

**FINANCIAL AGGREGATES FOR  
1755 ITALIAN COMPANIES**

(1999)



1755 SELECTED COMPANIES

1989-1998

Excerpt in English from  
“DATI CUMULATIVI DI  
1755 SOCIETÀ ITALIANE”

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This survey covers 1755 Italian companies in the manufacturing and service industries over the ten-year period 1989 to 1998. Historic data going back to 1968 are also given for a more restricted group of 951 businesses. In both cases the aggregate figures form a consistent basis for comparison, consisting as they do of a “closed” number of units over their respective reference periods.

The sample includes 1657 manufacturing businesses (and comprises all Italy’s large manufacturers) which together account for 42% of the aggregate sales and added value of the approximately 46,000 enterprises with more than 20 employees recorded in the ISTAT (Italian Statistics Office) census of 1994. The businesses covered represent 45% of the 46,000 enterprises’ export sales, 58% of their gross fixed assets and 32% of their workforce.

As usual, the companies provided assistance in compiling the figures. The results of the survey are given in sets of tables, broken down by all the companies, by those in the public sector and those in the private sector (with the caveat that a number of major businesses have been privatised in recent years, notably Telecom Italia in 1998). The figures are then broken down further to show the aggregate data of medium-size businesses (\*). The figures in the ten-year sample are also analysed by industry, based on each company’s principal operations, and by record of profitable, loss-making or mixed results. This year for the first time all the numbers are expressed in euros, translated from lire at the fixed exchange rate of Lit. 1936.27 to the euro.

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(\*) These are defined as family firms in the first sample having in 1989 a share capital not exceeding € 12.5 m and sales of € 50 m or less, in the second having in 1968 a share capital of up to € 0.5 m and sales of € 5 m, and in 1998 not more than € 25 m in share capital, € 75 m sales and 500 employees.

TABLE 1

## ANNUAL CHANGES IN NUMBER OF SELECTED COMPANIES

	ADDITIONS	REDUCTIONS	NUMBER AT YEAR-END
	(Companies incorporated in year)	(Mergers)	
1989 .....	—	—	1796
1990 .....	66	(42)	1820
1991 .....	76	(53)	1843
1992 .....	55	(25)	1873
1993 .....	42	(54)	1861
1994 .....	25	(59)	1827
1995 .....	36	(57)	1806
1996 .....	41	(82)	1765
1997 .....	54	(65)	1754
1998 .....	42	(41)	1755
	<u>437</u>	<u>(478)</u>	

N.B. - 175 companies have been added and 169 deleted since last year's edition. Of the latter, 41 have been merged into other selected companies, 14 into companies not in the sample, 27 have gone into bankruptcy proceedings, seven have ceased trading, and 80 failed to provide their figures in time for inclusion.

TABLE 2

## AGGREGATE GROWTH INDICES

	1994	1995	1996	1997	1998
	%	%	%	%	%
CHANGE IN NET SALES .....	+ 8.4	+ 13.7	+ 2.0	+ 6.8	+ 1.0
<i>of which:</i>					
<i>domestic sales</i> .....	+ 6.3	+ 11.0	+ 1.7	+ 6.0	+ 0.4
<i>exports</i> .....	+ 15.5	+ 22.2	+ 3.1	+ 8.9	+ 2.7
INCREASES IN GROSS FIXED ASSETS <sup>(1)</sup> .....	+ 6.0	+ 5.1	+ 4.3	+ 4.9	+ 3.8
DECREASE IN NUMBER OF EMPLOYEES .....	- 4.4	- 1.2	- 1.7	- 1.3	- 1.6

(1) Excluding monetary revaluations, write-ups arising from asset transfers between companies and revaluations arising on mergers.

TABLE 3

GROWTH INDICES BY INDUSTRY 1995/1998  
(Percentage changes)

	NET SALES				GROSS FIXED ASSETS <sup>(1)</sup>		NUMBER OF EMPLOYEES	
	%		Rank		%	Rank	%	Rank
	(95/98)	(97/98)	(95/98)	(97/98)				
PROCESS ENGINEERING .....	29.3	9.0	1	1	-9.6	28	-7.0	20
PUBLIC UTILITIES AND MOTORWAYS <sup>(2)</sup> .....	28.7	7.5	2	2	10.5	22	-1.1	6
TRANSPORT .....	26.7	7.1	3	4	19.8	8	0.8	4
VEHICLES .....	19.2	3.0	4	11	6.2	25	-11.9	27
BUILDING AND CIVIL ENGINEERING .....	19.1	6.4	5	5	-5.9	27	8.8	1
HEALTH CARE .....	15.1	7.5	6	3	21.9	4	2.4	3
PRESERVES .....	14.1	-2.3	7	23	20.6	5	-1.2	7
PRINTING AND PUBLISHING <sup>(2)</sup> .....	14.0	5.8	8	6	4.9	26	-10.1	25
RETAILING .....	13.6	4.1	9	9	10.1	23	-6.1	16
MECHANICAL ENGINEERING .....	10.7	0.3	10	19	12.3	20	-2.1	9
CONFECTIONERY .....	10.5	2.4	11	12	22.4	2	-4.8	13
ELECTRONICS .....	10.1	4.0	12	10	14.6	19	-0.7	5
RADIO, TV AND DOMESTIC APPLIANCES .....	9.9	4.6	13	7	20.2	6	-1.5	8
WINES, SPIRITS AND BEVERAGES ..	9.6	2.1	14	14	17.7	14	-9.7	24
RUBBER AND CABLES .....	6.1	2.1	15	15	15.5	17	5.8	2
BUILDING MATERIALS .....	5.9	1.3	16	16	10.7	21	-6.5	18
COTTON TEXTILES .....	4.9	1.1	17	17	8.1	24	-5.6	15
CLOTHING .....	4.7	0.1	18	20	19.4	9	-9.6	23
ENERGY .....	3.8	-8.4	19	28	15.1	18	-11.4	26
GLASS .....	3.3	-2.7	20	24	23.1	1	-8.6	21
OTHER TEXTILES .....	1.9	1.1	21	18	18.2	12	-4.4	12
DAIRY PRODUCTS .....	-1.4	2.3	22	13	18.3	11	-16.2	28
WOOLLEN TEXTILES .....	-2.4	-4.1	23	25	17.2	15	-6.8	19
MAN-MADE FIBRES .....	-4.3	-4.2	24	26	17.8	13	-6.2	17
CHEMICALS .....	-6.2	-5.2	25	27	19.9	7	-5.5	14
FLOUR MILLING AND PASTA .....	-7.1	-0.9	26	22	22.1	3	-9.0	22
IRON AND STEEL .....	-7.6	-0.1	27	21	19.0	10	-3.2	10
PAPER .....	-9.8	4.4	28	8	15.8	16	-4.2	11
1755 COMPANIES .....	10.0	1.0			13.5		-4.6	
COMPANIES CONSISTENTLY IN PROFIT OR BREAKING EVEN .....	14.2	2.3			12.5		-2.1	
COMPANIES CONSISTENTLY INCURRING LOSSES .....	298.1	27.1			63.9		183.4	
COMPANIES WITH MIXED RECORDS ..	5.0	-0.5			13.8		-10.0	
PUBLIC SECTOR COMPANIES <sup>(2)</sup> .....	6.0	-3.7			13.5		-8.9	
PRIVATE SECTOR COMPANIES <sup>(2)</sup> ..	11.3	2.4			13.5		-3.4	
MEDIUM-SIZE COMPANIES .....	6.3	3.8			23.1		0.1	
MANUFACTURING COMPANIES <sup>(2)</sup> ..	6.9	-0.3			14.7		-5.2	
SERVICE COMPANIES <sup>(2)</sup> .....	25.9	6.9			11.3		-1.7	

