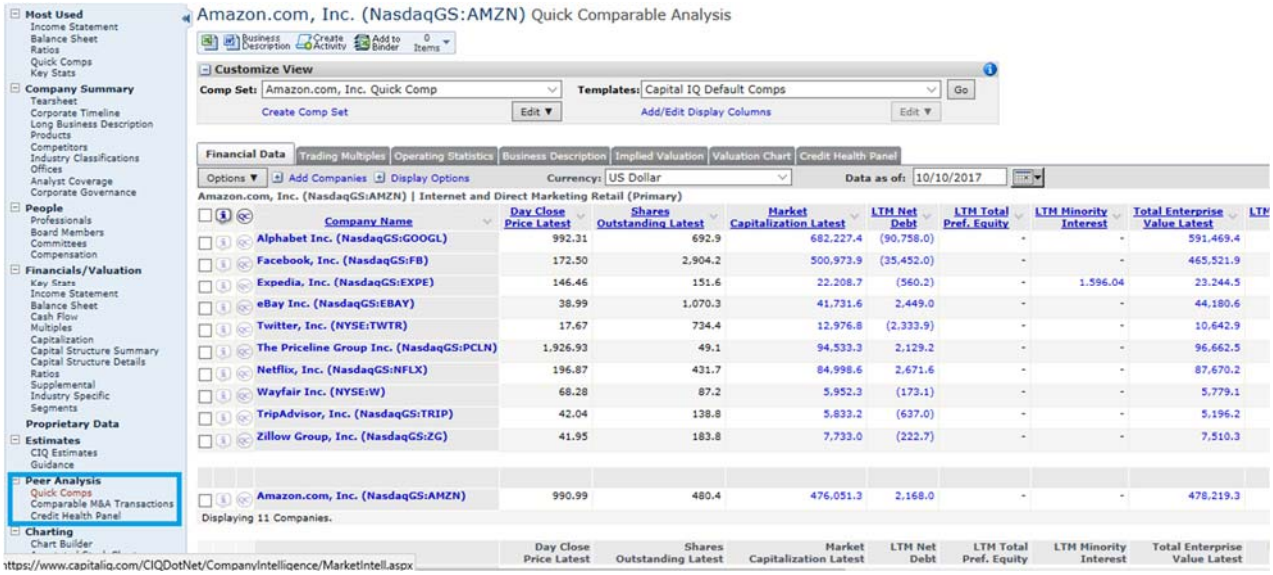
This function is located on the left-hand side menu which provides a detailed list of financial information used to analyze and value a company. Below is the screenshot of Financials for Amazon.com including key statistics such as Income Statement, Balance Sheet, and much more.

Users can also download this information in an Excel sheet for further analysis. The download option can be found on the top outlined in blue in the diagram below.

