

**Statistics
South Africa**

THE LIBRARY
STATISTICS SOUTH AFRICA
PRIVATE BAG X44
0001 PRETORIA

Statistical release
P3042.1

Dipalopalo tsa Aforika Borwa • Statistieke Suid-Afrika • Tistatistiki ta Afrika-Dzonga • Ukuqokelelwa kwamenani eNingizimu Afrika

Manufacturing: financial statistics

March 2000

Co-operation between Statistics South Africa (Stats SA), the citizens of the country, the private sector and government institutions is essential for a successful statistical system. Without continued co-operation and goodwill, the timely release of relevant and reliable official statistics will not be possible.

**Embargo: 13:00
Date: 21 June 2000**

Stats SA publishes approximately three hundred different releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally, but also by international economic and social-scientific communities, Stats SA releases are published in English only.

Private Bag X44 • 0001 Pretoria • South Africa • Steyn's Building • Steyn's Arcade • 274 Schoeman Street • Pretoria

Users enquiries Tel: +27(12) 310 8600 • Fax: +27(12) 310 8500

E-mail address: info@statssa.pwv.gov.za • Website: <http://www.statssa.gov.za>



Published by
Statistics South Africa
Private Bag X44
Pretoria
0001

© Copyright, 2000

Users may apply or process this data, provided Statistics South Africa is acknowledged as the original source of the data; that it is specified that the application and/or analysis is the result of the user's independent processing of the data; and that neither the basic data nor any reprocessed version or application thereof may be sold or offered for sale in any form whatsoever without prior permission from Stats SA.

CONTENTS

Key findings	1
Graphs	
Figure 1 - Profitability ratio (net profit after tax/turnover) of the manufacturing industry	1
General	2
Tables	
1.1 Selected operating ratios - Manufacturing	3
1.2 Profitability ratios - Manufacturing major division combinations	3
2. Percentage change in selected financial quantities	
2.1 Quarterly percentage change in selected items - Manufacturing	4
2.2 Annual percentage change in selected items - Manufacturing	5
3. Selected financial quantities expressed as percentage of turnover - Manufacturing	6
3.1 Selected income and expenditure items	6
3.2 Dividends paid, income tax and company tax brought into account	6
3.3 Capital expenditure	6
3.4 Value of selected assets as at end of quarter or year	6

A complete set of Stats SA publications is available in the Stats SA Library, and in the following public libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library

Private Bag X44 • 0001 Pretoria • South Africa • Steyn's Building • Steyn's Arcade • 274 Schoeman Street • Pretoria

Users enquiries Tel: +27(12) 310 8600 • Fax: +27(12) 310 8500

E-mail address: info@statssa.pwv.gov.za • Website: <http://www.statssa.gov.za>



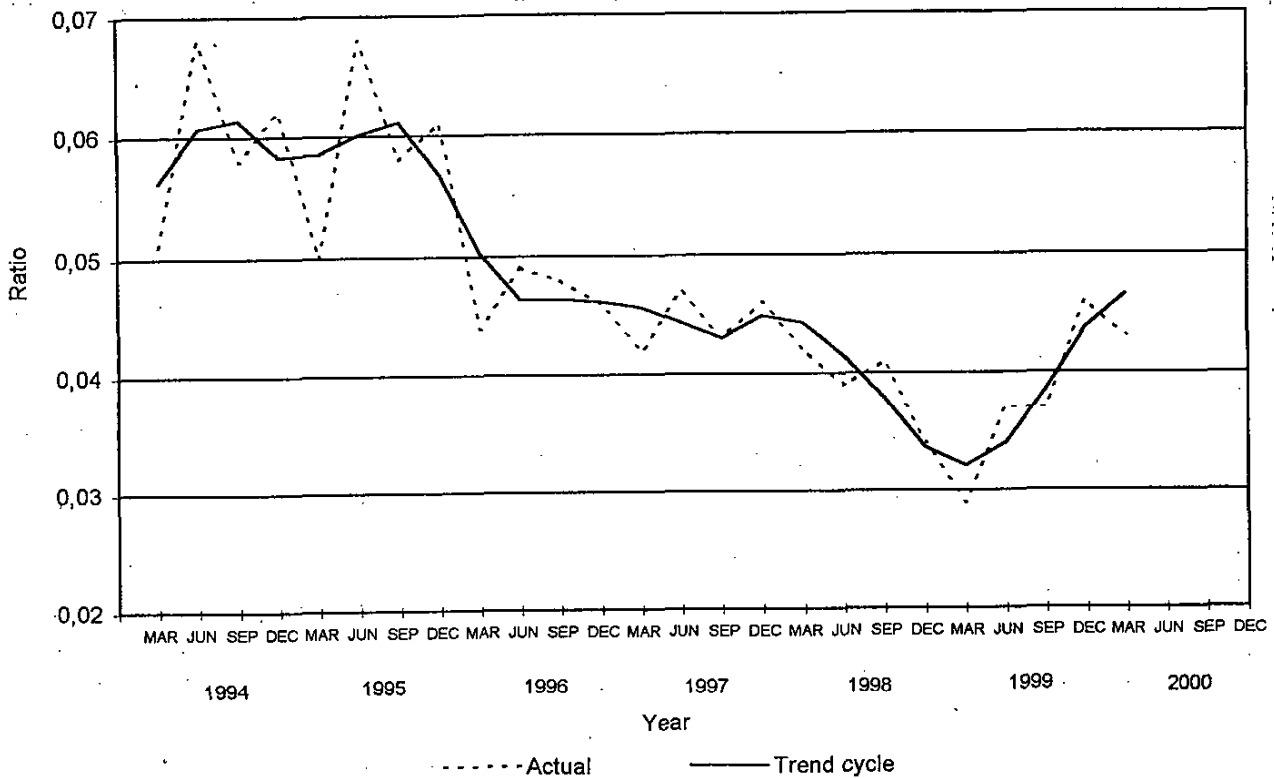
PROFITABILITY OF MANUFACTURING INDUSTRY HIGHER THAN A YEAR AGO