N.B. - Industries do not include some companies whose operations in the industry concerned would not be significant. The indices may also be affected by transfers of businesses to and from companies operating in different industries.

(1) Excluding monetary revaluations, write-ups arising from asset transfers between companies and revaluations arising on mergers but including depreciation and amortisation.

(2) Calculated on a consistent basis.

TABLE 4

## ANNUAL CHANGES IN VALUE ADDED

	1990	1991	1992	1993	1994	1995	1996	1997	1998
	%	%	%	%	%	%	%	%	%
CHEMICALS .....	-7.01	-10.97	0.65	0.05	17.34	38.42	-19.05	3.44	-5.75
ENERGY .....	11.45	11.03	5.31	9.83	11.87	6.40	3.72	1.66	1.08
IRON AND STEEL .....	-12.43	-9.05	-7.69	-1.69	29.68	40.39	-27.44	6.67	2.41
BASIC INDUSTRIES .....	2.53	3.18	2.49	6.59	15.03	16.44	-6.06	2.63	0.15
FOOD .....	13.47	6.66	6.83	6.32	-4.67	1.35	5.82	5.41	-1.36
PAPER .....	13.66	6.45	-9.92	6.97	13.88	34.02	-7.75	-7.68	12.62
VEHICLES .....	-5.04	-6.48	-6.75	-21.67	19.99	19.30	-9.46	20.77	-14.80
RADIO, TV AND DOMESTIC APPLIANCES .....	9.17	14.64	-0.14	7.38	7.27	4.58	-0.42	9.47	1.37
ELECTRONICS .....	3.66	-1.99	-3.32	-6.40	-2.23	-2.32	-6.61	11.98	3.47
PHARMACEUTICALS AND COSMETICS .....	8.97	12.46	5.38	0.99	5.68	2.74	6.19	3.08	4.28
MAN-MADE FIBRES .....	9.36	0.66	13.73	10.18	26.77	17.97	-11.79	-1.84	2.26
RUBBER AND CABLES .....	-0.20	15.53	-2.09	-1.86	4.47	10.93	0.11	-1.15	4.94
PRINTING AND PUBLISHING .....	1.03	1.65	9.12	-3.15	-0.30	-5.13	9.08	31.77	-27.91
PROCESS ENGINEERING .....	11.04	20.92	23.28	13.27	-11.80	-13.51	-7.24	13.19	-1.54
BUILDING AND CIVIL ENGINEERING .....	14.58	1.12	-2.22	-15.89	-13.46	14.35	-14.59	8.43	6.35
MECHANICAL ENGINEERING .....	4.10	1.80	7.93	3.05	11.41	11.01	0.99	1.10	-1.82
BUILDING PRODUCTS .....	7.45	6.94	4.53	-10.01	2.91	-0.55	-3.97	9.16	-3.70
TEXTILES AND CLOTHING .....	7.94	2.11	2.20	2.81	5.20	10.68	-7.19	4.26	-1.76
GLASS .....	-1.75	7.69	-4.18	2.62	14.16	20.70	0.61	-3.64	-0.95
OTHER COMPANIES .....	4.98	10.15	11.01	5.70	6.94	15.78	5.31	7.35	7.78
OTHER MANUFACTURING COMPANIES .....	4.10	2.72	1.90	-3.00	5.05	7.73	-2.19	8.65	-2.85
MANUFACTURING COMPANIES ..	3.58	2.87	2.09	0.17	8.55	10.98	-3.70	6.36	-1.75
RETAILING .....	8.49	9.39	11.78	0.00	-0.64	0.13	6.71	2.15	0.84
PUBLIC UTILITIES AND MOTORWAYS ..	13.31	17.56	9.74	11.52	12.27	8.17	6.55	4.43	11.31
TRANSPORT .....	7.80	4.49	18.34	1.87	8.68	4.87	-7.04	7.43	8.45
SERVICE COMPANIES .....	12.33	15.57	10.70	9.71	11.08	7.39	5.34	4.54	10.50
1755 COMPANIES .....	5.23	5.42	3.99	2.41	9.19	10.06	-1.45	5.87	1.48
PUBLIC SECTOR COMPANIES .....	7.83	4.75	6.64	1.36	8.85	8.44	-0.58	0.75	2.73
PRIVATE SECTOR COMPANIES .....	4.11	5.73	2.82	2.88	9.34	10.79	-1.83	8.16	0.95
MEDIUM-SIZE COMPANIES .....	6.69	5.82	5.71	1.45	6.62	12.53	0.00	2.58	1.76

