

Vertical Income Statement

For Year Ended December 31, 2023
(For Profit Margin Analysis)

Particulars	Amount (USD)	% of Sales
Sales (Revenue)	150,000	100.0%
Less: Cost of Goods Sold (COGS)	90,000	60.0%
Gross Profit	60,000	40.0%
Less: Operating Expenses	30,000	20.0%
Operating Profit (EBIT)	30,000	20.0%
Less: Interest Expense	5,000	3.3%
Less: Taxes	6,000	4.0%
Net Profit	19,000	12.7%

- Each line item is shown as a percentage of total sales to simplify margin analysis.
- This structure enables easy comparison across time periods or with industry peers.
- Pay attention to trends in key ratios such as gross, operating, and net profit margins.
- Consistent formatting ensures clarity for stakeholders and decision-makers.