



## **LEARNING OBJECTIVE**

- Recognize the difference between two different capital structures—simple and complex – and how earnings per share will be computed for each structure.
- Identify how to compute earnings per share in a simple capital structure.
- Identify how to compute earnings per share in a complex capital structure.

## **TOPICS COVERED**

- Earnings per Share - Simple Capital Structure
- Preferred Stock Dividends
- Stock Dividends and Stock Splits
- Diluted Earnings per Share
- Diluted EPS—Convertible Securities
- Diluted EPS—Options and Warrants
- The Reverse Treasury Stock Method
- Antidilutive Securities
- Presentation
- EPS and Specialized Disclosures on the Income Statement
- Master Limited Partnership Dropdown Transactions
- Interim Financial Reports
- ASC, FASB, and the Difference between GAAP and IFRS
- Is Earnings Per Share a Meaningful Number?
- Pro Forma EPS Confusion