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# Manufacturing: financial statistics

June 1998

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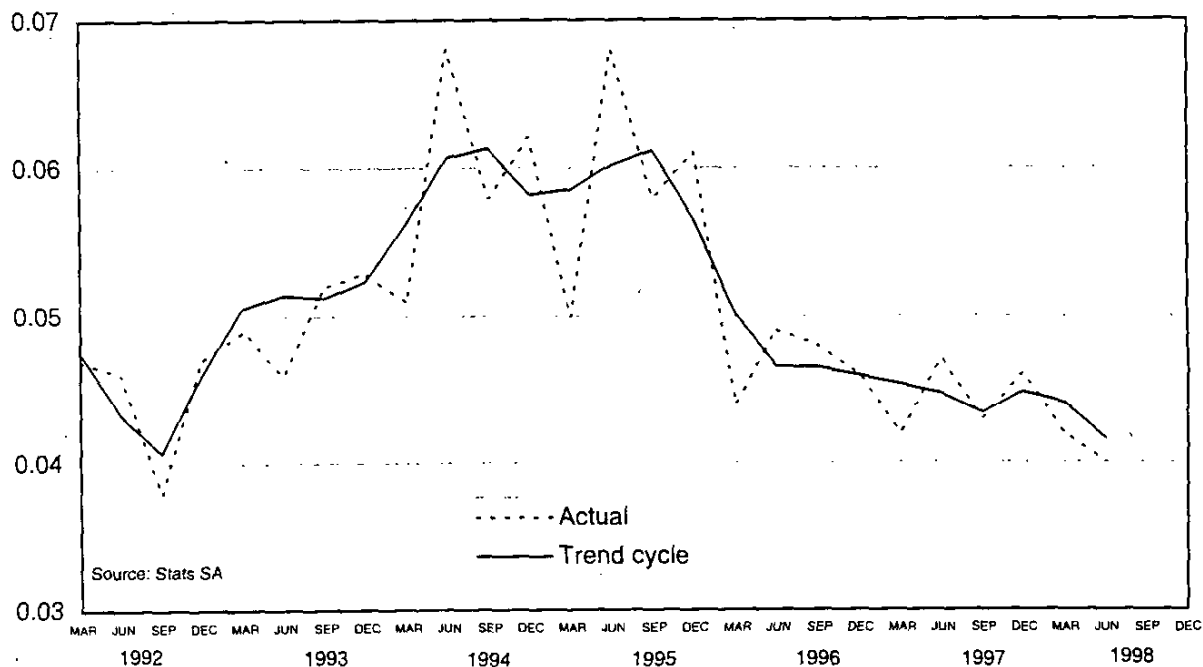
## PROFITABILITY OF THE MANUFACTURING SECTOR LOWER THAN A YEAR AGO

*Net profit after tax of the manufacturing sector expressed as a percentage of its turnover for the second quarter of 1998, is 4,0% which is 0,7 of a percentage point lower than for the second quarter of 1997 (4,7%).*

The decrease can mainly be attributed to lower profitability reported by the textile, clothing, chemical and metal products industries.

The capital expenditure on new assets as a percentage of turnover decreased from 5,6% in the second quarter of 1997 to 5,1% in the second quarter of 1998, while the interest paid as a percentage of turnover increased from 2,4% to 2,5% during the same period.

### MANUFACTURING PROFITABILITY RATIO (Nett profit after tax / Turnover)



pp

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**NOTES****1. GENERAL**

This statistical release contains results of the revised quarterly sample survey which was introduced with effect from March 1995.

Quarterly and annual percentage changes in selected financial quantities are shown in table 1. Table 2 contains selected operating ratios, while table 3 contains information of selected financial quantities expressed as a percentage of the turnover (sales and work done) of the reporting manufacturing firms.

In order to improve timeliness, some information for the current quarter may have been estimated due to late response. These estimates will be revised as soon as better information is available.

**2. SAMPLE DESIGN**

The 1988 Manufacturing Census provided the frame for the selection of the sample. The sample includes the most important manufacturing firms and covers approximately 80% of the gross output of the firms in the manufacturing sector. Firms which commenced operations after the census have also been taken into account.

**3. EXPLANATORY NOTES**

Explanatory notes of the various items are published in the **Bulletin of Statistics**.

TABLE 1 - PERCENTAGE CHANGE IN SELECTED FINANCIAL QUANTITIES

TABLE 1.1 - QUARTERLY PERCENTAGE CHANGE IN SELECTED ITEMS

- MANUFACTURING

Per cent

Item	Percentage change since previous quarter			
	JUN. 1998	MAR. 1998	DEC. 1997	JUN. 1997
	MAR. 1998	DEC. 1997	SEP. 1997	MAR. 1997
Net profit	3,1	-11,6	4,5	16,0
Interest paid	5,6	-1,2	-0,3	3,3
Capital expenditure on new assets	1,1	-6,2	-9,4	4,4
Selected assets -				
Stocks	0,5	3,2	-2,4	1,7