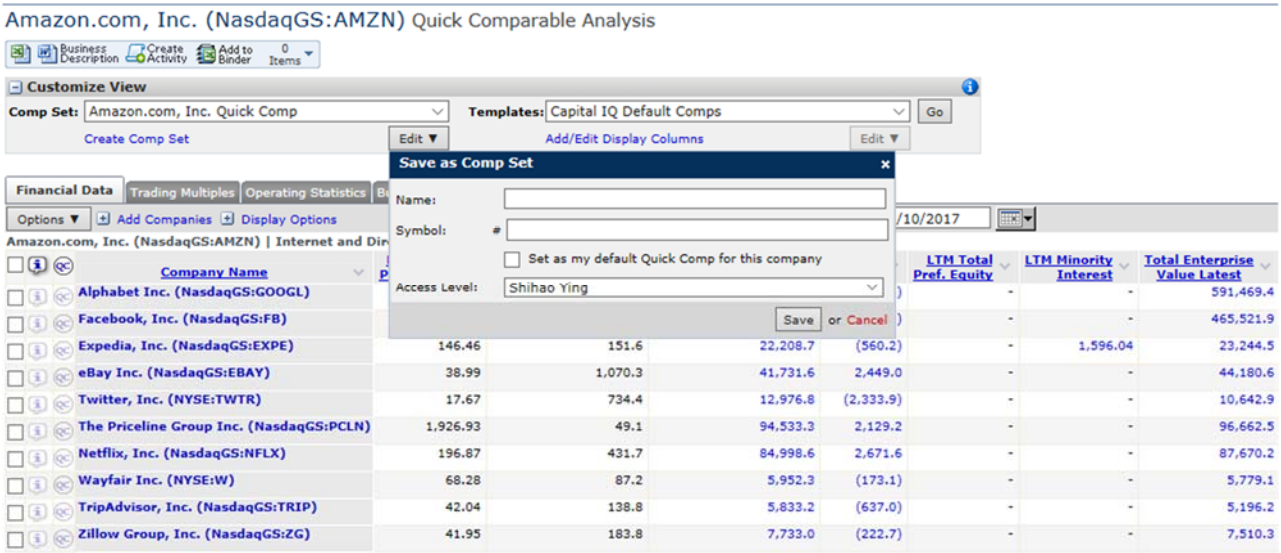


Peer Analysis

This function is located on the left-hand side menu below the Peer Analysis tab. This function provides you with a detailed list of financial information for the company and comparable firms. The screenshot below shows peer analysis for Amazon.com.

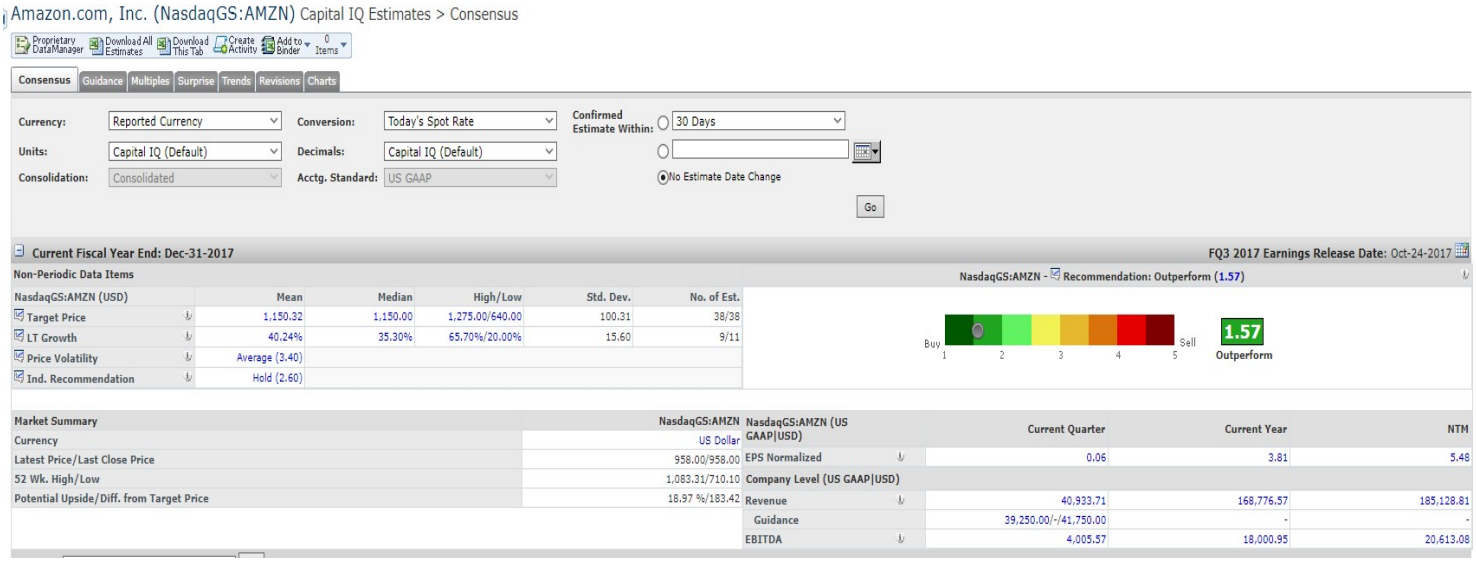


Since the comparable firms are selected by Capital IQ, users can add a new company for their own analysis through the 'Edit' bar.