The profitability ratio (net profit after tax/turnover) of manufacturing enterprises in the first quarter of 2000 was 0,043. This profitability ratio is 1,4 percentage points higher than the 0,029 reflected by this industry for the first quarter of 1999. The actual profitability ratio decreased from 0,046 in the fourth quarter of 1999 to 0,043 in the first quarter of 2000, while the seasonally adjusted profitability ratio increased from 0,045 to 0,047 during this period.

Profitability ratios for the textile, clothing, leather and footwear divisions, wood, paper and printing divisions, the chemical, petroleum, rubber and plastic products divisions, the machinery, electrical machinery and transport divisions as well as the "other industries" divisions were higher in the first quarter of 2000 compared with the first quarter of 1999.

The ratio of interest paid to turnover, expressed as a percentage, decreased from 3,03% in the first quarter of 1999 to 2,8% in the first quarter of 2000. The ratio of capital expenditure on new assets to turnover, expressed as a percentage, decreased between the first quarter of 1999 (4,8%) and the first quarter of 2000 (2,5%).

Figure 1 - Profitability ratio (net profit after tax/turnover) of the manufacturing industry



Source : Stats SA

R. Pieterse

PP

Dr F M Orkin

Head: Statistics South Africa

GENERAL

This statistical release contains results of the revised quarterly sample survey which was introduced with effect from March 1995. The 1988 manufacturing census provided the frame for the selection of the sample. The sample includes the most important manufacturing enterprises and covers approximately 80% of the gross output of the enterprises in the manufacturing sector. Enterprises, which commenced operations after the 1988 manufacturing census, have also been taken into account.

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

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. The response rate for the March 2000 quarter was 60,0% and the outstanding 40,0% was imputed.

EXPLANATORY NOTES

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

* Revised.

TABLE 1.1 - SELECTED OPERATING RATIOS
- MANUFACTURING

Ratios

Item	MAR.	DEC.	MAR.	1999	Percentage change MAR. 1999 - MAR. 2000
	2000	1999	1999		
Turnover ratios :					
Turnover/Fixed assets	0,760	0,800	0,750	2,994	1,33
Profitability ratios :					
Net profit after tax/ turnover					
Actual	0,043	0,046	0,029	0,038	48,2
Seasonally adjusted	0,047	0,045	0,032		
Net profit after tax/ fixed Assets	0,032	0,037	0,022	0,113	45,5
Other ratios :					
Dividends paid/ net profit after tax				0,466	
Tax/net profit				0,295	

