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**Manufacturing: financial  
statistics  
March 1998**

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Statistical release

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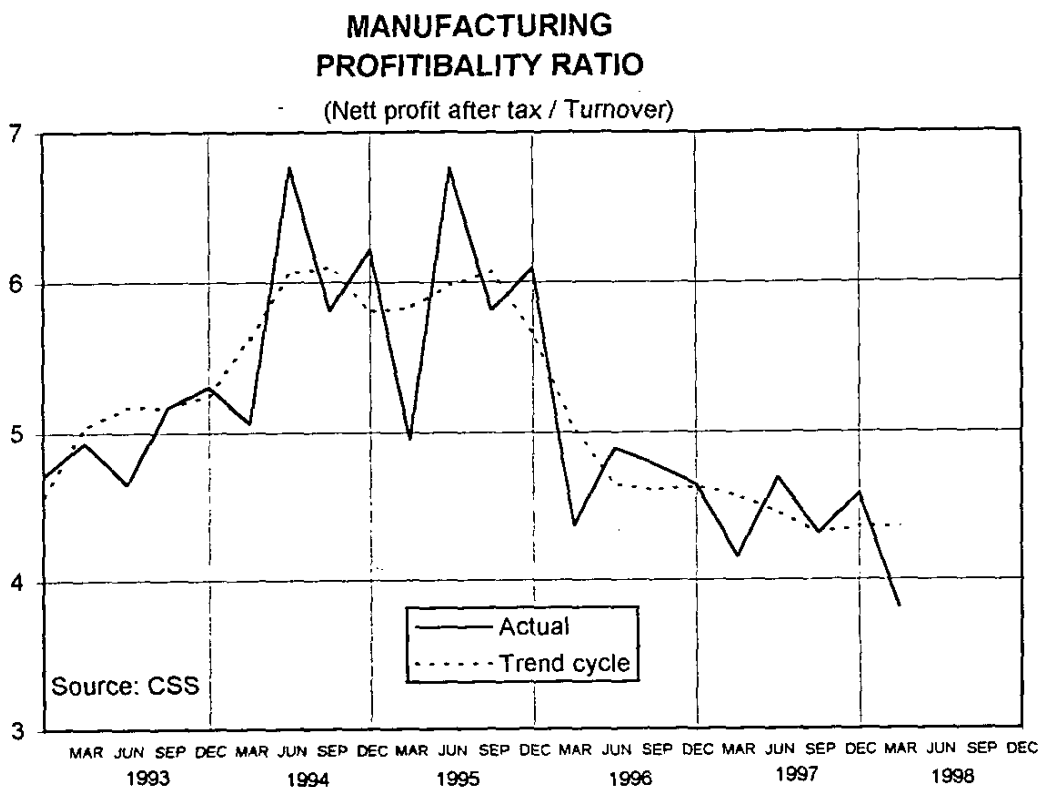
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## PROFITABILITY OF MANUFACTURING SECTOR SLIGHTLY LOWER THAN A YEAR AGO

The profitability ratio (net profit after tax/turnover) of the manufacturing sector for the first quarter of 1998 is 3,8% which is 0,4 of a percentage point lower than for the first quarter of 1997.

According to the latest survey results the profitability ratio for the food, printing and publishing and chemical industries were on a lower level in the first quarter of 1998 than in the first quarter of 1997. However, there was an increase in the profitability ratio for the motor vehicle industry.

