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<sup>1</sup> All industries in the South African economy, excluding agriculture, financial intermediation and insurance and government institutions.

## Key findings for the quarter ended March 2007

***The total turnover of all industries<sup>1</sup> for the first quarter of 2007 was estimated at R1 011 201 million (R1,01 trillion), a decrease of 1,8% compared with the revised fourth quarter of 2006 (R1 029 953 million or R 1,03 trillion).***

Between the fourth quarter of 2006 and the first quarter of 2007 turnover decreased in five of the eight industries covered in the survey. The largest decrease was recorded for manufacturing (-3,5%), followed by mining and quarrying (-2,8%), trade (-2,1%), transport, storage and communication (-0,3%) and community, social and personal services (excluding government institutions) (-0,1%). Increases were reported in construction (+2,7%), electricity, gas and water supply (+1,6%) and business services (excluding financial intermediation and insurance) (+0,5%).

Total capital expenditure on new buildings, machinery, furniture, vehicles and other equipment, which was estimated at R47 138 million for all industries for the first quarter of 2007, decreased by 14,4% compared with the revised fourth quarter of 2006 (R55 059 million). Decreases were reported in community, social and personal services (excluding government institutions) (-60,1%), manufacturing (-37,9%), real estate and other business services (excluding financial intermediation and insurance) (-21,6%), transport, storage and communication (-6,9%), mining and quarrying (-4,6%) and trade (-1,7%). Increases were reported in electricity, gas and water supply (+40,1%) and construction (+8,1%).

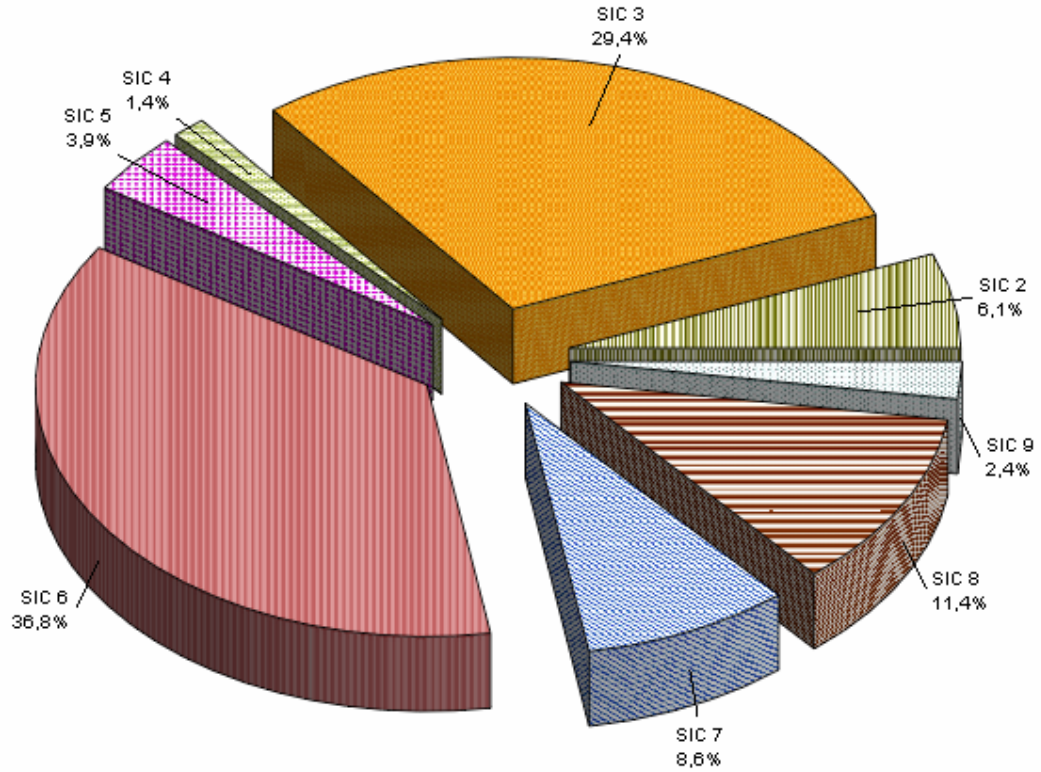
Book value of fixed assets as at the end of the first quarter of 2007 was estimated at R1 058 955 million (R1,06 trillion), a decrease of 2,3% compared with the revised fourth quarter of 2006 (R1 083 652 million or R1,08 trillion). The highest decrease was reported in transport, storage and communication (-16,5%), followed by community, social and personal services (excluding government institutions) (-2,0%), mining and quarrying (-0,3%) and manufacturing (-0,3%). Increases were reported in electricity, gas and water supply (+6,0%), real estate and other business services (excluding financial intermediation and insurance) (+2,3%), construction (+1,2%) and trade (+0,2%).

Total inventories at the end of the first quarter of 2007 were estimated at R321 787 million, compared with R312 418 million for the revised fourth quarter of 2006, an increase of 3,0%. The highest increase in inventories was recorded for mining and quarrying (+5,7%), followed by construction (+4,9%), manufacturing (+4,1%) and trade (+2,2%). Decreases were reported in community, social and personal services (excluding government institutions) (-8,4%), electricity, gas and water supply (-0,9%), real estate and other business services (excluding financial intermediation and insurance) (-0,6%) and transport, storage and communication (-0,1%).

<sup>1</sup> All industries in the South African economy, excluding agriculture, financial intermediation and insurance and government institutions.