TABLE 1.2 - ANNUAL PERCENTAGE CHANGE IN SELECTED ITEMS

## - MANUFACTURING

Per cent

Item	Percentage change since previous twelve months	
	Twelve months ended JUN. 1998 / Twelve months ended JUN. 1997	Twelve months ended MAR. 1998 / Twelve months ended MAR. 1997

TABLE 1.2.1 - SELECTED INCOME AND EXPENDITURE ITEMS

Turnover	2,6	3,0
Interest received	5,1	0,8
Interest paid	12,1	11,2
Rent paid -		
Land and buildings	15,4	20,7
Machinery, vehicles and other equipment	13,3	20,5
Depreciation	11,8	14,2
Net profit	-0,8	1,6
Dividends paid	19,2	7,2
Income tax and company tax brought into account	9,0	9,7

TABLE 1.2.2 - CAPITAL EXPENDITURE

New assets :		
Total	3,5	5,2
Buildings, improvements and construction works	68,4	8,6
Plant, machinery, furniture, fittings and other equipment	-2,3	6,4
Vehicles	-15,2	-27,6
Used assets :	-40,1	-70,6

TABLE 1.2.3 - VALUE OF SELECTED ASSETS

Book value of land, buildings, machinery, furniture, fittings and other equipment	4,8	7,4
Stocks	4,6	5,8

TABLE 2.1 - SELECTED OPERATING RATIOS  
- MANUFACTURING

Item	JUN. 1998	MAR. 1998 *	JUN. 1997	1997	Percentage change Jun. 1997- Jun. 1998
Turnover ratios :					
Turnover/Fixed assets	0,760	0,720	0,760	2,968	0,00
Profitability ratios :					
Net profit after tax/ Turnover	0,040	0,042	0,047	0,044	-14,89
Net profit after tax/ Fixed Assets	0,030	0,030	0,036	0,132	-16,67
Other ratios :					
Dividends paid/ Net profit after tax				0,363	
Tax/Net profit				0,323	

TABLE 2.2 - PROFITABILITY RATIOS : NET PROFIT AFTER TAX / TURNOVER  
- MANUFACTURING MAJOR GROUP COMBINATIONS

Item	JUN. 1998	MAR. 1998 *	JUN. 1997	1997	Percentage change Jun. 1997- Jun. 1998
Total manufacturing	0,040	0,042	0,047	0,044	-14,89
Food, beverages and tobacco	0,048	0,054	0,047	0,060*	2,13
Textiles, clothing, leather and footwear	0,007	0,033	0,040	0,035	-82,50
Wood, paper, printing and publishing	0,092	0,057	0,071	0,064	29,58
Chemical products, petroleum, rubber and plastic	0,048	0,048	0,074	0,028*	-35,14
Basic metals and fabricated metal products	0,041	0,026	0,059	0,043	-30,51
Machinery, electrical machinery and transport equipment	0,012	0,017	0,007	-0,000*	71,43
Other industries	0,034	0,048	0,042	0,037	-19,05

TABLE 3 - SELECTED FINANCIAL QUANTITIES  
EXPRESSED AS PERCENTAGE OF TURNOVER  
- MANUFACTURING

Item	Per cent			
	JUN. 1998	MAR. 1998 *	JUN. 1997	1997

TABLE 3.1 - SELECTED INCOME  
AND EXPENDITURE ITEMS

Credits				
Interest received	1,35	1,41	1,20	1,15
Dividends received	0,14	0,57	0,45	0,23
Royalties received	0,02	0,09	0,01	0,01
Rent received				
Land and buildings	0,07	0,07	0,06	0,06
Machinery, vehicles and other equipment	0,09	0,09	0,12	0,09
Profit on assets sold or revalued	0,51	1,67	0,18	0,56
Debits				
Interest paid	2,49	2,51	2,40	2,41
Royalties paid	0,43	0,44	0,45	0,44
Rent paid				
Land and buildings	0,45	0,50	0,44	0,44
Machinery, vehicles and other equipment	0,27	0,29	0,29	0,30
Depreciation	2,83	3,02	2,77	2,81
Losses on assets sold or revalued	0,17	0,38	0,51	0,23
Net profit	6,13	6,33	6,81	6,55

TABLE 3.2 - DIVIDENDS PAID, INCOME TAX  
AND COMPANY TAX BROUGHT  
INTO ACCOUNT

Dividends paid	1,77	2,37	1,33	1,62
Income tax and company tax brought into account	2,12	2,38	2,12	2,11

TABLE 3.3 - CAPITAL EXPENDITURE

New assets:				
Total	5,09	5,35	5,62	5,66
Buildings, improvements and construction works	1,04	1,51	0,54	0,63
Plant, machinery, furniture, fittings and other equipment	3,74	3,59	4,84	4,78
Vehicles	0,30	0,26	0,23	0,24
Used assets	0,23	0,26	0,05	0,07

TABLE 3.4 - VALUE OF SELECTED ASSETS AS  
AT END OF QUARTER OR YEAR

Book value of land, buildings, machinery, furniture, vehicles and other equipment	131,68	139,77	131,65	33,70
Stocks	63,95	67,70	64,06	16,01

\* Revised