Estimates

Estimates function is also located on left hand side menu below the financials/valuation tab. This function provides you with the forecastinformation for the company's stock price, important ratios and other vital stats. The screenshot below is an example "Estimates" page for Amazon Inc.



Industry Analysis

Users can 1) search for industry or/and geography 2) use current company's industry to find out the industry they are looking for.

Internet and Direct Marketing Retail Industry Profile

View Full Screen | Set as CIQ Start Page | Launch Visualization | Create Activity | Add to Binder | 0 Items

Refine Industry
Refine Geography

Amazon.com, Inc. (NasdaqGS:AMZN) Public Company Profile

SNL Profile | Customize Tearsheet | Quick Report | Tearsheet Report | CIQ Report | 10-K | 10-Q | Latest Transcript | Create Activity | Add to List | Add to Binder | 0 Items

Website: Add	www.amazon.com	**Coverage Summary**	
Number of Employees	341,400	**Coverage List:**	No
Ticker:	AMZN (NasdaqGS)	**Relationships:**	No
Current Professionals Profiled:	23	**Projects:**	No
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Business Description Add

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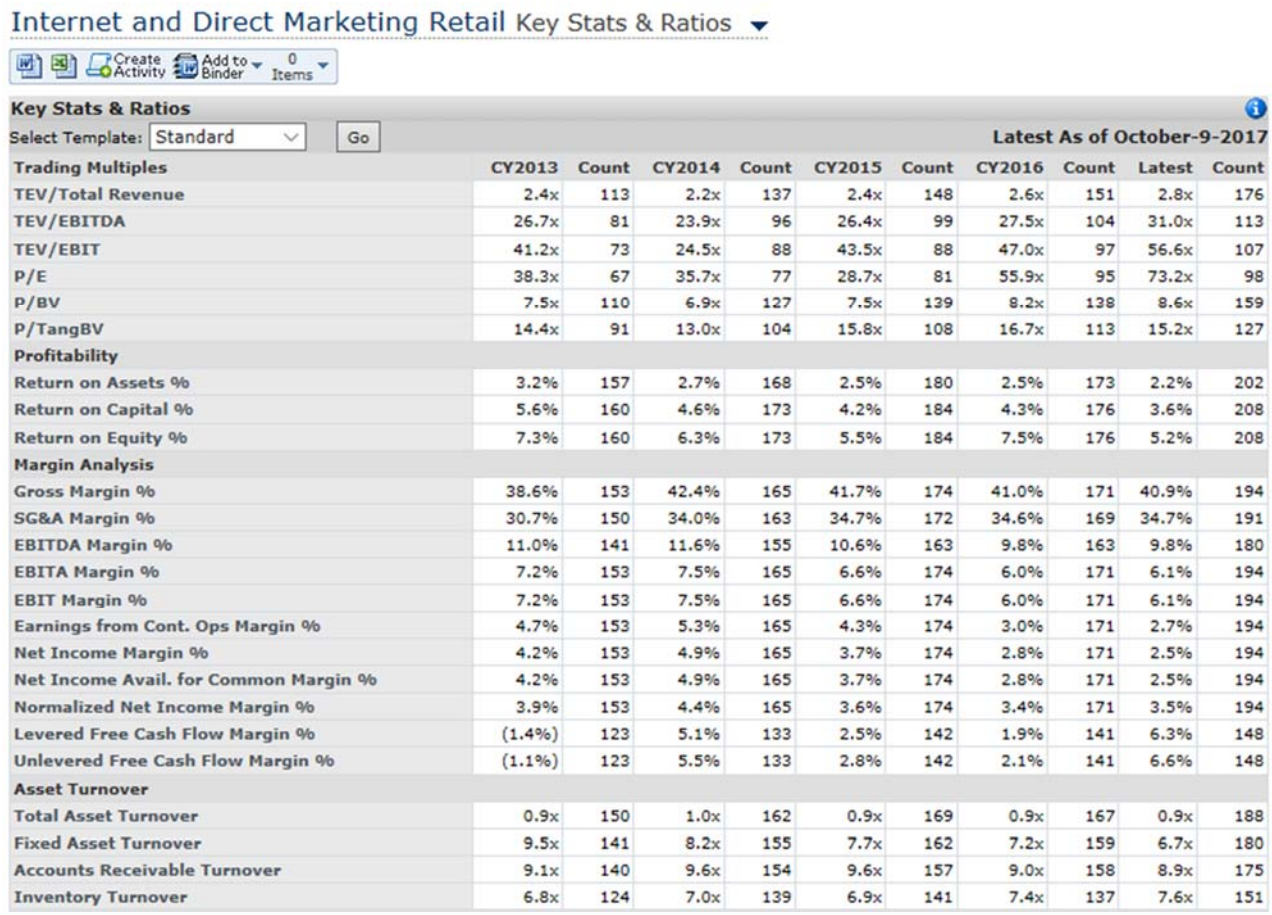
Primary Industry Classification View Complete Industry Classification