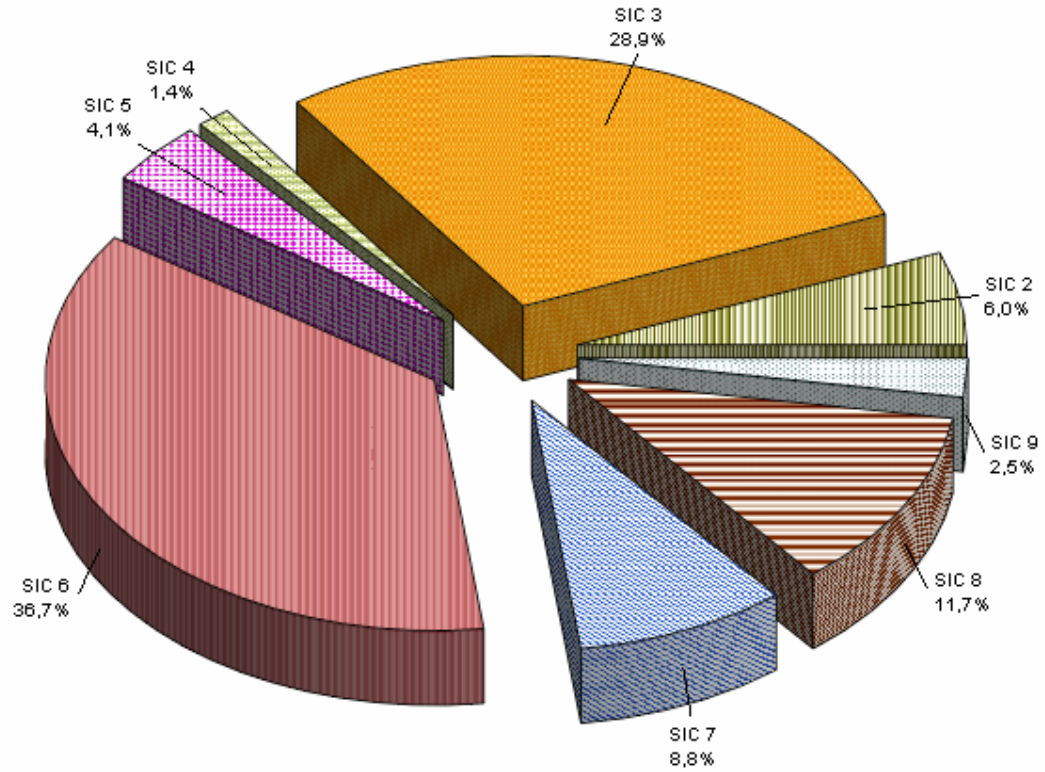
**PJ Lehohla**  
**Statistician-General**

**Figure 1 - Comparison in turnover for the quarter ended December 2006 by industry**



- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry, excluding financial intermediation and insurance
- SIC 9 - Community, social and personal services industry, excluding government institutions

**Figure 2 - Comparison in turnover for the quarter ended March 2007 by industry**



- SIC 2 - Mining and quarrying industry
- SIC 3 - Manufacturing industry
- SIC 4 - Electricity, gas and water supply industry
- SIC 5 - Construction industry
- SIC 6 - Trade industry
- SIC 7 - Transport, storage and communication industry
- SIC 8 - Real estate and other business services industry, excluding financial intermediation and insurance
- SIC 9 - Community, social and personal services industry, excluding government institutions

**Table 1 – Selected income and expenditure items: All industries <sup>1</sup>**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>2</sup>	March 2007 <sup>3</sup>	
<b>Income items</b>						
Turnover received	847 129	933 738	996 691	1 029 953	1 011 201	-1,8
Interest received	6 174	7 883	9 839	7 717	7 588	-1,7
Dividends received	9 302	8 933	4 778	3 714	5 953	60,3
Royalties, franchise fees, copyright, trade names and patent rights received	278	450	563	539	521	-3,3
Rental/leasing of land, buildings and other structures received	1 549	1 714	1 569	1 305	1 303	-0,2
Hiring/leasing of plant, machinery, vehicles and other equipment received	847	799	950	1 045	974	-6,8
Profit on assets/investment sold or revalued	3 526	8 300	6 447	16 333	9 004	-44,9
Other income	12 045	14 543	15 813	16 844	21 497	27,6
<b>Expenditure items</b>						
Interest paid	15 810	17 642	17 662	20 761	18 790	-9,5
Royalties, franchise fees, copyright, trade names and patent rights paid	2 829	3 322	3 169	4 637	3 791	-18,2
Rental/leasing of land, buildings and other structures paid	11 972	14 131	14 878	15 110	15 140	0,2
Hiring/leasing of plant, machinery, vehicles and other equipment paid	6 981	6 331	6 600	6 499	6 463	-0,6
Depreciation	21 297	22 323	22 071	22 369	23 302	4,2
Losses on assets/investments sold or revalued	2 776	4 121	3 924	7 003	3 379	-51,7
<b>Inventories</b>						
Closing value work in progress	47 501	45 248	49 641	51 145	54 955	7,4
Closing value other inventories	218 547	247 688	260 157	261 273	266 832	2,1
Total closing values	266 048	292 936	309 798	312 418	321 787	3,0
<b>Net profit or loss (-) before taxation</b>	81 865	99 025	121 928	115 244	116 554	1,1
<b>Tax and company tax</b>	19 336	24 545	30 439	25 884	26 584	2,7
<b>Dividends payable</b>	20 723	17 609	21 454	16 838	29 434	74,8
<b>Book value of fixed assets as at the end of quarter</b>	988 491	1 027 153	1 060 164	1 083 652	1 058 955	-2,3
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	8 882	12 909	12 852	16 157	14 689	-9,1
Plant, machinery, furniture, fittings and other equipment	21 763	22 807	27 409	32 635	27 100	-17,0
Vehicles	5 038	3 835	4 982	6 267	5 349	-14,6
Total capital expenditure	35 683	39 551	45 243	55 059	47 138	-14,4

<sup>1</sup> All industries in the South African economy, excluding agriculture, financial intermediation and insurance and government institutions.

