Commercial Companies

Company performance indicators for 2002		
	2002	**2001**
Number of companies	38,051	38,051
Number of employees	469,166	463,807
Difference between net profit and net loss, SIT million	215,498	-266,782
Revenues/expenses	1.03	0.98
Net revenues from sales in foreign markets/total revenues, %	26.0	25.5
Valued added/employee, thousand SIT	5,588	4,960
Return on assets, %	1.7	-
Return on capital, %	3.6	-
Debt-to-capital ratio	1.09	1.04
Long-term coverage of long-term assets and stocks	0.96	0.95

Source of data: Agency for Public and Legal Records and Services – data from the balance sheet and profit and loss statement for 2002, calculations by the IMAD.

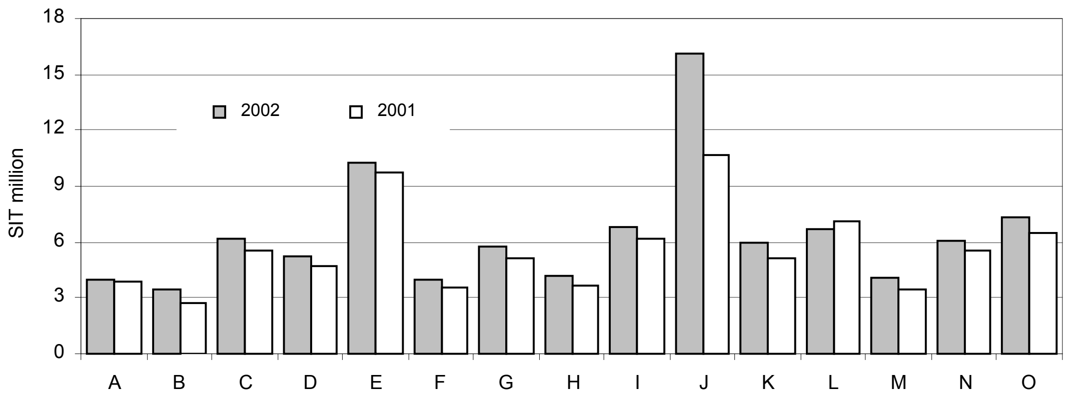
38,051 companies employing 469,166 workers submitted data from their annual reports for **2002** to the Agency for Public and Legal Records and Services. The **highest number of companies** operated in the activity of wholesale and retail trade and certain repair services (33.2%), while the **highest number of employees** worked in manufacturing (46.3%).

The overall company performance improved **compared to 2001** (see SEM 6/2003:16). Revenues rose more than expenses (by 5.1 index points), which helped improve the overall **operating efficiency** (from 0.98 to 1.03), increased net profits (up by 34.2%) and reduced net losses (down by 61.5%). The **difference between net profit and net loss** was positive, totalling SIT 215,498 million, as opposed to the negative difference of SIT 266,782 million seen in 2001. Export performance also improved, with **net revenues earned in foreign markets** rising more than net revenues earned in the domestic market (by 3.3 index points). This increased the share of revenues from sales in foreign markets by 0.5 of a percentage point to 26.0%. Because value added rose more than employment, **labour productivity** (measured by value added per employee) climbed by 12.7%.

As regards the **asset structure**, the share of fixed assets dropped slightly (down 0.5 of a percentage point to 63.6%) mainly due to a smaller share of tangible fixed assets, while the share of current assets increased (up 0.5 of a percentage point to 36.0%), particularly the share of short-term financial investments. As regards **liabilities and capital**, the value of financial and operating liabilities rose more than the value of capital (by 5.8 index points), which then pushed corporate indebtedness up – the **debt-to-capital ratio** was up from 1.04 to 1.09. Companies failed to cover all fixed assets, long-term operating receivables and stocks by capital, provisions and long-term liabilities, both at the end of 2001 and 2002, and the **coefficient of long-term coverage of long-term assets and stocks** remained below 1, despite its rise from 0.95 to 0.96.

As in previous years, the biggest contribution to the overall performance came from **manufacturing companies**, which accounted for 36.4% of total revenues, 74.0% of net revenues earned in foreign markets, 28.0% of total assets, 43.4% of total value added, and 48.4% of the total positive difference between net profit and net loss. The biggest **return on assets** (measured by the difference between net profit and net loss relative to the average asset value) was achieved in education (4.1%), while the biggest **return on capital** was achieved in financial intermediation (14.9%).

Graph: **Value added per employee in commercial companies broken down by actitivites, 2002 and 2001**



Source of data: Agency for Public and Legal Records and Services, calculations by the IMAD.