Internet and Direct Marketing Retail

Subsequently, users may use Key Stats & Ratios to see main financial information of the industry.



Internet and Direct Marketing Retail Key Stats & Ratios

Create Activity | Add to Binder | 0 Items

Key Stats & Ratios

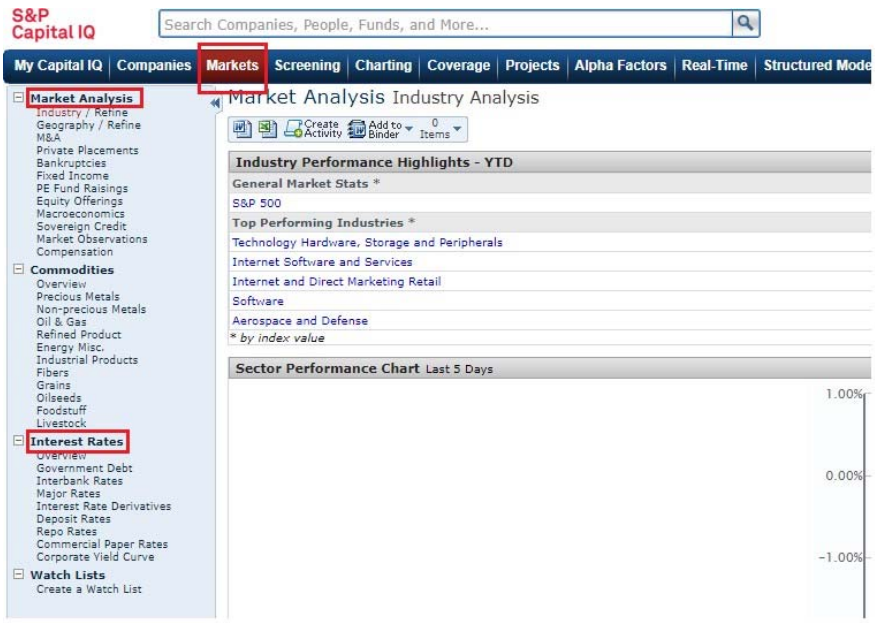
Select Template: Standard Go

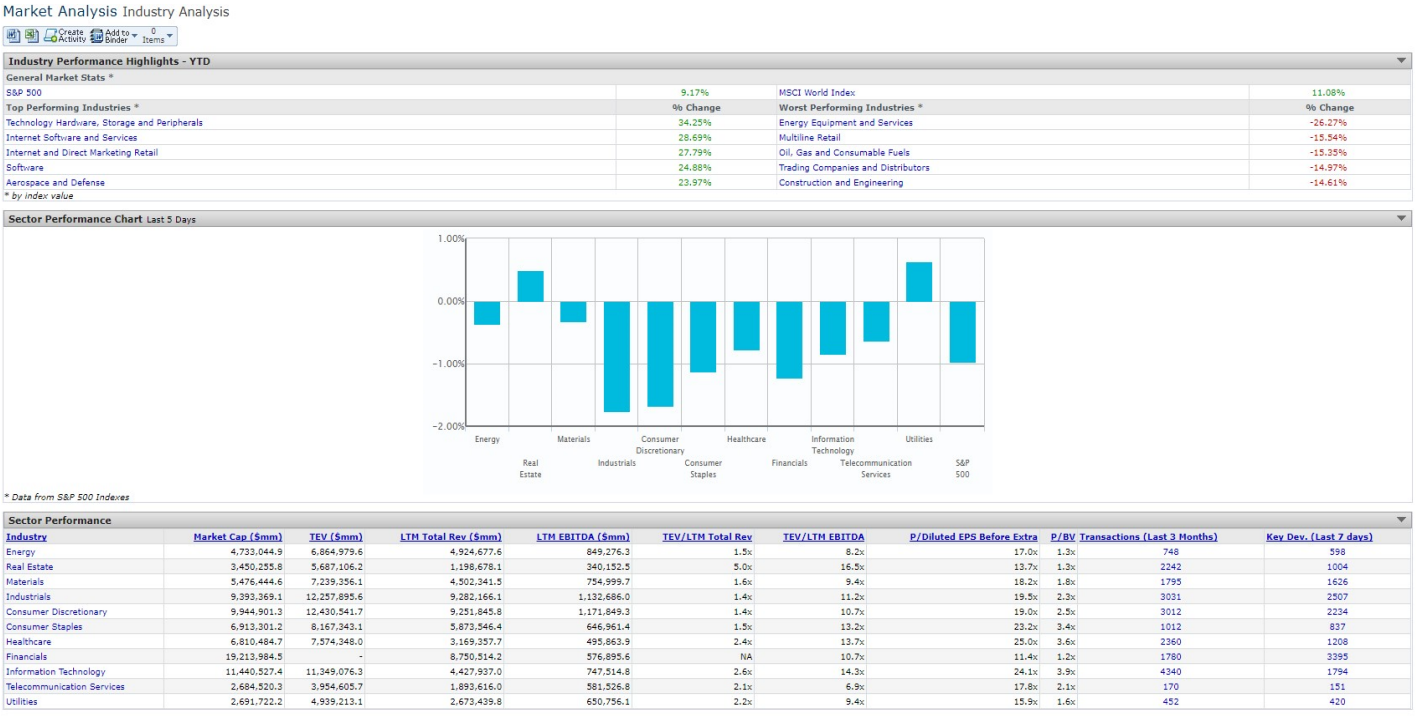
Latest As of October-9-2017

Trading Multiples	CY2013	Count	CY2014	Count	CY2015	Count	CY2016	Count	Latest	Count
TEV/Total Revenue	2.4x	113	2.2x	137	2.4x	148	2.6x	151	2.8x	176
TEV/EBITDA	26.7x	81	23.9x	96	26.4x	99	27.5x	104	31.0x	113
TEV/EBIT	41.2x	73	24.5x	88	43.5x	88	47.0x	97	56.6x	107
P/E	38.3x	67	35.7x	77	28.7x	81	55.9x	95	73.2x	98
P/BV	7.5x	110	6.9x	127	7.5x	139	8.2x	138	8.6x	159
P/TangBV	14.4x	91	13.0x	104	15.8x	108	16.7x	113	15.2x	127
Profitability										
Return on Assets %	3.2%	157	2.7%	168	2.5%	180	2.5%	173	2.2%	202
Return on Capital %	5.6%	160	4.6%	173	4.2%	184	4.3%	176	3.6%	208
Return on Equity %	7.3%	160	6.3%	173	5.5%	184	7.5%	176	5.2%	208
Margin Analysis										
Gross Margin %	38.6%	153	42.4%	165	41.7%	174	41.0%	171	40.9%	194
SG&A Margin %	30.7%	150	34.0%	163	34.7%	172	34.6%	169	34.7%	191
EBITDA Margin %	11.0%	141	11.6%	155	10.6%	163	9.8%	163	9.8%	180