TABLE 5

## NET PROFIT (LOSS)

	1998				1997				INCREASE (DECREASE) 1998/1997	
	PROFITS		LOSSES		PROFITS		LOSSES		PROFITS	LOSSES
	No. of compa- nies	€ m	No. of compa- nies	€ m	No. of compa- nies	€ m	No. of compa- nies	€ m	€ m	
1755 COMPANIES .....	1290	16,278	465	4,605	1338	12,038	416	4,431	4,240	174
115 PUBLIC SECTOR COMPANIES	73	4,316	42	1,945	73	3,270	42	2,146	1,046	(201)
1640 PRIVATE SECTOR COMPANIES	1217	11,962	423	2,660	1265	8,768	374	2,285	3,194	375
422 MEDIUM-SIZE COMPANIES ..	327	353	95	75	339	488	83	60	(135)	15
1657 MANUFACTURING COMPANIES	1222	11,008	415	3,947	1274	8,622	383	3,731	2,386	216
98 SERVICE COMPANIES .....	68	5,270	50	658	64	3,416	33	700	1,854	(42)

TABLE 6

## EARNINGS STRUCTURE: A PERCENTAGE ANALYSIS

	1755 COMPANIES		PUBLIC SECTOR COMPANIES		PRIVATE SECTOR COMPANIES		MEDIUM-SIZE COMPANIES		MANUFAC- TURING COMPANIES		SERVICE COMPANIES	
	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998
	%	%	%	%	%	%	%	%	%	%	%	%
NET SALES .....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
OTHER OPERATING REVENUES .....	2.14	2.22	2.11	2.27	2.15	2.20	1.73	1.47	2.08	2.11	2.45	2.69
CONSUMABLES AND SUNDRY OPERATING COSTS .....	-71.45	-71.39	-63.12	-61.63	-73.96	-74.14	-73.53	-73.83	-74.70	-74.88	-56.11	-55.96
VALUE ADDED .....	30.69	30.83	38.99	40.64	28.19	28.06	28.20	27.64	27.38	27.23	46.34	46.73
LABOUR COST .....	-15.63	-15.22	-17.25	-17.13	-15.14	-14.68	-17.61	-16.82	-15.16	-15.02	-17.81	-16.13
GROSS OPERATING MARGIN	15.06	15.61	21.74	23.51	13.05	13.38	10.59	10.82	12.22	12.21	28.53	30.60
DEPRECIATION AND AMORTISATION .....	-7.18	-7.09	-9.86	-10.95	-6.37	-6.00	-3.48	-3.53	-5.62	-5.67	-14.59	-13.35
OPERATING MARGIN .....	7.88	8.52	11.88	12.56	6.68	7.38	7.11	7.29	6.60	6.54	13.94	17.25
NET INTEREST CHARGES ...	-0.11	0.43	-0.73	0.47	0.08	0.43	-1.41	-1.07	0.06	0.60	-0.90	-0.30
BALANCE OF OTHER COSTS AND REVENUES .....	-1.34	-0.90	-2.45	-1.36	-1.02	-0.78	-0.53	-0.40	-1.28	-1.03	-1.65	-0.30
PROFIT (LOSS) BEFORE TAX	6.43	8.05	8.70	11.67	5.74	7.03	5.17	5.82	5.38	6.11	11.39	16.65

N.B. - Excluding monetary revaluations, gains from asset transfers and revaluations arising on mergers.

TABLE 7

## NET SALES PER 100 LIRE OF GROSS FIXED ASSETS

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
1755 COMPANIES .....	119.5	115.3	108.6	101.0	93.6	95.7	103.5	101.3	103.1	100.4
COMPANIES CONSISTENTLY IN PROFIT OR BREAKING EVEN	66.5	65.5	65.0	63.1	59.4	60.1	65.2	65.8	66.7	66.3
COMPANIES CONSISTENTLY INCURRING LOSSES .....	26.5	25.1	24.3	27.1	26.6	37.2	43.9	48.8	106.1	106.7
COMPANIES WITH MIXED RECORDS .....	203.7	196.1	180.5	164.3	155.8	160.3	172.6	166.5	166.9	159.2
PUBLIC SECTOR COMPANIES ....	70.3	71.7	66.9	59.7	54.3	50.9	53.8	53.3	53.4	49.6
PRIVATE SECTOR COMPANIES ...	159.3	149.2	140.8	133.5	124.9	131.9	143.5	139.8	143.1	141.1
MEDIUM-SIZE COMPANIES .....	239.5	228.8	217.4	206.5	197.1	205.4	216.7	198.3	193.4	187.1
MANUFACTURING COMPANIES ..	154.0	148.9	139.0	128.6	118.1	120.8	130.0	125.3	126.9	121.6
SERVICE COMPANIES .....	48.4	48.7	49.5	48.0	47.1	47.1	50.7	53.0	54.6	56.6