<sup>2</sup> Revised.

<sup>3</sup> Preliminary.

**Table 2 - Selected income and expenditure items: Mining and quarrying industry**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	44 579	57 566	64 077	62 341	60 574	-2,8
Interest received	650	654	930	916	896	-2,2
Dividends received	107	87	136	135	310	129,6
Royalties, franchise fees, copyright, trade names and patent rights received	10	9	9	10	10	0,0
Rental/leasing of land, buildings and other structures received	17	23	14	13	13	0,0
Hiring/leasing of plant, machinery, vehicles and other equipment received	32	32	111	105	107	1,9
Profit on assets/investment sold or revalued	286	624	634	7 061	378	-94,6
Other income	558	598	564	569	3 704	551,0
<b>Expenditure items</b>						
Interest paid	1 190	1 470	1 407	1 460	1 397	-4,3
Royalties, franchise fees, copyright, trade names and patent rights paid	317	276	282	514	311	-39,5
Rental/leasing of land, buildings and other structures paid	284	466	592	537	555	3,4
Hiring/leasing of plant, machinery, vehicles and other equipment paid	319	382	366	363	363	0,0
Depreciation	3 671	4 289	4 197	3 990	4 377	9,7
Losses on assets/investments sold or revalued	129	919	863	1 164	815	-30,0
<b>Inventories</b>						
Closing value work in progress	7 357	7 061	6 037	6 243	7 100	13,7
Closing value other inventories	11 318	14 703	14 641	14 762	15 099	2,3
Total closing values	18 675	21 764	20 678	21 005	22 199	5,7
<b>Net profit or loss (-) before taxation</b>	7 189	12 404	18 618	22 355	18 568	-16,9
<b>Tax and company tax</b>	2 272	4 192	4 798	5 100	4 831	-5,3
<b>Dividends payable</b>	3 406	487	7 197	4 497	13 071	190,7
<b>Book value of fixed assets as at the end of quarter</b>	160 549	188 689	201 170	195 141	194 516	-0,3
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	944	1 640	2 079	1 653	1 550	-6,2
Plant, machinery, furniture, fittings and other equipment	4 182	4 401	4 726	4 686	4 471	-4,6
Vehicles	195	196	349	397	405	2,0
<b>Total capital expenditure</b>	5 321	6 237	7 154	6 736	6 426	-4,6

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.



**Table 3 - Selected income and expenditure items: Manufacturing industry**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	247 045	268 662	295 168	302 908	292 226	-3,5
Interest received	2 034	2 107	2 308	2 806	3 189	13,6
Dividends received	382	203	407	736	479	-34,9
Royalties, franchise fees, copyright, trade names and patent rights received	52	18	56	62	63	1,6
Rental/leasing of land, buildings and other structures received	249	263	239	229	238	3,9
Hiring/leasing of plant, machinery, vehicles and other equipment received	143	178	222	192	190	-1,0
Profit on assets/investment sold or revalued	840	3 645	1 985	2 924	2 720	-7,0
Other income	2 570	3 688	3 317	3 576	3 844	7,5
<b>Expenditure items</b>						
Interest paid	3 478	4 312	4 637	5 419	5 624	3,8
Royalties, franchise fees, copyright, trade names and patent rights paid	1 047	1 031	1 118	2 138	1 582	-26,0
Rental/leasing of land, buildings and other structures paid	2 530	2 806	2 898	2 649	2 659	0,4
Hiring/leasing of plant, machinery, vehicles and other equipment paid	853	904	758	790	774	-2,0
Depreciation	5 694	5 862	5 905	6 088	6 166	1,3
Losses on assets/investments sold or revalued	1 766	2 034	1 727	2 371	1 558	-34,3
<b>Inventories</b>						
Closing value work in progress	22 201	21 366	22 478	20 308	21 910	7,9
Closing value other inventories	94 791	106 577	113 161	112 286	116 134	3,4
Total closing values	116 992	127 943	135 639	132 594	138 044	4,1
<b>Net profit or loss (-) before taxation</b>	23 131	28 337	35 051	29 357	29 849	1,7
<b>Tax and company tax</b>	5 892	7 431	8 927	8 645	8 268	-4,4
<b>Dividends payable</b>	6 834	6 567	4 864	5 173	8 511	64,5
<b>Book value of fixed assets as at the end of quarter</b>	200 510	211 503	221 583	227 171	226 411	-0,3
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	565	1 162	651	1 237	707	-42,8
Plant, machinery, furniture, fittings and other equipment	5 829	8 249	8 412	12 765	7 717	-39,5
Vehicles	575	736	808	885	825	-6,8
<b>Total capital expenditure</b>	6 969	10 147	9 871	14 887	9 249	-37,9