EBITA Margin %	7.2%	153	7.5%	165	6.6%	174	6.0%	171	6.1%	194
EBIT Margin %	7.2%	153	7.5%	165	6.6%	174	6.0%	171	6.1%	194
Earnings from Cont. Ops Margin %	4.7%	153	5.3%	165	4.3%	174	3.0%	171	2.7%	194
Net Income Margin %	4.2%	153	4.9%	165	3.7%	174	2.8%	171	2.5%	194
Net Income Avail. for Common Margin %	4.2%	153	4.9%	165	3.7%	174	2.8%	171	2.5%	194
Normalized Net Income Margin %	3.9%	153	4.4%	165	3.6%	174	3.4%	171	3.5%	194
Levered Free Cash Flow Margin %	(1.4%)	123	5.1%	133	2.5%	142	1.9%	141	6.3%	148
Unlevered Free Cash Flow Margin %	(1.1%)	123	5.5%	133	2.8%	142	2.1%	141	6.6%	148
Asset Turnover										
Total Asset Turnover	0.9x	150	1.0x	162	0.9x	169	0.9x	167	0.9x	188
Fixed Asset Turnover	9.5x	141	8.2x	155	7.7x	162	7.2x	159	6.7x	180
Accounts Receivable Turnover	9.1x	140	9.6x	154	9.6x	157	9.0x	158	8.9x	175
Inventory Turnover	6.8x	124	7.0x	139	6.9x	141	7.4x	137	7.6x	151

Markets

The Market Analysis page gives us the overall picture of the entire industry, divided into ten major sectors. This tab allows user to do the market analysis based on industry, geography, credit worthiness etc. Also, one can get hands on vital Interest Rates which are useful to evaluate the company's performance.





