

Net Profit Margin Calculation Template

1. Income Statement Data

Description	Amount (USD)
Total Revenue (Sales)	100,000
Cost of Goods Sold (COGS)	40,000
Operating Expenses	30,000
Interest Expense	5,000
Taxes	6,000

2. Net Profit Calculation

Total Revenue	100,000
Less: COGS	(40,000)
Less: Operating Expenses	(30,000)
Less: Interest Expense	(5,000)
Less: Taxes	(6,000)
Net Profit	19,000

3. Net Profit Margin Formula

Net Profit Margin (%) = (Net Profit ÷ Total Revenue) × 100

Net Profit Margin (%) = (19,000 ÷ 100,000) × 100 = 19%

Important Notes

- Net Profit Margin shows the percentage of revenue remaining as profit after all expenses are deducted.
- Consistency in accounting periods and expense categorization is essential for accurate margin analysis.
- Compare margins across periods or with industry peers for meaningful insights.
- Exclude non-recurring items if evaluating ongoing operational efficiency.
- This template provides a simplified illustration; adapt as necessary for your specific business context.