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

**Table 4 - Selected income and expenditure items: Electricity, gas and water supply industry**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	11 976	14 231	17 505	14 256	14 477	1,6
Interest received	748	2 299	3 760	1 094	543	-50,4
Dividends received	0	0	202	0	1	..
Royalties, franchise fees, copyright, trade names and patent rights received	1	0	0	0	0	..
Rental/leasing of land, buildings and other structures received	12	18	23	24	23	-4,2
Hiring/leasing of plant, machinery, vehicles and other equipment received	10	37	20	21	21	0,0
Profit on assets/investment sold or revalued	138	29	83	82	64	-22,0
Other income	136	72	125	155	877	465,8
<b>Expenditure items</b>						
Interest paid	931	1 568	1 469	1 437	894	-37,8
Royalties, franchise fees, copyright, trade names and patent rights paid	11	11	12	12	14	16,7
Rental/leasing of land, buildings and other structures paid	94	94	117	116	113	-2,6
Hiring/leasing of plant, machinery, vehicles and other equipment paid	5	11	11	11	12	9,1
Depreciation	1 211	1 429	1 337	1 289	1 464	13,6
Losses on assets/investments sold or revalued	135	38	30	1 460	32	-97,8
<b>Inventories</b>						
Closing value work in progress	12	14	9	10	11	10,0
Closing value other inventories	3 482	3 324	3 392	3 798	3 761	-1,0
Total closing values	3 494	3 338	3 401	3 808	3 772	-0,9
<b>Net profit or loss (-) before taxation</b>	1 282	2 870	4 847	-1 749	296	*
<b>Tax and company tax</b>	754	96	2 713	-262	299	*
<b>Dividends payable</b>	0	7	134	0	0	..
<b>Book value of fixed assets as at the end of quarter</b>	75 861	81 556	84 378	87 800	93 027	6,0
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	2 902	3 096	3 345	4 189	5 999	43,2
Plant, machinery, furniture, fittings and other equipment	290	127	182	376	448	19,1
Vehicles	79	123	266	259	313	20,8
<b>Total capital expenditure</b>	3 271	3 346	3 793	4 824	6 760	40,1

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

\* Estimates have changed from a negative value in December 2006 to a positive value in March 2007.

**Table 5 - Selected income and expenditure items: Construction industry**

	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	34 356	35 860	38 515	39 927	40 990	2,7
Interest received	165	184	201	223	243	9,0
Dividends received	11	23	25	54	92	70,4
Royalties, franchise fees, copyright, trade names and patent rights received	0	0	0	0	0	..
Rental/leasing of land, buildings and other structures received	26	148	135	135	133	-1,5
Hiring/leasing of plant, machinery, vehicles and other equipment received	429	152	131	135	158	17,0
Profit on assets/investment sold or revalued	47	220	175	180	174	-3,3
Other income	341	339	293	483	501	3,7
<b>Expenditure items</b>						
Interest paid	416	320	287	350	341	-2,6
Royalties, franchise fees, copyright, trade names and patent rights paid	17	33	57	59	49	-16,9
Rental/leasing of land, buildings and other structures paid	243	265	285	269	266	-1,1
Hiring/leasing of plant, machinery, vehicles and other equipment paid	1 339	1 199	1 486	1 517	1 477	-2,6
Depreciation	485	660	722	799	760	-4,9
Losses on assets/investments sold or revalued	87	83	52	53	36	-32,1
<b>Inventories</b>						
Closing value work in progress	7 948	6 738	8 095	8 716	9 031	3,6
Closing value other inventories	1 535	1 606	2 450	2 208	2 425	9,8
Total closing values	9 483	8 344	10 545	10 924	11 456	4,9
<b>Net profit or loss (-) before taxation</b>	2 585	2 190	2 664	3 227	3 432	6,4
<b>Tax and company tax</b>	347	696	394	383	436	13,8
<b>Dividends payable</b>	701	362	283	246	169	-31,3
<b>Book value of fixed assets as at the end of quarter</b>	17 269	20 512	20 453	21 931	22 194	1,2
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	14	79	53	49	80	63,3
Plant, machinery, furniture, fittings and other equipment	349	818	1 172	1 238	1 305	5,4
Vehicles	232	263	211	141	159	12,8
Total capital expenditure	595	1 160	1 436	1 428	1 544	8,1

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

**Table 6 - Selected income and expenditure items: Trade industry**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	305 303	338 589	359 295	378 841	371 023	-2,1
Interest received	1 497	1 844	1 814	2 013	1 928	-4,2
Dividends received	276	301	242	365	1 513	314,5
Royalties, franchise fees, copyright, trade names and patent rights received	142	158	170	108	97	-10,2
Rental/leasing of land, buildings and other structures received	868	760	687	408	319	-21,8
Hiring/leasing of plant, machinery, vehicles and other equipment received	148	214	260	370	279	-24,6
Profit on assets/investment sold or revalued	281	584	1 099	870	1 765	102,9
Other income	4 507	5 497	6 503	5 983	6 146	2,7
<b>Expenditure items</b>						
Interest paid	2 115	2 087	1 991	3 006	2 114	-29,7
Royalties, franchise fees, copyright, trade names and patent rights paid	501	552	522	646	527	-18,4
Rental/leasing of land, buildings and other structures paid	5 226	5 873	5 927	5 893	6 095	3,4
Hiring/leasing of plant, machinery, vehicles and other equipment paid	757	753	807	747	749	0,3
Depreciation	2 570	2 595	2 946	3 010	3 159	5,0
Losses on assets/investments sold or revalued	106	362	476	526	455	-13,5
<b>Inventories</b>						
Closing value work in progress	3 976	3 839	6 806	7 083	8 179	15,5
Closing value other inventories	92 303	102 474	107 110	107 579	109 002	1,3
Total closing values	96 279	106 313	113 916	114 662	117 181	2,2
<b>Net profit or loss (-) before taxation</b>	17 252	21 235	23 021	24 926	25 398	1,9
<b>Tax and company tax</b>	4 273	4 408	4 639	3 962	5 128	29,4
<b>Dividends payable</b>	1 304	1 963	1 628	1 183	2 431	105,5
<b>Book value of fixed assets as at the end of quarter</b>	75 547	77 719	79 731	77 074	77 241	0,2
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	1 973	2 190	2 329	911	962	5,6
Plant, machinery, furniture, fittings and other equipment	2 898	2 958	2 894	3 066	3 224	5,2
Vehicles	860	842	1 088	1 660	1 357	-18,3
Total capital expenditure	5 731	5 990	6 311	5 637	5 543	-1,7

