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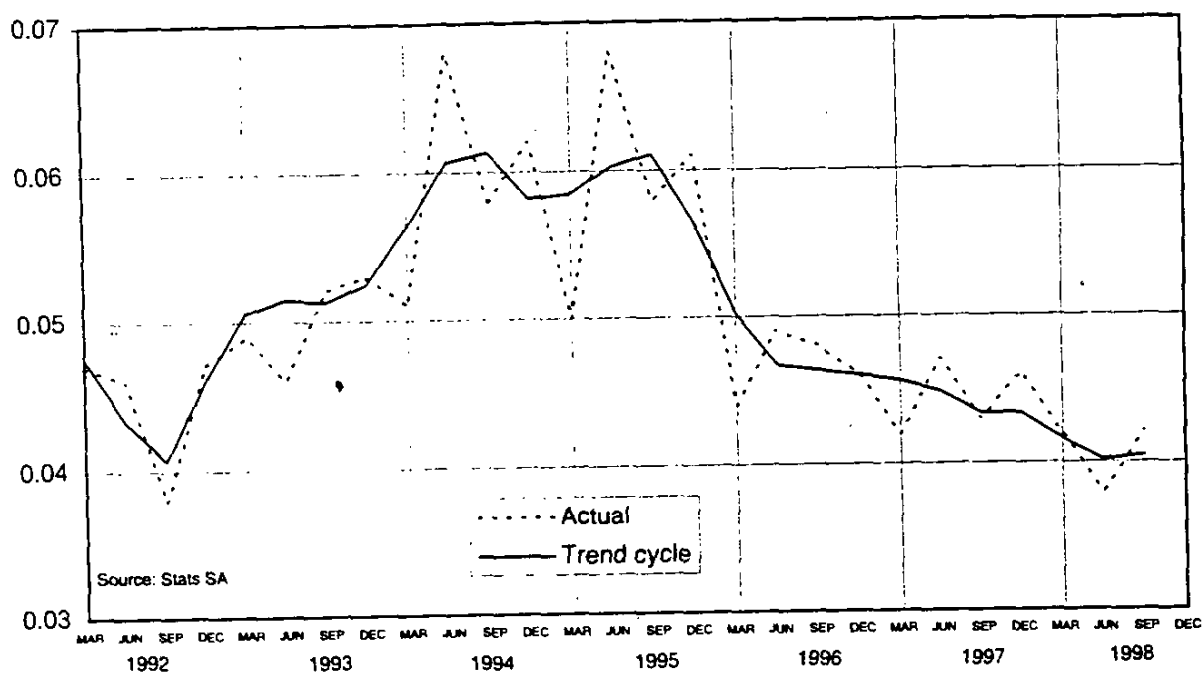
PROFITABILITY OF MANUFACTURING SECTOR STILL ON LOW LEVEL

The profitability ratio (net profit after tax on turnover) for September 1998 (4,2%) was slightly lower than a year ago (4,3%). However, the profitability ratio increased from 3,7% to 4,1% after seasonal adjustment between the second and the third quarter of 1998.

Survey results indicate that profitability ratios for the food and beverage industries, the textile, clothing, leather and footwear industries as well as the chemical products industries were lower in September 1998 than in September 1997. The decrease in the chemical products industries (-6,0%) can, to a large extent, be attributed to strike action during the third quarter of 1998. However, the wood, paper and printing industries showed a noteworthy (41,7%) increase during the same period.

The ratio of interest paid to turnover increased from 2,5% in the third quarter of 1997 to 3,0% in the third quarter of 1998. The ratio of capital expenditure on new assets to turnover decreased from 6,1% to 5,3% during the same period.

