

The Engineering Economist

A Journal Devoted to the Problems of Capital Investment

Volume 46, 2001 - Issue 1

4,032 55

Views | CrossRef citations to date | Altmetric

Original Articles

FREE CASH FLOW (FCF), ECONOMIC VALUE ADDED (EVA™), AND NET PRESENT VALUE (NPV):. A RECONCILIATION OF VARIATIONS OF DISCOUNTED-CASH-FLOW (DCF) VALUATION

RONALD E. SHRIEVES & JOHN M. WACHOWICZ JR.

Pages 33-52 | Published online: 30 May 2007

Cite this article | <https://doi.org/10.1080/00137910108967561>

Sample our Economics, Finance, Business & Industry journals, sign in here to start your access, latest two full volumes FREE to you for 14 days

Refer

We Care About Your Privacy

We and our 878 partners store and access personal data, like browsing data or unique identifiers, on your device. Selecting I Accept enables tracking technologies to support the purposes shown under we and our partners process data to provide. Selecting Reject All or withdrawing your consent will disable them. If trackers are disabled, some content and ads you see may not be as relevant to you. You can resurface this menu to change your choices or withdraw consent at any time by clicking the Show Purposes link on the bottom of the webpage. Your choices will have effect within our Website. For more details, refer to our Privacy Policy. [Here](#)

We and our partners process data to provide:

Use precise geolocation data. Actively scan device

I Accept

Reject All

Show Purpose



the periodic total cash flows obtained by deducting total net investment and adding net debt issuance to net operating cash flow, whereas the EVA™ approach requires defining the periodic total investment in the firm. In a project valuation context, both FCF and EVA™ are conceptually equivalent to NPV. Each approach necessitates a myriad of adjustments to the accounting information available for most corporations.

Related Research Data

ON THE EQUIVALENCE OF NET PRESENT VALUE AND MARKET VALUE ADDED AS MEASURES OF A PROJECT'S ECONOMIC WORTH

Source: Informa UK Limited

The Search for the Best Financial Performance Measure

Source: Informa UK Limited

Intellectual capital efficiency and corporate book value: evidence from Nigerian economy

Source: Emerald

Discounted Cash Flow in Historical Perspective

Source: JSTOR

USING

Source

On the

Source

Spent

Source

Stoch

using

S

D

Source

POTE

ANAL

Source

Linkin



People also read

Recommended articles

Cited by

Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

Sign up



Copyright

Accessib

Regist
5 Howie



or & Francis Group
orma business