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

**Table 7 - Selected income and expenditure items: Transport, storage and communication industry**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	78 667	83 958	85 821	88 812	88 540	-0,3
Interest received	877	601	598	483	559	15,7
Dividends received	3 962	175	1 367	36	532	1 377,8
Royalties, franchise fees, copyright, trade names and patent rights received	7	13	17	17	17	0,0
Rental/leasing of land, buildings and other structures received	268	377	361	397	395	-0,5
Hiring/leasing of plant, machinery, vehicles and other equipment received	40	107	129	143	139	-2,8
Profit on assets/investment sold or revalued	714	812	172	1 523	877	-42,4
Other income	497	619	812	879	828	-5,8
<b>Expenditure items</b>						
Interest paid	2 605	2 198	2 059	2 605	2 473	-5,1
Royalties, franchise fees, copyright, trade names and patent rights paid	317	193	178	207	210	1,4
Rental/leasing of land, buildings and other structures paid	979	1 165	1 185	1 399	1 215	-13,2
Hiring/leasing of plant, machinery, vehicles and other equipment paid	2 680	1 993	2 027	1 920	1 975	2,9
Depreciation	4 999	4 360	3 931	4 054	4 230	4,3
Losses on assets/investments sold or revalued	405	144	356	358	253	-29,3
<b>Inventories</b>						
Closing value work in progress	1 340	294	292	338	418	23,7
Closing value other inventories	5 393	5 780	6 465	7 417	7 329	-1,2
Total closing values	6 733	6 074	6 757	7 755	7 747	-0,1
<b>Net profit or loss (-) before taxation</b>	15 131	6 915	14 566	12 184	13 544	11,2
<b>Tax and company tax</b>	3 486	3 138	4 087	3 308	2 968	-10,3
<b>Dividends payable</b>	2 346	6 601	1 765	3 274	1 923	-41,3
<b>Book value of fixed assets as at the end of quarter</b>	189 314	186 405	194 807	201 942	168 611	-16,5
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	886	966	582	1 274	1 113	-12,6
Plant, machinery, furniture, fittings and other equipment	7 197	4 771	8 300	8 444	8 452	0,1
Vehicles	2 232	829	973	1 630	999	-38,7
<b>Total capital expenditure</b>	10 315	6 566	9 855	11 348	10 564	-6,9

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

**Table 8 – Selected income and expenditure items: Real estate and other business services industry (excluding financial intermediation and insurance)**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received *	105 065	109 689	111 079	117 645	118 184	0,5
Dividends received	4 529	8 125	2 386	2 368	2 991	26,3
Royalties, franchise fees, copyright, trade names and patent rights received	35	224	281	315	324	2,9
Profit on assets/investment sold or revalued	1 161	2 349	2 256	3 635	2 963	-18,5
Other income	2 449	2 765	3 136	4 151	4 563	9,9
<b>Expenditure items</b>						
Interest paid	3 821	5 193	5 280	5 862	5 278	-10,0
Royalties, franchise fees, copyright, trade names and patent rights paid	494	1 090	816	870	907	4,3
Rental/leasing of land, buildings and other structures paid	1 974	2 613	3 005	3 349	3 393	1,3
Hiring/leasing of plant, machinery, vehicles and other equipment paid	776	841	886	889	856	-3,7
Depreciation	1 990	2 321	2 226	2 339	2 358	0,8
Losses on assets/investments sold or revalued	123	403	339	1 015	192	-81,1
<b>Inventories</b>						
Closing value work in progress	4 389	5 909	5 890	8 395	8 242	-1,8
Closing value other inventories	8 232	11 516	11 213	11 258	11 299	0,4
Total closing values	12 621	17 425	17 103	19 653	19 541	-0,6
<b>Net profit or loss (-) before taxation</b>	13 285	21 891	20 145	22 168	22 219	0,2
<b>Tax and company tax</b>	1 832	3 992	4 160	4 024	3 923	-2,5
<b>Dividends payable</b>	5 733	1 400	4 578	2 209	2 820	27,7
<b>Book value of fixed assets as at the end of quarter</b>	254 367	220 465	221 542	230 605	235 825	2,3
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	1 452	3 424	2 432	5 625	3 966	-29,5
Plant, machinery, furniture, fittings and other equipment	727	1 099	1 254	1 021	1 009	-1,2
Vehicles	779	687	1 117	1 091	1 094	0,3
Total capital expenditure	2 958	5 210	4 803	7 737	6 069	-21,6

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

\*Turnover includes: interest, rent/leasing and hiring – see p. 20 for more details.

**Table 9 - Selected income and expenditure items: Community, social and personal services industry (excluding government institutions)**