Sector Performance

Industry	Market Cap ($mm)	TEV ($mm)	LTM Total Rev ($mm)	LTM EBITDA ($mm)	TEV/LTM Total Rev	TEV/LTM EBITDA	P/Diluted EPS Before Extra	P/BV	Transactions (Last 3 Months)	Key Dev. (Last 7 days)
Energy	4,733,044.9	6,864,979.6	4,924,677.6	849,276.3	1.5x	8.2x	17.0x	1.3x	748	598
Real Estate	3,450,255.8	5,687,106.2	1,198,678.1	340,152.5	5.0x	16.5x	13.7x	1.3x	2242	1004
Materials	5,476,444.6	7,239,356.1	4,502,341.5	754,999.7	1.6x	9.4x	18.2x	1.8x	1795	1626
Industrials	9,393,369.1	12,257,895.6	9,282,166.1	1,132,686.0	1.4x	11.2x	19.5x	2.3x	3031	2507
Consumer Discretionary	9,944,901.3	12,430,541.7	9,251,845.8	1,171,849.3	1.4x	10.7x	19.0x	2.5x	3012	2234
Consumer Staples	6,913,301.2	8,167,343.1	5,873,546.4	646,961.4	1.5x	13.2x	23.2x	3.4x	1012	837
Healthcare	6,810,484.7	7,574,348.0	3,169,357.7	495,863.9	2.4x	13.7x	25.0x	3.6x	2360	1208
Financials	19,213,984.5	-	8,750,514.2	576,895.6	NA	10.7x	11.4x	1.2x	1780	3395
Information Technology	11,440,527.4	11,349,076.3	4,427,937.0	747,514.8	2.6x	14.3x	24.1x	3.9x	4340	1794
Telecommunication Services	2,684,520.3	3,954,605.7	1,893,616.0	581,526.8	2.1x	6.9x	17.8x	2.1x	170	151
Utilities	2,691,722.2	4,939,213.1	2,673,439.8	650,756.1	2.2x	9.4x	15.9x	1.6x	452	420