MANUFACTURING PROFITABILITY RATIO (Nett profit after tax / Turnover)



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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

Item	Per cent			
	Percentage change since previous quarter			
	SEP. 1998	JUN. 1998	MAR. 1998	SEP. 1997
Net profit	9,7	1,4	-11,6	-0,9
Interest paid	16,3	9,7	-1,2	4,7
Capital expenditure on new assets	6,0	1,3	-6,2	10,5
Selected assets -				
Stocks	3,7	-1,1	3,2	3,4

TABLE 1.2 - ANNUAL PERCENTAGE CHANGE IN SELECTED ITEMS

- MANUFACTURING

Per cent

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

TABLE 1.2.1 - SELECTED INCOME AND EXPENDITURE ITEMS

Turnover	2,8	2,8
Interest received	10,6	3,5
Interest paid	15,1	13,3
Rent paid -		
Land and buildings	13,1	15,8
Machinery, vehicles and other equipment	4,8	14,2
Depreciation	11,2	13,1
Net profit	-0,4	-1,2
Dividends paid	35,1	24,7
Income tax and company tax brought into account	4,5	6,6

TABLE 1.2.2 - CAPITAL EXPENDITURE

New assets :		
Total	-3,7	3,6
Buildings, improvements and construction works	48,4	30,9
Plant, machinery, furniture, fittings and other equipment	-9,1	2,4
Vehicles	17,6	-9,8
Used assets :	10,5	-39,6

TABLE 1.2.3 - VALUE OF SELECTED ASSETS

Book value of land, buildings, machinery, furniture, fittings and other equipment	7,9	6,5
Stocks	3,2	2,9

TABLE 2.1 - SELECTED OPERATING RATIOS
- MANUFACTURING

Item	SEP. 1998	JUN. 1998	SEP. 1997	1997
Turnover ratios :				
Turnover/Fixed assets	0,750	0,750	0,780	2,968
Profitability ratios :				
Net profit after tax/ Turnover	0,042	0,039	0,043	0,044
Net profit after tax/ Fixed Assets	0,032	0,029	0,034	0,132
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	SEP. 1998	JUN. 1998	SEP. 1997	1997	Percentage change Sep. 1997- Sep. 1998
Total manufacturing	0,042	0,039	0,043	0,044	-2,33
Food, beverages and tobacco	0,044	0,034	0,051	0,060	-13,73
Textiles, clothing, leather and footwear	-0,002	0,002	0,039	0,035	-100,00
Wood, paper, printing and publishing	0,100	0,093	0,070	0,064	30,00
Chemical products, petroleum, rubber and plastic	0,061	0,053	0,065	0,028	-6,15
Basic metals and fabricated metal products	0,051	0,033	0,050	0,043	2,00
Machinery, electrical machinery and transport equipment	-0,001	0,024	0,000	-0,000	
Other industries	0,034	0,028	0,033	0,037	3,00

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

Item	Per cent			
	SEP. 1998	JUN. 1998	SEP. 1997	1997

TABLE 3.1 - SELECTED INCOME
AND EXPENDITURE ITEMS

Credits				
Interest received	1,32	1,27	1,08	1,15
Dividends received	0,20	0,29	0,18	0,23
Royalties received	0,01	0,01	0,01	0,01
Rent received				
Land and buildings	0,07	0,08	0,06	0,06
Machinery, vehicles and other equipment	0,10	0,09	0,09	0,09
Profit on assets sold or revalued	0,37	0,86	0,16	0,56
Debits				
Interest paid	2,95	2,57	2,45	2,41
Royalties paid	0,44	0,40	0,44	0,44
Rent paid				
Land and buildings	0,45	0,46	0,43	0,44
Machinery, vehicles and other equipment	0,29	0,28	0,30	0,30
Depreciation	2,89	2,94	2,74	2,81
Losses on assets sold or revalued	0,42	0,27	0,03	0,23
Net profit	6,49	5,99	6,58	6,55

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

Dividends paid	2,06	2,08	1,64	1,62
Income tax and company tax brought into account	2,25	2,11	2,25	2,11

TABLE 3.3 - CAPITAL EXPENDITURE

New assets:				
Total	5,30	5,06	6,05	5,66
Buildings, improvements and construction works	0,53	0,64	0,79	0,12
Plant, machinery, furniture, fittings and other equipment	4,17	4,05	5,04	4,78
Vehicles	0,38	0,36	0,20	0,24
Used assets	0,55	0,23	0,10	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	133,43	132,99	128,78	33,70
Stocks	64,04	62,54	64,58	16,01

* Revised