Item	Quarter ended					Change between quarters ended December 2006 and March 2007 %
	R million					
	March 2006	June 2006	September 2006	December 2006 <sup>1</sup>	March 2007 <sup>2</sup>	
<b>Income items</b>						
Turnover received	20 138	25 183	25 231	25 223	25 187	-0,1
Interest received	203	194	228	182	230	26,4
Dividends received	35	19	13	20	35	75,0
Royalties, franchise fees, copyright, trade names and patent rights received	31	28	30	27	10	-63,0
Rental/leasing of land, buildings and other structures received	109	125	110	99	182	83,8
Hiring/leasing of plant, machinery, vehicles and other equipment received	45	79	77	79	80	1,3
Profit on assets/investment sold or revalued	59	37	43	58	63	8,6
Other income	987	965	1 063	1 048	1 034	-1,3
<b>Expenditure items</b>						
Interest paid	1 254	494	532	622	669	7,6
Royalties, franchise fees, copyright, trade names and patent rights paid	125	136	184	191	191	0,0
Rental/leasing of land, buildings and other structures paid	642	849	869	898	844	-6,0
Hiring/leasing of plant, machinery, vehicles and other equipment paid	252	248	259	262	257	-1,9
Depreciation	677	807	807	800	788	-1,5
Losses on assets/investments sold or revalued	25	138	81	56	38	-32,1
<b>Inventories</b>						
Closing value work in progress	278	27	34	52	64	23,1
Closing value other inventories	1 493	1 708	1 725	1 965	1 783	-9,3
Total closing values	1 771	1 735	1 759	2 017	1 847	-8,4
<b>Net profit or loss (-) before taxation</b>	2 010	3 183	3 016	2 776	3 248	17,0
<b>Tax and company tax</b>	480	592	721	724	731	1,0
<b>Dividends payable</b>	399	222	1 005	256	509	98,8
<b>Book value of fixed assets as at the end of quarter</b>	33 068	42 991	39 187	41 988	41 130	-2,0
<b>Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment</b>						
Buildings, improvement and construction works	146	352	1 381	1 219	312	-74,4
Plant, machinery, furniture, fittings and other equipment	291	384	469	1 039	474	-54,4
Vehicles	86	159	170	204	197	-3,4
Total capital expenditure	523	895	2 020	2 462	983	-60,1

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

## Technical notes

### Confidence intervals

The 95% confidence intervals of a population parameter (turnover) are obtained as follows:

Lower limit  
 = lower 95% confidence limit of a population parameter  
 = estimate – 1,96\* Standard error (estimate);

and

Upper limit  
 = upper 95% confidence limit of a population parameter  
 = estimate + 1,96\* Standard error (estimate)

### Standard error (SE)

$$\text{Standard error} = \frac{\text{Upper Limit (R million)} - \text{Lower Limit (R million)}}{2 * 1,96}$$

### Relative standard error (RSE)

$$= \frac{\text{SE (estimate)} * 100}{\text{estimate}}$$

**Table A - Estimates of turnover by industry within 95% confidence limits: December 2006**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	61 806	62 341	62 876	0,4
Manufacturing industry	296 460	302 908	309 356	1,1
Electricity, gas and water supply industry	11 414	14 256	17 098	10,2
Construction industry	34 851	39 927	45 003	6,5
Trade industry	355 823	378 841	401 859	3,1
Transport, storage and communication industry	85 462	88 812	92 162	1,9
Real estate and other business services industry, excluding financial intermediation and insurance	105 391	117 645	129 899	5,3
Community, social and personal services industry, excluding government institutions	22 791	25 223	27 655	4,9

**Table B - Estimates of turnover by industry within 95% confidence limits: March 2007**

Industry	Lower limit	Estimate	Upper limit	Relative standard error
	R million			(RSE)
Mining and quarrying industry	60 096	60 574	61 052	0,4
Manufacturing industry	285 172	292 226	299 280	1,2
Electricity, gas and water supply industry	11 635	14 477	17 319	10,0
Construction industry	35 404	40 990	46 576	7,0
Trade industry	347 025	371 023	395 021	3,3
Transport, storage and communication industry	84 663	88 540	92 417	2,2
Real estate and other business services industry, excluding financial intermediation and insurance	105 011	118 184	131 357	5,7
Community, social and personal services industry, excluding government institutions	22 433	25 187	27 941	5,6



**Table C – Differences in turnover by industry between December 2006 and March 2007**

Industry	Turnover for December 2006	Turnover for March 2007	Difference
	R million	R million	%
Mining and quarrying industry	62 341	60 574	-2,8
Manufacturing industry	302 908	292 226	-3,5
Electricity, gas and water supply industry	14 256	14 477	1,6
Construction industry	39 927	40 990	2,7
Trade industry	378 841	371 023	-2,1
Transport, storage and communication industry	88 812	88 540	-0,3
Real estate and other business services industry, excluding financial intermediation and insurance	117 645	118 184	0,5
Community, social and personal services industry, excluding government institutions	25 223	25 187	-0,1
All industries	1 029 953	1 011 201	-1,8

<p><b>Neyman Optimal Allocation</b></p>	<p>Before drawing samples in each of the surveys the population of enterprises on the Business Sampling Frame (BSF) was stratified. Strata were formed using a combination of the standard industrial classification variable and the measure of size variable for enterprises. The Neyman optimal allocation formula used to allocate samples to each stratum is given by a formula below.</p> $n_h = \frac{N_h S_h}{\sum N_h S_h}$ <p>where <math>N_h</math> and <math>S_h</math> are the stratum population size and the stratum variance, respectively.</p>
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**Table D - DTI cut-off points for QFS**

Industry	Enterprise size			
	Large (Size-group 1) Lower limits Rand	Medium (Size-group 2) Lower limits Rand	Small (Size-group 3) Lower limits Rand	Very small (Size-group 4) Lower limits Rand
Mining and quarrying	156 000 000	40 000 000	16 000 000	4 898 897
Manufacturing	204 000 000	52 000 000	20 000 000	2 685 609
Electricity, gas and water supply	204 000 000	52 000 000	20 400 000	429 047
Construction	104 000 000	24 000 000	12 000 000	1 579 443
Wholesale trade	256 000 000	128 000 000	24 000 000	5 150 725
Retail trade	156 000 000	76 000 000	16 000 000	1 676 274
Motor trade	156 000 000	76 000 000	16 000 000	3 069 632
Accommodation and catering	52 000 000	24 000 000	20 400 000	904 110
Transport, Storage and communication	104 000 000	52 000 000	12 000 000	937 214
Real estate and other businesses services industry, excluding financial intermediation and insurance	104 000 000	52 000 000	12 000 000	875 378
Community, social and personal services, excluding government institutions	52 000 000	24 000 000	4 000 000	541 997