The ratio of interest paid to turnover increased from 2,4% in the first quarter of 1997 to 2,5% in the first quarter of 1998. During the same period the ratio of capital expenditure on new assets to turnover decreased from 5,6% to 5,0%.



pp  
Dr F M Orkin  
Head: Central Statistical Service

### ENQUIRIES:

Tel. (012) 310-8095/310-8040  
(012) 310-8351/310-8390  
(012) 310-8249 (technical enquiries)  
Private Bag X44, Pretoria, 0001  
Fax: 310-8500  
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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 |               |              |              |
|--------------------------------------|--|---------------|--------------|--------------|
|                                      | MAR.<br>1998                             | DEC.<br>1997  | SEP.<br>1997 | MAR.<br>1997 |
|                                      | DEC.<br>1997                             | SEP.<br>1997* | JUN.<br>1997 | DEC.<br>1996 |
| Net profit                           | -14,3                                    | 4,5           | -0,9         | -18,5        |
| Interest paid                        | -1,3                                     | -0,3          | 4,7          | 6,1          |
| Capital expenditure<br>on new assets | -12,6                                    | -9,4          | 10,5         | -2,6         |
| Selected assets -                    |  |               |              |              |
| Stocks                               | 1,2                                      | -2,4          | 3,4          | 3,4          |

TABLE 1.2 - ANNUAL PERCENTAGE CHANGE IN SELECTED ITEMS

- MANUFACTURING

Per cent

| Item | Percentage change since previous twelve months                         |  |
|------|--|--|
|      | Twelve months ended<br>MAR. 1998 /<br>Twelve months ended<br>MAR. 1996 | Twelve months ended<br>DEC. 1997 /<br>Twelve months ended<br>DEC. 1996 * |

TABLE 1.2.1 - SELECTED INCOME AND EXPENDITURE ITEMS

|   |      |      |
|---|------|------|
| Turnover  | 3,1  | 4,9  |
| Interest received                                     | -2,5 | 0,3  |
| Interest paid   | 11,2 | 12,3 |
| Rent paid -   |      |      |
| Land and buildings                                    | 20,6 | 25,7 |
| Machinery, vehicles<br>and other equipment            | 21,9 | 32,0 |
| Depreciation  | 13,8 | 18,4 |
| Net profit  | 0,8  | 0,5  |
| Dividends paid  | -0,2 | 14,0 |
| Income tax and company<br>tax brought into<br>account | 8,7  | 2,4  |

TABLE 1.2.2 - CAPITAL EXPENDITURE

|   |       |       |
|---|-------|-------|
| New assets :  |       |       |
| Total   | 3,5   | 10,6  |
| Buildings, improvements<br>and construction works               | 0,5   | -47,1 |
| Plant, machinery,<br>furniture, fittings and<br>other equipment | 6,1   | 25,7  |
| Vehicles  | -32,1 | -26,3 |
| Used assets :   | -75,3 | -84,5 |

TABLE 1.2.3 - VALUE OF SELECTED ASSETS

|  |     |     |
|--|-----|-----|
| Book value of land,<br>buildings, machinery,<br>furniture, fittings and<br>other equipment | 8,7 | 7,6 |
| Stocks   | 3,8 | 6,1 |

TABLE 2.1 - SELECTED OPERATING RATIOS  
- MANUFACTURING

| Ratios                                  |              |                |              |        |
|---|--------------|----------------|--------------|--------|
| Item                                    | MAR.<br>1998 | DEC.<br>1997 * | MAR.<br>1997 | 1997 * |
| Turnover ratios :                       |              |                |              |        |
| Turnover/Fixed assets                   | 0,71         | 0,77           | 0,75         | 2,97   |
| Profitability ratios :                  |              |                |              |        |
| Net profit after tax/<br>Turnover       | 3,81%        | 4,58%          | 4,16%        | 4,44%  |
| Net profit after tax/<br>Fixed Assets   | 2,71%        | 3,52%          | 3,14%        | 13,18% |
| Other ratios :                          |              |                |              |        |
| Dividends paid/<br>Net profit after tax |              |                |              | 0,36   |
| Tax/Net profit                          |              |                |              | 0,32   |