TABLE 8

## INTEREST CHARGES

	TOTAL INTEREST CHARGES		INTEREST CHARGES LESS INTEREST INCOME		
	€ m	Average cost of funding %	€ m	As % of NOM	As % of pre-tax profit (loss) <sup>(1)</sup>
<b>1755 COMPANIES</b>					
1994 .....	12,225	10.2	4,208	22.6	27.6
1995 .....	13,432	11.6	4,576	18.3	20.9
1996 .....	12,086	10.6	2,259	10.4	11.3
1997 .....	9,805	8.8	334	1.3	1.6
1998 .....	8,064	7.3	-1,395	-5.1	-5.8
<b>PUBLIC SECTOR COMPANIES</b>					
1994 .....	5,128	9.9	3,095	44.8	50.8
1995 .....	5,464	11.3	2,738	30.7	31.7
1996 .....	4,485	9.9	1,322	15.3	16.5
1997 .....	3,288	7.9	534	6.2	7.8
1998 .....	2,664	7.4	-328	-3.7	-4.2
<b>PRIVATE SECTOR COMPANIES</b>					
1994 .....	7,097	10.5	1,113	9.5	12.2
1995 .....	7,968	11.8	1,838	11.4	13.9
1996 .....	7,601	11.0	937	7.1	7.9
1997 .....	6,517	9.3	-200	-1.2	-1.5
1998 .....	5,400	7.3	-1,067	-5.8	-6.5
<b>MEDIUM-SIZE COMPANIES</b>					
1994 .....	306	10.8	171	23.6	26.4
1995 .....	364	11.7	208	22.7	26.0
1996 .....	371	11.1	211	26.2	27.3
1997 .....	343	9.7	159	19.8	21.4
1998 .....	303	8.0	125	14.6	15.5
<b>MANUFACTURING COMPANIES</b>					
1994 .....	9,971	10.7	2,722	20.6	25.9
1995 .....	11,101	12.0	3,072	16.7	19.1
1996 .....	10,028	10.8	1,380	9.4	10.0
1997 .....	8,218	9.0	-161	-0.9	-1.2
1998 .....	6,712	7.6	-1,571	-9.2	-11.0
<b>SERVICE COMPANIES</b>					
1994 .....	2,254	8.7	1,486	27.3	31.5
1995 .....	2,331	9.9	1,504	22.9	25.8
1996 .....	2,058	9.5	879	12.4	14.4
1997 .....	1,587	7.7	495	6.5	7.3
1998 .....	1,352	6.3	176	1.7	1.8

N.B. - NOM = Net operating margin.

(1) Pre-tax profit plus interest charges less interest income.

TABLE 9

## AVERAGE DEPRECIATION RATES

	AVERAGE DEPRECIATION RATES								% OF FIXED ASSETS DEPRECIATED 1998
	1997		1998		AVERAGE 1989/1998				
	%	% (1)	%	% (1)	%	% (1)			
1755 COMPANIES .....	7.0	6.1	6.5	5.8	7.1	6.2		61.3	
COMPANIES CONSISTENTLY IN PROFIT	6.7	5.9	6.3	5.6	7.0	6.0		61.5	
COMPANIES CONSISTENTLY INCURRING LOSSES .....	4.9	4.9	5.2	4.9	4.3	4.3		31.7	
COMPANIES WITH MIXED RECORDS .....	7.5	6.6	6.9	6.2	7.4	6.5		62.2	
PUBLIC SECTOR COMPANIES .....	6.0	4.9	6.0	5.0	6.2	5.2		60.1	
PRIVATE SECTOR COMPANIES .....	7.7	7.1	6.9	6.4	7.8	6.9		62.2	
MEDIUM-SIZE COMPANIES .....	6.6	5.5	6.2	5.4	6.9	5.8		63.0	
MANUFACTURING COMPANIES .....	6.8	5.7	6.4	5.5	6.9	5.8		62.0	
SERVICE COMPANIES .....	7.3	7.0	6.7	6.4	7.5	7.0		59.8	

(1) Ordinary depreciation only.

TABLE 10

## 1755 COMPANIES:

## SOURCES AND APPLICATIONS OF FUNDS

	1755 COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	22,543	24,708	26,798	25,390	20,774	21,441	21,752	21,539	22,747	74,049	67,605	66,038
Financial investments	13,667	9,080	8,000	8,626	8,184	7,185	5,997	13,548	10,703	30,747	23,995	30,248
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	634	476	(1,882)	111	(39)	(719)	(150)	1,847	2,505	(772)	(647)	4,202
Increase (decrease) in working capital <sup>(3)</sup>	1,796	514	(590)	2,593	3,156	7,742	(210)	(800)	(4,945)	1,720	13,491	(5,955)
<b>Total applications</b>	<b>38,640</b>	<b>34,778</b>	<b>32,326</b>	<b>36,720</b>	<b>32,075</b>	<b>35,649</b>	<b>27,389</b>	<b>36,134</b>	<b>31,010</b>	<b>105,744</b>	<b>104,444</b>	<b>94,533</b>
Cash flow <sup>(4)</sup>	22,351	21,541	20,525	21,995	27,027	33,319	31,784	35,659	33,937	64,417	82,341	101,380
Funds provided by shareholders <sup>(5)</sup>	6,053	1,108	(703)	4,081	11,322	580	(1,179)	46	(1,359)	6,458	15,983	(2,492)
Grants received	1,121	1,248	1,026	938	923	1,114	1,286	972	691	3,395	2,975	2,949
Increase (decrease) in borrowings	9,115	10,881	11,478	9,706	(7,197)	636	(4,502)	(543)	(2,259)	31,474	3,145	(7,304)
<b>Total sources</b>	<b>38,640</b>	<b>34,778</b>	<b>32,326</b>	<b>36,720</b>	<b>32,075</b>	<b>35,649</b>	<b>27,389</b>	<b>36,134</b>	<b>31,010</b>	<b>105,744</b>	<b>104,444</b>	<b>94,533</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.

