

# Bottom Line (Finance)

@wikipedia

**Synonyms:** [Net Income](#) = [Net Profit](#) = [Bottom Line](#)

[Business](#) earnings after deducting the [OPEX](#), [Interest](#) and [Income Tax](#) from [Total Revenue](#) within the [Accounting Period](#):

$$\text{Net Income} = \text{EBT} - \text{Income Tax} = \text{EBIT} - \text{Interest} - \text{Income Tax}$$

or

$$\text{Net Income} = \text{Operating Income} + \text{Non-Operating Revenue} - \text{Non-Operating Expenses} - \text{Interest} - \text{Income Tax}$$

or

$$\text{Net Income} = \text{Sales} - \text{COGS} - \text{OPEX} + \text{Non-Operating Revenue} - \text{Non-Operating Expenses} - \text{Interest} - \text{Income Tax}$$

or

$$\text{Net Income} = \text{Total Revenue} - \text{COGS} - \text{OPEX} - \text{Non-Operating Expenses} - \text{Interest} - \text{Income Tax}$$

It is often called [Bottom Line](#) because it is shown at the bottom line in [P&L](#).

It is one of the most important measures of the [Business](#) profitability.

Only positive [Net Income](#) with a positive [FCF](#) adds value to the [Business](#).

## See also

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[Business](#) / [Business Administration](#) / [Financial Management](#) / [Financial Accounting](#) / [Profit and Loss \(P&L\)](#)