## Explanatory notes

### Introduction

- 1 Statistics South Africa (Stats SA) conducts a quarterly sample survey to collect a range of financial statistics in respect of enterprises in the formal non-agricultural business sector of the South African economy, excluding financial intermediation and insurance and government institutions. The statistical release contains information regarding:
  - turnover;
  - interest received and paid;
  - dividends received and dividends payable;
  - royalties, franchise fees, copyright, trade names and trade and patent rights received and paid;
  - income and expenditure in respect of rental/leasing of land, buildings and other structures, including payments for water and electricity services;
  - income and expenditure in respect of hiring/leasing of plant, machinery, vehicles and other equipment;
  - profit and losses on assets/investments sold or revalued;
  - depreciation provided for;
  - other income;
  - net profit or loss before providing for company tax and dividends;
  - tax and company tax brought into account;
  - book value of land, buildings, machinery, furniture, vehicles and other equipment at the end of the quarter;
  - inventories as at the end of the quarter; and
  - capital expenditure on new buildings, machinery, furniture, vehicles and other equipment.
- 2 In order to improve timeliness of the publication, some information for the current quarter may have been estimated due to late or non-submission by respondents. These estimates are revised as soon as the actual information is available.
- 3 This statistical release presents a selection of key findings and tables from Stats SA's QFS survey, conducted in March, June, September, December 2006 and March 2007, which examines book value of land, buildings, machinery, furniture, vehicles and other equipment, inventories and selected income and expenditure items in the formal non-agricultural business sector in South Africa, excluding financial intermediation and insurance and government institutions.

### Purpose of the survey

- 4 The quarterly financial statistics (QFS) survey covers a sample of enterprises operating in the formal non-agricultural business sector of the South African economy, excluding financial intermediation, insurance and government institutions. Results of the survey are used in compiling estimates of the Gross Domestic Product (GDP) and its components, which in turn are used to develop and monitor government policy. These statistics are also used by the private sector in analyses of comparative business and industry performance. The results are published quarterly in statistical release P0044: *Quarterly financial statistics*.

### Scope of the survey

- 5 This survey covers financial statistics of the following industries according to the *Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993*:
  - mining and quarrying industry;
  - manufacturing industry;
  - electricity, gas and water supply industry;
  - construction industry;
  - trade industry;
  - transport, storage and communication industry;
  - real estate and business services industry, excluding financial intermediation and insurance; and
  - community, social and personal services industry, excluding government institutions.

<b>Classification</b>	<b>6</b>	The 1993 edition of the <i>Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993</i> , was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of all Economic Activities (ISIC)</i> with suitable adaptations for local conditions. Statistics in this publication are only presented at SIC major division (one digit) level. Each enterprise is classified to an industry which reflects the predominant activity of the enterprise.
<b>Statistical unit</b>	<b>7</b>	The statistical unit for the collection of information is an enterprise. An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.
<b>Survey methodology and design</b>	<b>8</b>	The survey is conducted on a quarterly basis. Questionnaires are sent to a sample of about 5 000 enterprises. Questionnaires have to be returned to Stats SA within four weeks after the end of the quarter concerned. Fax and telephone reminders are used to follow up on non-respondents.
	<b>9</b>	A new sample was drawn in 2006 and implemented from the June 2006 quarter.
	<b>10</b>	The sample was drawn from a population of enterprises that contributed approximately 95% to the total turnover per industry. Adjustments to the estimates to account for enterprises contributing less than 5% of the total turnover are made within each industry. All enterprises are stratified by type of enterprise according to size groups based on the National Small Business Amendment Bill, 2003, size group allocations for industries as defined in the <i>Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993</i> . All large enterprises, which comprise 50% of the number of enterprises in the sample, are completely enumerated, while simple random sampling is applied for medium sized, small and very small enterprises. The data reported by the enterprises in the sample are weighted to represent all enterprises in the population.
<b>Reliability of estimates</b>	<b>11</b>	Data presented in this publication are based on information obtained from a sample of enterprises and are, therefore, subject to sampling variability, that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the different industries in South Africa.
	<b>12</b>	Inaccuracies may occur because of imperfections in reporting by enterprises and errors made with the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by designing the questionnaire carefully, conducting pilot studies, editing of data and the implementation of efficient operating procedures. Preliminary figures are indicated in the relevant tables.  Fluctuations may occur in consecutive quarters as a result of seasonal and economic factors.
<b>Response rates</b>	<b>13</b>	September quarter 2006: 84% December quarter 2006: 86% March quarter 2007: 80%
<b>Reasons for fluctuations in data</b>	<b>14</b>	The fluctuations in the data can be attributed to: <ul style="list-style-type: none"> <li>• revisions to previous quarters made in the event of new or revised information being furnished by the respondents;</li> <li>• restructuring of large businesses;</li> <li>• exchange rate changes;</li> <li>• restating of previous estimates due to International Financial Reporting Standards (IFRS);</li> <li>• once-off items reflected in one or more quarters, but not reflected in other quarters;</li> <li>• seasonal factors; and</li> <li>• items declared annually and not quarterly.</li> </ul>