TABLE 11

## PUBLIC SECTOR COMPANIES:

## SOURCES AND APPLICATIONS OF FUNDS

	PUBLIC SECTOR COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	8,554	9,785	11,257	8,839	7,782	7,167	7,203	6,490	6,463	29,596	23,788	20,156
Financial investments	3,708	2,756	1,417	3,014	2,218	1,707	(52)	1,875	(110)	7,881	6,939	1,713
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	135	(65)	(167)	717	1,264	(1,316)	323	(130)	1,937	(97)	665	2,130
Increase (decrease) in working capital <sup>(3)</sup>	(31)	(551)	(632)	1,445	(760)	762	(296)	383	(2,099)	(1,214)	1,447	(2,012)
<b>Total applications</b>	<b>12,366</b>	<b>11,925</b>	<b>11,875</b>	<b>14,015</b>	<b>10,504</b>	<b>8,320</b>	<b>7,178</b>	<b>8,618</b>	<b>6,191</b>	<b>36,166</b>	<b>32,839</b>	<b>21,987</b>
Cash flow <sup>(4)</sup>	6,741	6,042	6,277	8,119	8,798	11,344	11,052	10,704	11,732	19,060	28,261	33,488
Funds provided by shareholders <sup>(5)</sup>	2,252	789	34	702	4,902	(796)	(1,439)	1,812	(162)	3,075	4,808	211
Grants received	647	663	674	617	590	648	868	627	473	1,984	1,855	1,968
Increase (decrease) in borrowings	2,726	4,431	4,890	4,577	(3,786)	(2,876)	(3,303)	(4,525)	(5,852)	12,047	(2,085)	(13,680)
<b>Total sources</b>	<b>12,366</b>	<b>11,925</b>	<b>11,875</b>	<b>14,015</b>	<b>10,504</b>	<b>8,320</b>	<b>7,178</b>	<b>8,618</b>	<b>6,191</b>	<b>36,166</b>	<b>32,839</b>	<b>21,987</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments and adjustments arising from privatisations.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.



TABLE 12

	PRIVATE SECTOR COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	13,989	14,923	15,541	16,551	12,992	14,274	14,549	15,049	16,284	44,453	43,817	45,882
Financial investments	9,959	6,324	6,583	5,612	5,966	5,478	6,049	11,673	10,813	22,866	17,056	28,535
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	499	541	(1,715)	(606)	(1,303)	597	(473)	1,977	568	(675)	(1,312)	2,072
Increase (decrease) in working capital <sup>(3)</sup>	1,827	1,065	42	1,148	3,916	6,980	86	(1,183)	(2,846)	2,934	12,044	(3,943)
<b>Total applications</b>	<b>26,274</b>	<b>22,853</b>	<b>20,451</b>	<b>22,705</b>	<b>21,571</b>	<b>27,329</b>	<b>20,211</b>	<b>27,516</b>	<b>24,819</b>	<b>69,578</b>	<b>71,605</b>	<b>72,546</b>
Cash flow <sup>(4)</sup>	15,610	15,499	14,248	13,876	18,229	21,975	20,732	24,955	22,205	45,357	54,080	67,892
Funds provided by shareholders <sup>(5)</sup>	3,801	319	(737)	3,379	6,420	1,376	260	(1,766)	(1,197)	3,383	11,175	(2,703)
Grants received	474	585	352	321	333	466	418	345	218	1,411	1,120	981
Increase (decrease) in borrowings	6,389	6,450	6,588	5,129	(3,411)	3,512	(1,199)	3,982	3,593	19,427	5,230	6,376
<b>Total sources</b>	<b>26,274</b>	<b>22,853</b>	<b>20,451</b>	<b>22,705</b>	<b>21,571</b>	<b>27,329</b>	<b>20,211</b>	<b>27,516</b>	<b>24,819</b>	<b>69,578</b>	<b>71,605</b>	<b>72,546</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments and adjustments arising from privatisations.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.

TABLE 13

	MEDIUM-SIZE COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	382	414	417	365	398	583	555	532	560	1,213	1,346	1,647
Financial investments	296	181	77	84	123	183	134	128	246	554	390	508
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	69	(63)	4	64	71	(46)	50	33	(1)	10	89	82
Increase (decrease) in working capital <sup>(3)</sup>	143	181	122	78	277	424	95	568	(47)	446	779	616
<b>Total applications</b>	<b>890</b>	<b>713</b>	<b>620</b>	<b>591</b>	<b>869</b>	<b>1,144</b>	<b>834</b>	<b>1,261</b>	<b>758</b>	<b>2,223</b>	<b>2,604</b>	<b>2,853</b>
Cash flow <sup>(4)</sup>	587	508	501	517	668	784	733	1,024	766	1,596	1,969	2,523
Funds provided by shareholders <sup>(5)</sup>	(14)	27	(30)	13	5	(13)	(18)	(44)	(233)	(17)	5	(295)
Grants received	11	19	8	10	10	10	5	5	3	38	30	13
Increase (decrease) in borrowings	306	159	141	51	186	363	114	276	222	606	600	612
<b>Total sources</b>	<b>890</b>	<b>713</b>	<b>620</b>	<b>591</b>	<b>869</b>	<b>1,144</b>	<b>834</b>	<b>1,261</b>	<b>758</b>	<b>2,223</b>	<b>2,604</b>	<b>2,853</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.

TABLE 14

	MANUFACTURING COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	14,828	15,888	17,675	14,790	13,743	15,118	14,587	14,113	14,696	48,391	43,651	43,396
Financial investments	11,703	7,284	6,256	7,161	7,462	4,469	4,659	10,233	7,469	25,243	19,092	22,361
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	323	698	(1,716)	(28)	282	(884)	97	2,240	1,930	(695)	(630)	4,267
Increase (decrease) in working capital <sup>(3)</sup>	2,990	676	(901)	2,780	2,478	7,913	158	(1,309)	(5,628)	2,765	13,171	(6,779)
<b>Total applications</b>	<b>29,844</b>	<b>24,546</b>	<b>21,314</b>	<b>24,703</b>	<b>23,965</b>	<b>26,616</b>	<b>19,501</b>	<b>25,277</b>	<b>18,467</b>	<b>75,704</b>	<b>75,284</b>	<b>63,245</b>
Cash flow <sup>(4)</sup>	16,841	14,636	13,131	14,179	18,332	23,511	21,998	25,191	22,539	44,608	56,022	69,728
Funds provided by shareholders <sup>(5)</sup>	5,866	1,483	(129)	4,237	9,103	902	(1,188)	883	(878)	7,220	14,242	(1,183)
Grants received	465	369	355	345	221	385	436	386	189	1,189	951	1,011
Increase (decrease) in borrowings	6,672	8,058	7,957	5,942	(3,691)	1,818	(1,745)	(1,183)	(3,383)	22,687	4,069	(6,311)
<b>Total sources</b>	<b>29,844</b>	<b>24,546</b>	<b>21,314</b>	<b>24,703</b>	<b>23,965</b>	<b>26,616</b>	<b>19,501</b>	<b>25,277</b>	<b>18,467</b>	<b>75,704</b>	<b>75,284</b>	<b>63,245</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments and adjustments arising from assets transferred between manufacturing and service companies.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.

