

# Financial Analysis of Tesla

## Exercise Description

The goal of this assignment is to give students practice analyzing both income statements and balance sheets. Students should glean a fundamental understanding of the company's performance trends and meaning of the numbers. A couple questions are posed to help students understand this significance.

## Instructions

1. Go to Yahoo's Finance page on Tesla: <http://tinyurl.com/z9dzd95>
2. Look at the Income Statement and Balance Sheets under "FINANCIALS" on the left side bar.
3. Analyze gross profit, net income, cash, inventory, liabilities, etc. as a percentage of revenue to spot normalized trends.

## Questions

1. What trends do you see by looking at the income statement and balance sheet, the raw numbers? What are they telling you?
  
  
  
  
  
  
  
  
  
  
2. Using the cash flow statement, where is Tesla's cash coming from? Is it operations (the business of the company), from investing, or from financing (borrowing cash or selling stock)? What might that mean?