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

| Ratios  |              |               |              |       |
|---|--------------|---------------|--------------|-------|
| Item  | MAR.<br>1998 | DEC.<br>1997* | MAR.<br>1997 | 1997* |
| Total manufacturing   | 3,81         | 4,58          | 4,16         | 4,44  |
| Food, beverages and tobacco                                   | 5,16         | 7,07          | 6,90         | 5,94  |
| Textiles, clothing,<br>leather and footwear                   | 3,20         | 3,96          | 2,28         | 3,54  |
| Wood, paper and printing<br>and publishing                    | 4,00         | 4,88          | 6,74         | 6,42  |
| Chemical products, petroleum,<br>rubber and plastic           | 5,54         | 6,12          | 7,57         | 6,73  |
| Basic metals and fabricated<br>metal products                 | 2,80         | 5,09          | 1,15         | 4,28  |
| Machinery, electrical<br>machinery and transport<br>equipment | 2,11         | 0,22          | -0,82        | 0,02  |
| Other industries  | 2,78         | 4,49          | 2,85         | 3,71  |

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

Per cent

| Item | MAR.<br>1998 | DEC.<br>1997<br>* | MAR.<br>1997 | 1997* |
|------|--------------|-------------------|--------------|-------|
|------|--------------|-------------------|--------------|-------|

TABLE 3.1 - SELECTED INCOME  
AND EXPENDITURE ITEMS

|  |      |      |      |      |
|--|------|------|------|------|
| <b>Credits</b>                             |      |      |      |      |
| Interest received                          | 1,24 | 1,05 | 1,25 | 1,15 |
| Dividends received                         | 0,26 | 0,16 | 0,12 | 0,23 |
| Royalties received                         | 0,02 | 0,02 | 0,01 | 0,01 |
| Rent received                              |      |      |      |      |
| Land and buildings                         | 0,08 | 0,07 | 0,05 | 0,06 |
| Machinery, vehicles<br>and other equipment | 0,10 | 0,08 | 0,08 | 0,09 |
| Profit on assets sold or<br>revalued       | 0,62 | 1,61 | 0,27 | 0,56 |
| <b>Debits</b>                              |      |      |      |      |
| Interest paid                              | 2,49 | 2,39 | 2,40 | 2,41 |
| Royalties paid                             | 0,41 | 0,45 | 0,40 | 0,44 |
| Rent paid                                  |      |      |      |      |
| Land and buildings                         | 0,49 | 0,43 | 0,45 | 0,44 |
| Machinery, vehicles<br>and other equipment | 0,31 | 0,30 | 0,30 | 0,30 |
| Depreciation                               | 2,97 | 2,77 | 2,97 | 2,81 |
| Losses on assets sold or<br>revalued       | 0,39 | 0,06 | 0,31 | 0,23 |
| Net profit                                 | 6,10 | 6,74 | 6,08 | 6,55 |

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

|  |      |      |      |      |
|--|------|------|------|------|
| Dividends paid                                     | 1,92 | 1,35 | 2,16 | 1,62 |
| Income tax and company tax<br>brought into account | 2,29 | 2,16 | 1,91 | 2,11 |

TABLE 3.3 - CAPITAL EXPENDITURE

|   |      |      |      |      |
|---|------|------|------|------|
| <b>New assets:</b>  |      |      |      |      |
| Total   | 4,97 | 5,38 | 5,57 | 5,66 |
| Buildings, improvements<br>and construction works               | 1,25 | 0,79 | 0,41 | 0,63 |
| Plant, machinery,<br>furniture, fittings<br>and other equipment | 3,52 | 4,35 | 4,87 | 4,78 |
| Vehicles  | 0,20 | 0,24 | 0,27 | 0,24 |
| Used assets   | 0,18 | 0,07 | 0,05 | 0,07 |

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

|  |        |        |        |       |
|--|--------|--------|--------|-------|
| Book value of land,<br>buildings, machinery,<br>furniture, vehicles and<br>other equipment | 140,85 | 130,09 | 132,69 | 33,69 |
| Stocks   | 66,14  | 61,81  | 65,22  | 16,01 |

\* Revised