TABLE 15

	SERVICE COMPANIES:				SOURCES AND APPLICATIONS OF FUNDS					TOTAL		
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1990-92	1993-95	1996-98
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
Capital expenditure <sup>(1)</sup>	7,715	8,820	9,123	10,600	7,031	6,323	7,165	7,426	8,051	25,658	23,954	22,642
Financial investments	1,964	1,796	1,744	1,465	722	2,716	1,338	3,315	3,234	5,504	4,903	7,887
Increase (decrease) in cash and other liquid assets <sup>(2)</sup>	311	(222)	(166)	139	(321)	165	(247)	(393)	575	(77)	(17)	(65)
Increase (decrease) in working capital <sup>(3)</sup>	(1,194)	(162)	311	(187)	678	(171)	(368)	509	683	(1,045)	320	824
<b>Total applications</b>	<b>8,796</b>	<b>10,232</b>	<b>11,012</b>	<b>12,017</b>	<b>8,110</b>	<b>9,033</b>	<b>7,888</b>	<b>10,857</b>	<b>12,543</b>	<b>30,040</b>	<b>29,160</b>	<b>31,288</b>
Cash flow <sup>(4)</sup>	5,510	6,905	7,394	7,816	8,695	9,808	9,786	10,468	11,398	19,809	26,319	31,652
Funds provided by shareholders <sup>(5)</sup>	187	(375)	(574)	(156)	2,219	(322)	9	(837)	(481)	(762)	1,741	(1,309)
Grants received	656	879	671	593	702	729	850	586	502	2,206	2,024	1,938
Increase (decrease) in borrowings	2,443	2,823	3,521	3,764	(3,506)	(1,182)	(2,757)	640	1,124	8,787	(924)	(993)
<b>Total sources</b>	<b>8,796</b>	<b>10,232</b>	<b>11,012</b>	<b>12,017</b>	<b>8,110</b>	<b>9,033</b>	<b>7,888</b>	<b>10,857</b>	<b>12,543</b>	<b>30,040</b>	<b>29,160</b>	<b>31,288</b>

(1) Excluding capitalised interest charges.

(2) Cash in hand and with banks and fixed-interest securities.

(3) Increase in inventories, trade accounts receivable and other current assets, net of trade accounts payable and other current debt.

(4) Including funds generated by divestments and adjustments arising from assets transferred between manufacturing and service companies.

(5) Rights issues, including share premiums, net of dividends paid and capital refunded to shareholders.

TABLE 16

## CAPITAL EXPENDITURE

	CAPITAL EXPENDITURE AT CONSTANT PRICES <sup>(1)</sup>						DISPOSALS AS A PERCENTAGE OF CAPITAL EXPENDITURE					
	Total	Public sector	Private sector	Medium-size	Manu-facturing	Services	Total	Public sector	Private sector	Medium-size	Manu-facturing	Services
	€ m											
1989 .....	20,889	8,477	12,412	381	13,710	7,180	15.0	8.1	19.7	16.6	18.6	8.1
<i>Index number</i>	100.0	100.0	100.0	100.0	100.0	100.0						
1990 .....	21,795	8,303	13,493	367	14,253	7,542	19.0	19.1	18.9	15.3	24.0	9.5
<i>Index number</i>	104.3	97.9	108.7	96.4	104.0	105.0						
1991 .....	23,176	9,229	13,947	385	14,837	8,339	16.8	9.9	21.3	22.3	18.2	14.2
<i>Index number</i>	110.9	108.9	112.4	101.1	108.2	116.1						
1992 .....	24,398	10,318	14,080	375	15,972	8,426	20.7	12.9	26.3	22.7	21.0	20.0
<i>Index number</i>	116.8	121.7	113.4	98.6	116.5	117.4						
1993 .....	22,367	7,879	14,488	317	12,919	9,448	20.1	8.5	26.3	26.5	20.5	19.4
<i>Index number</i>	107.1	92.9	116.7	83.2	94.2	131.6						
1994 .....	17,814	6,772	11,042	336	11,677	6,138	30.8	14.2	40.9	25.4	26.0	39.7
<i>Index number</i>	85.3	79.9	89.0	88.3	85.2	85.5						
1995 .....	17,433	5,866	11,568	469	12,230	5,204	33.3	18.4	40.9	18.4	24.6	53.9
<i>Index number</i>	83.5	69.2	93.2	123.1	89.2	72.5						
1996 .....	16,969	5,638	11,332	432	11,375	5,594	37.9	16.9	48.4	21.4	32.4	49.2
<i>Index number</i>	81.2	66.5	91.3	113.4	83.0	77.9						
1997 .....	16,495	4,991	11,504	406	10,802	5,693	38.6	15.6	48.6	31.0	34.2	46.9
<i>Index number</i>	79.0	58.9	92.7	106.7	78.8	79.3						
1998 .....	17,081	4,863	12,217	419	11,031	6,050	38.6	17.8	46.9	24.4	34.9	45.4
<i>Index number</i>	81.8	57.4	98.4	110.1	80.5	84.3						

(1) Capital expenditure at current prices adjusted on basis of the ISTAT capital goods ex-factory price index.