TABLE 1.2 - PROFITABILITY RATIOS : NET PROFIT AFTER TAX / TURNOVER
- MANUFACTURING MAJOR DIVISION COMBINATIONS

Item	MAR.	DEC.	MAR.	1999	Percentage change MAR. 1999 - MAR. 2000
	2000	1999	1999		
Total manufacturing	0,043	0,046	0,029	0,038	48,3
Food, beverages and tobacco	0,041	0,062	0,046	0,041	-10,9
Textiles, clothing, leather and footwear	0,039	0,011	-0,007	0,001	657,1
Wood, paper, printing and publishing	0,090	0,091	0,042	0,065	114,3
Chemical products, petroleum, rubber and plastic	0,055	0,058	0,035	0,053	57,1
Basic metals and fabricated metal products	0,018	0,033	0,054	0,035	-66,7
Machinery, electrical machinery and transport equipment	0,019	0,019	-0,003	0,016	733,3
Other industries	0,072	0,022	-0,024	0,019	400,0

TABLE 2 - PERCENTAGE CHANGE IN SELECTED FINANCIAL QUANTITIES

TABLE 2.1 - QUARTERLY PERCENTAGE CHANGE IN SELECTED ITEMS

- MANUFACTURING

Per cent

Item	Percentage change since previous quarter			
	MAR. 2000	DEC.* 1999	SEP. 1999	MAR. 1999
	DEC. 1999	SEP. 1999	JUN. 1999	DEC. 1998
Net profit	-7,1	24,0	11,9	-19,1
Interest paid	-3,4	6,3	-4,0	10,3
Capital expenditure on new assets	-45,8	12,5	-18,9	-23,8
Selected assets -				
Stocks	3,7	-0,2	3,9	12,5

TABLE 2.2 - ANNUAL PERCENTAGE CHANGE IN SELECTED ITEMS

- MANUFACTURING

Per cent

Item	Percentage change since previous twelve months	
	Twelve months ended MAR. 2000 / Twelve months ended MAR. 1999	Twelve months ended DEC. 1999 / Twelve months ended DEC. 1998

TABLE 2.2.1 - SELECTED INCOME AND EXPENDITURE ITEMS

Turnover	17,4	18,5
Interest received	-5,6	-0,4
Interest paid	16,8	25,9
Rent paid		
Land and buildings	17,9	25,3
Machinery, vehicles and other equipment	29,4	43,1
Depreciation	19,7	23,5
Net profit	21,4	4,1
Dividends paid	-3,3	-2,6
Income tax and company tax brought into account	-0,8	-15,1

TABLE 2.2.2 - CAPITAL EXPENDITURE

New assets :		
Total	-17,6	-6,4
Buildings, improvements and construction works	-32,7	-17,0
Plant, machinery, furniture, fittings and other equipment	-14,2	-2,2
Vehicles	-23,5	-34,2
Used assets :	-45,7	-37,9

TABLE 2.2.3 - VALUE OF SELECTED ASSETS

Book value of land, buildings, machinery, furniture, fittings and other equipment	10,3	18,7
Stocks	0,5	9,0

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

Per cent

Item	MAR. 2000	DEC. 1999	MAR. 1999	YEAR 1999
------	--------------	--------------	--------------	--------------

TABLE 3.1 - SELECTED INCOME AND EXPENDITURE ITEMS

Item	MAR. 2000	DEC. 1999	MAR. 1999	YEAR 1999
Credits				
Interest received	0,99	0,91	1,30	1,13
Dividends received	0,26	0,36	0,48	0,39
Royalties received	0,02	0,03	0,02	0,03
Rent received				
Land and buildings	0,07	0,06	0,08	0,08
Machinery, vehicles and other equipment	0,11	0,09	0,08	0,08
Profit on assets sold or revalued	0,25	0,52	0,18	0,31
Debits				
Interest paid	2,80	2,73	3,03	2,83
Royalties paid	0,46	0,51	0,43	0,44
Rent paid				
Land and buildings	0,49	0,45	0,54	0,51
Machinery, vehicles and other equipment	0,35	0,32	0,38	0,35
Depreciation	3,14	2,92	3,22	3,04
Losses on assets sold or revalued	0,44	0,55	0,16	0,33
Net profit	6,36	6,44	4,46	5,33

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

Dividends paid	1,89	1,99	2,12	1,77
Income tax and company tax brought into account	2,11	1,84	1,53	1,58

TABLE 3.3 - CAPITAL EXPENDITURE

New assets:				
Total	2,52	4,37	4,83	4,61
Buildings, improvements and construction works	0,39	0,86	0,98	0,00
Plant, machinery, furniture, fittings and other equipment	1,79	3,36	3,63	3,77
Vehicles	0,33	0,15	0,22	0,19
Used assets	0,06	0,13	0,16	0,10

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

Book value of land, buildings, machinery, furniture, vehicles and other equipment	132,45	124,67	133,54	33,41
Stocks	59,17	53,65	65,46	14,38