<b>Standard error</b>	<b>15</b>	The estimates in this publication are based on a sample drawn from units in the surveyed population. As a result of the entire population not being surveyed, the published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic.																								
<b>Revised figures</b>	<b>16</b>	The revised figures are due to respondents reporting revisions or corrections in their figures and late submissions of their data to Stats SA. Data are edited at individual enterprise level.																								
<b>Reference period</b>	<b>17</b>	The reference period is the four quarters ending March, June, September and December of each year.																								
<b>Related publications</b>	<b>18</b>	<p>Users may also wish to refer to the following publications which are available from Stats SA:</p> <ul style="list-style-type: none"> <li>• <i>Bulletin of Statistics</i> – issued quarterly</li> <li>• <i>South African Statistics</i> – issued annually.</li> </ul>																								
<b>Rounding-off of figures</b>	<b>19</b>	The figures in the tables have, where necessary, been rounded off to the nearest digit shown.																								
<b>Symbols and abbreviations</b>	<b>20</b>	<table border="0"> <tr> <td>BSF</td> <td>Business Sampling Frame</td> </tr> <tr> <td>GDP</td> <td>Gross Domestic Product</td> </tr> <tr> <td>IFRS</td> <td>International Financial Reporting Standards</td> </tr> <tr> <td>ISIC</td> <td>International Standard Industrial Classification</td> </tr> <tr> <td>m</td> <td>million</td> </tr> <tr> <td>RSE</td> <td>Relative Standard Error</td> </tr> <tr> <td>SARS</td> <td>South African Revenue Service</td> </tr> <tr> <td>SE</td> <td>Standard Error</td> </tr> <tr> <td>SIC</td> <td>Standard Industrial Classification of all Economic Activities</td> </tr> <tr> <td>Stats SA</td> <td>Statistics South Africa</td> </tr> <tr> <td>VAT</td> <td>Value-added tax</td> </tr> <tr> <td>..</td> <td>Not available</td> </tr> </table>	BSF	Business Sampling Frame	GDP	Gross Domestic Product	IFRS	International Financial Reporting Standards	ISIC	International Standard Industrial Classification	m	million	RSE	Relative Standard Error	SARS	South African Revenue Service	SE	Standard Error	SIC	Standard Industrial Classification of all Economic Activities	Stats SA	Statistics South Africa	VAT	Value-added tax	..	Not available
BSF	Business Sampling Frame																									
GDP	Gross Domestic Product																									
IFRS	International Financial Reporting Standards																									
ISIC	International Standard Industrial Classification																									
m	million																									
RSE	Relative Standard Error																									
SARS	South African Revenue Service																									
SE	Standard Error																									
SIC	Standard Industrial Classification of all Economic Activities																									
Stats SA	Statistics South Africa																									
VAT	Value-added tax																									
..	Not available																									

## Glossary

### Book value of fixed assets

Book value of fixed assets at the end of the quarter includes:

- land;
- residential buildings and non-residential buildings;
- construction works, roads and parking areas;
- computers and other IT equipment;
- motor vehicles and other transport equipment;
- plant, machinery and other office equipment; and
- intangible non-produced assets.

### Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment

Capital expenditure on new buildings, machinery, furniture, vehicles and other equipment includes:

- the erection of new buildings and works, additions to and alterations of existing buildings and works, whether payments were made to outside contractors or concerns, or work done by the enterprise itself;
- work in progress capitalised;
- new plant and machinery, vehicles and equipment; and
- used plant and machinery, which were imported by or on behalf of the enterprise.

### Enterprise

An enterprise is a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.

### Industry

An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity, and is classified according to the *Standard Industrial Classification of all Economic Activities (SIC), Fifth edition, January 1993*.

### Inventories

Inventories consist of:

- outputs that are still held by the enterprise that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and
- products acquired from other enterprises that are intended to be used for intermediate consumption or for resale without further processing (factored goods).

Work in progress consists of goods in the process of manufacturing or work that has been partially done, but which has not yet been completed at the end of the quarter.

Other inventories consist of raw materials, components for processing, packing materials, fuel, consumable and maintenance stores, finished goods (own manufactures) and finished goods not produced by the enterprise but purchased for resale, not sold at the end of the quarter.

<b>International Financial Reporting Standards (IFRS)</b>	International Financial Reporting Standards (IFRS) are international accounting standards stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the Accounting Standard Board.
<b>Net profit or loss</b>	Net profit or loss is the difference between total income and total expenditure before drawings by proprietors or partners, company tax paid or provided for and dividends paid or provided for are taken into account. In the tables where net profit or loss is shown, it is the amount arrived at after total losses of individual enterprises were deducted from total profits of individual enterprises.
<b>Statistical unit</b>	<p>A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South African Revenue Service (SARS) administrative data.</p> <p>For the purpose of this publication, the statistical unit in the quarterly financial statistics survey is the enterprise. An enterprise is defined as a legal unit or a combination of legal units that includes and directly controls all functions necessary to carry out its production activities.</p>
<b>Tax and company tax brought into account</b>	Tax and company tax brought into account consist of taxes on incomes, profits and capital gains, excluding value-added tax (VAT). They are assessed on the actual or presumed incomes of enterprises and exclude employees' taxes and compulsory loan levies.
<b>Turnover</b>	<p>Turnover refers to the following items for all industries, excluding real estate and other business services (excluding financial intermediation and insurance):</p> <ul style="list-style-type: none"><li>• the value of sales;</li><li>• amounts received for work done; and</li><li>• amounts received for services rendered.</li></ul> <p>Turnover refers to the following items for the real estate and other business services industry (excluding financial intermediation and insurance):</p> <ul style="list-style-type: none"><li>• the value of sales;</li><li>• amounts received for work done;</li><li>• amounts received for services rendered;</li><li>• interest received;</li><li>• rent and or lease payments received for land and buildings; and</li><li>• rent, leasing and hiring received for machinery, vehicles and other equipment.</li></ul> <p>Turnover excludes:</p> <ul style="list-style-type: none"><li>• value-added tax (VAT);</li><li>• net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange);</li><li>• export freight charges; and</li><li>• excise duty.</li></ul>

## General information

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