TABLE 17

## WORKING CAPITAL AS A PERCENTAGE OF NET SALES

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
	%	%	%	%	%	%	%	%	%	%
1755 COMPANIES .....	15.1	15.1	15.0	13.3	13.6	12.8	13.1	13.0	12.5	11.9
PUBLIC SECTOR COMPANIES .....	14.3	13.8	14.0	9.4	11.5	10.4	10.4	10.9	12.4	9.9
PRIVATE SECTOR COMPANIES .....	15.4	15.5	15.4	14.7	14.3	13.6	13.9	13.6	12.6	12.5
MEDIUM-SIZE COMPANIES .....	27.4	27.5	28.4	28.8	29.3	28.4	27.8	28.4	29.2	29.5
MANUFACTURING COMPANIES .....	19.2	19.9	20.1	18.3	19.0	17.7	17.6	17.9	16.8	16.0
SERVICE COMPANIES .....	-11.6	-14.1	-13.0	-12.4	-11.9	-11.1	-9.5	-10.3	-7.7	-6.1

N.B. - Working capital has been computed as the sum of the following items: inventories and trade receivables (net of their respective provisions for losses), other current assets, trade payables, amounts due to group companies and other current liabilities. The figures exclude the effect of gains on asset transfers. Ratios broken down by companies with a profitable, loss-making or mixed record are not given as they are not significant.

TABLE 18

## INVENTORY AS A PERCENTAGE OF NET SALES

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
	%	%	%	%	%	%	%	%	%	%
1755 COMPANIES .....	22.9	23.8	23.6	24.0	23.8	22.8	21.8	22.1	21.6	22.2
COMPANIES CONSISTENTLY IN PROFIT OR BREAKING EVEN .....	17.6	17.4	16.8	18.1	18.8	18.4	16.7	16.3	16.8	16.2
COMPANIES CONSISTENTLY INCURRING LOSSES .....	8.3	9.3	10.8	8.9	8.9	6.9	7.4	16.0	21.1	53.6
COMPANIES WITH MIXED RECORDS .....	25.7	27.2	27.6	27.7	27.3	25.9	25.2	26.3	25.1	25.6
PUBLIC SECTOR COMPANIES .....	38.6	37.7	37.5	37.7	35.6	35.6	34.8	35.6	34.4	38.6
PRIVATE SECTOR COMPANIES .....	17.4	18.6	18.5	19.1	19.8	18.9	17.8	18.0	17.8	17.6
MEDIUM-SIZE COMPANIES .....	27.9	29.1	29.4	31.0	32.3	31.1	29.2	28.4	25.8	26.1
MANUFACTURING COMPANIES .....	25.5	26.8	27.0	27.6	27.9	26.6	25.2	26.0	25.4	26.3
SERVICE COMPANIES .....	6.2	5.5	5.2	5.3	4.5	4.3	4.2	3.8	4.1	4.0

N.B. - Inventories are stated net of provisions against losses and the effect of gains on asset transfers.

TABLE 19

## BALANCE SHEET STRUCTURE

	1755 COMPANIES		PUBLIC SECTOR COMPANIES		PRIVATE SECTOR COMPANIES		MEDIUM-SIZE COMPANIES		MANUFACTURING COMPANIES		SERVICE COMPANIES	
	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998
	%	%	%	%	%	%	%	%	%	%	%	%
NET FIXED ASSETS .....	37.2	35.3	48.9	47.0	30.9	29.3	24.5	24.6	30.7	29.3	65.7	59.4
NET WORKING CAPITAL <sup>(1)</sup> .....	24.0	23.0	22.8	23.9	24.6	22.5	42.7	42.9	28.7	27.7	3.5	3.8
ASSETS USED IN OPERATIONS .....	61.2	58.3	71.7	70.9	55.5	51.8	67.2	67.5	59.4	57.0	69.2	63.2
INVESTMENTS IN RELATED AND OTHER COMPANIES .....	22.9	24.2	14.7	13.8	27.3	29.4	10.4	12.0	24.2	25.1	17.0	20.5
CASH .....	4.2	4.7	2.2	3.8	5.3	5.2	9.3	8.9	4.6	5.1	2.4	3.0
FINANCIAL ASSETS .....	27.1	28.9	16.9	17.6	32.6	34.6	19.7	20.9	28.8	30.2	19.4	23.5
OTHER ASSETS .....	11.7	12.8	11.4	11.5	11.9	13.6	13.1	11.6	11.8	12.8	11.4	13.3
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
SHAREHOLDERS' EQUITY .....	38.3	40.4	32.6	35.3	41.4	43.0	38.6	37.7	37.4	39.4	42.3	44.8
STAFF TERMINATION INDEMNITY PROVISION .....	5.7	5.3	5.3	4.9	5.9	5.5	6.6	6.5	5.9	5.5	4.7	4.4
BORROWINGS:												
medium-and long-term .....	16.2	14.9	22.2	19.7	12.8	12.5	15.5	14.8	15.3	14.4	19.5	17.1
short-term .....	15.8	15.1	9.8	7.4	19.2	18.9	22.0	23.6	16.6	15.4	12.7	13.6
	<u>32.0</u>	<u>30.0</u>	<u>32.0</u>	<u>27.1</u>	<u>32.0</u>	<u>31.4</u>	<u>37.5</u>	<u>38.4</u>	<u>31.9</u>	<u>29.8</u>	<u>32.2</u>	<u>30.7</u>
OTHER LIABILITIES .....	24.0	24.3	30.1	32.7	20.7	20.1	17.3	17.4	24.8	25.3	20.8	20.1
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

(1) Net of trade accounts payable.