Screening

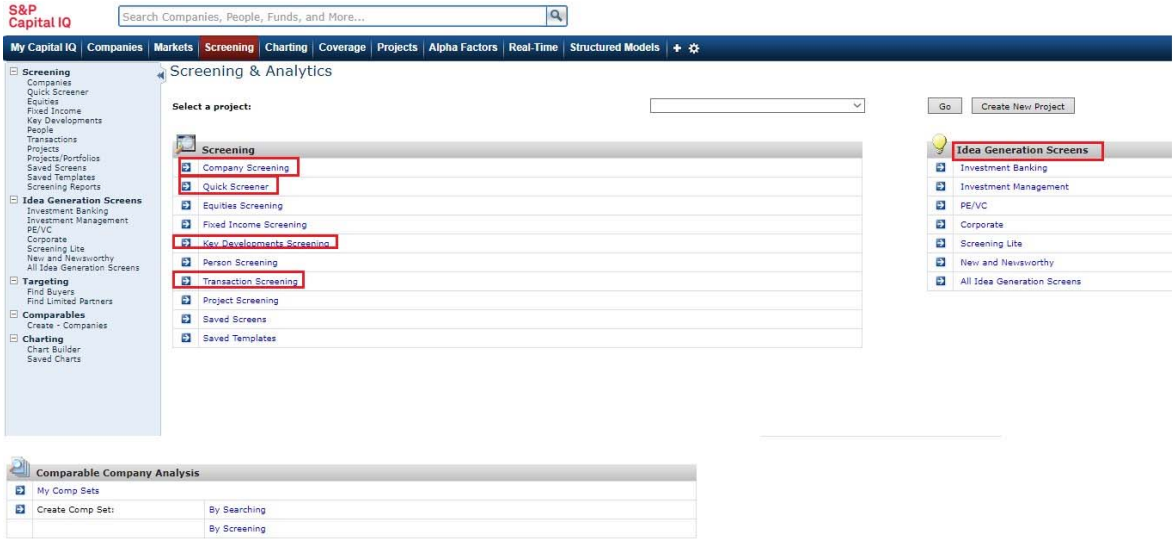
This tool enables us to discover organizations, individuals, key advancements, and exchanges that satisfy certain criteria. To get access this tool, go to the Top Menu and click on Screening.

Company Screening – Detailed screening interface that enables you to screen organizations on innumerable criteria and characteristics.

Key Developments – Screen for organizations by corporate activities e.g. SEC filings, insolvencies, transactions.

Idea Generation Screens - Discover the potential M&A openings, undervalued organizations, firms subject to special situations, potential arbitrage opportunities, and much more.

Transaction Screening – Screen organizations by M&A activity, Capital changes, Equity Buybacks, new issues, and other transactions. **Basic Screener** – Quickly screen organizations on a few characteristics with ease.

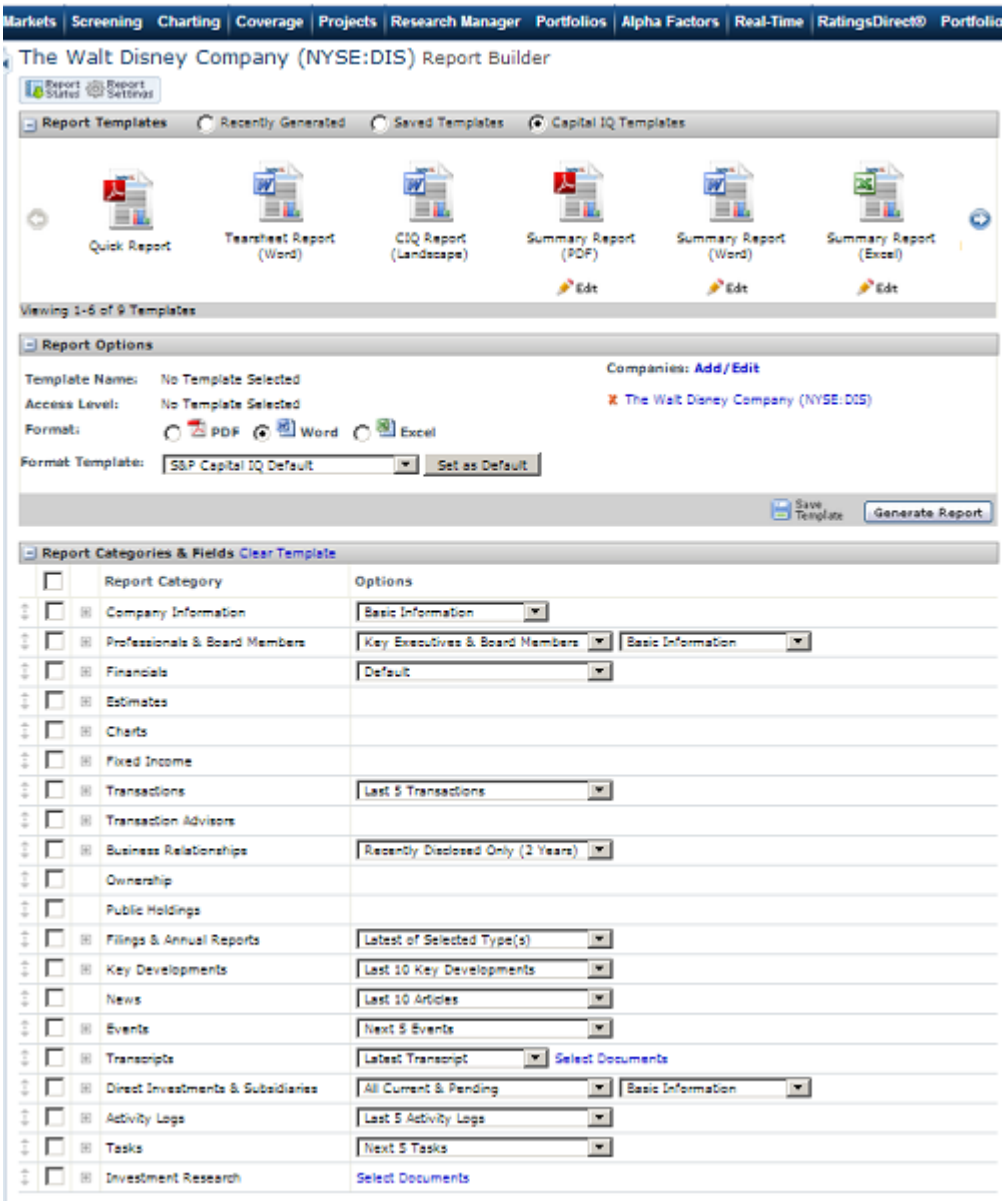


Report Builder

The Report Builder allows you to generate company reports as Word documents (including Excel and other formats as well). You can access “Report Builder” from a company's profile by clicking on Report Builder link. You can also access the Report Builder page by hovering over the My Capital IQ tab and clicking on Report Builder link.

If you choose, you can use one of Cap IQ’s pre-defined Templates to build the report. These templates are (1) Quick Report: This report is a one page summary of a company; (2) tear sheet Report: This report includes a snapshot of the Company Profile including customized fields from the tear sheet; (3) CIQ Report: This report is a landscape view of general summary data on a company; (4) Summary Report: This report includes a general overview of each company; (5) Detailed Report: This report includes a more detailed overview of each company. You can also customize the templates by editing them and storing the changes into a new Template.

Click the Companies “Add/Edit” link to the right to include companies in the reports. This will show some pop-ups, which will allow you to add companies by ticker or company name, from Cap IQ lists or from market indices. The Report Categories and Fields section allows you to choose what information will be included in your report. Once you are ready to export your report, click “Generate Report” button.



HELP

Detailed help on various tools in Capital IQ is available within the software. For this please click on the 'Help' which is the link available at the top right corner of the home page.