## CHANGES IN SHAREHOLDERS' EQUITY

	1996-98						Total	Total 1990-98
	1990-92	1993-95	1996	1997	1998	Total		
	€ m							
1755 COMPANIES								
Balance at beginning of year .....	82,214	96,886	115,722	121,900	133,407	115,722	82,214	
Profit (loss) for year .....	1,939	(1,065)	5,162	7,607	11,673	24,442	25,316	
Dividends paid during year .....	(9,989)	(10,613)	(6,744)	(7,291)	(8,925)	(22,960)	(43,562)	
New equity issues .....	16,447	26,596	5,565	7,337	7,566	20,468	63,511	
Increases in share capital arising from asset transfers .....	1,175	1,361	569	(1,743)	1,147	(27)	2,509	
Investment grants .....	3,395	2,975	1,286	972	691	2,949	9,319	
Revaluations .....	6,392	54	—	—	—	—	6,446	
Transfers to (from) p/l account .....	6,568	5,629	(143)	3,065	1,643	4,565	16,762	
Other changes <sup>(1)</sup> .....	(11,255)	(6,101)	483	1,560	(36)	2,007	(15,349)	
Balance at year-end .....	<u>96,886</u>	<u>115,722</u>	<u>121,900</u>	<u>133,407</u>	<u>147,166</u>	<u>147,166</u>	<u>147,166</u>	
PUBLIC SECTOR COMPANIES								
Balance at beginning of year .....	25,259	25,334	31,168	33,394	39,909	31,168	25,259	
Profit (loss) for year .....	(4,878)	(4,227)	1,694	1,124	2,371	5,189	(3,916)	
Dividends paid during year .....	(873)	(2,184)	(2,380)	(2,724)	(2,819)	(7,923)	(10,980)	
New equity issues .....	3,948	6,992	941	4,536	2,657	8,134	19,074	
Increases in share capital arising from asset transfers .....	(14)	(582)	249	—	652	901	305	
Investment grants .....	1,984	1,855	868	627	473	1,968	5,807	
Revaluations .....	2,038	2	—	—	—	—	2,040	
Transfers to (from) p/l account .....	60	4,672	(810)	2,922	313	2,425	7,157	
Other changes <sup>(1)</sup> .....	(2,190)	(694)	1,664	30	(256)	1,438	(1,446)	
Balance at year-end .....	<u>25,334</u>	<u>31,168</u>	<u>33,394</u>	<u>39,909</u>	<u>43,300</u>	<u>43,300</u>	<u>43,300</u>	
PRIVATE SECTOR COMPANIES								
Balance at beginning of year .....	56,955	71,552	84,554	88,506	93,498	84,554	56,955	
Profit (loss) for year .....	6,817	3,162	3,468	6,483	9,302	19,253	29,232	
Dividends paid during year .....	(9,116)	(8,429)	(4,364)	(4,567)	(6,106)	(15,037)	(32,582)	
New equity issues .....	12,499	19,604	4,624	2,801	4,909	12,334	44,437	
Increases in share capital arising from asset transfers .....	1,189	1,943	320	(1,743)	495	(928)	2,204	
Investment grants .....	1,411	1,120	418	345	218	981	3,512	
Revaluations .....	4,354	52	—	—	—	—	4,406	
Transfers to (from) p/l account .....	6,508	957	667	143	1,330	2,140	9,605	
Other changes <sup>(1)</sup> .....	(9,065)	(5,407)	(1,181)	1,530	220	569	(13,903)	
Balance at year-end .....	<u>71,552</u>	<u>84,554</u>	<u>88,506</u>	<u>93,498</u>	<u>103,866</u>	<u>103,866</u>	<u>103,866</u>	
MEDIUM-SIZE COMPANIES								
Balance at beginning of year .....	2,127	2,669	3,189	3,405	3,786	3,189	2,127	
Profit (loss) for year .....	370	535	221	428	278	927	1,832	
Dividends paid during year .....	(299)	(219)	(109)	(121)	(314)	(544)	(1,062)	
New equity issues .....	282	224	91	77	81	249	755	
Increases in share capital arising from asset transfers .....	26	12	5	4	(8)	1	39	
Investment grants .....	38	30	5	5	3	13	81	
Revaluations .....	207	—	—	—	—	—	207	
Transfers to (from) p/l account .....	298	26	18	(6)	2	14	338	
Other changes <sup>(1)</sup> .....	(380)	(88)	(15)	(6)	—	(21)	(489)	
Balance at year-end .....	<u>2,669</u>	<u>3,189</u>	<u>3,405</u>	<u>3,786</u>	<u>3,828</u>	<u>3,828</u>	<u>3,828</u>	

(1) Mainly adjustments arising on mergers, including the acquisition of shares of companies subsequently amalgamated into buyer company.

TABLE 20

TABLE 21

## BORROWINGS

## FROM BANKS

	MEDIUM AND LONG-TERM FINANCE				SHORT-TERM		TOTAL						BANK BORROWINGS AS A % OF TOTAL EXTERNAL FUNDING <sup>(1)</sup>
	Public sector	Private sector	Total	of which medium-size	Public sector	Private sector	Total	of which medium-size	Public sector	Private sector	Total	of which medium-size	Total
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	%
Balance at end of 1989	12,178,088	18,693,914	30,872,002	528,892	5,914,141	15,396,303	21,310,444	1,231,474	18,092,229	34,090,217	52,182,446	1,760,366	<b>63.8</b>
%	67.3	54.8	59.2	30.0	32.7	45.2	40.8	70.0	100.0	100.0	100.0	100.0	
Change in 1990	1,317,500	1,895,699	3,213,199	77,456	420,124	2,701,959	3,122,083	131,795	1,737,624	4,597,658	6,335,282	209,251	<b>69.5</b>
Change in 1991	1,439,775	2,131,805	3,571,580	74,380	(378,804)	1,727,658	1,348,854	99,839	1,060,971	3,859,463	4,920,434	174,219	<b>45.2</b>
Change in 1992	138,491	182,489	320,980	(14,169)	4,102,913	3,754,254	7,857,167	73,457	4,241,404	3,936,743	8,178,147	59,288	<b>71.3</b>
Change in 1993	(184,413)	110,604	(73,809)	46,471	2,161,560	149,305	2,310,865	42,760	1,977,147	259,909	2,237,056	89,231	<b>23.0</b>
Change in 1994	363,631	(683,532)	(319,901)	(32,404)	(616,586)	615,312	(1,274)	144,672	(252,955)	(68,220)	(321,175)	112,268	<b>4.5</b>
Change in 1995	628,525	542,415	1,170,940	114,580	(2,500,193)	1,551,631	(948,562)	207,691	(1,871,668)	2,094,046	222,378	322,271	<b>35.0</b>
Change in 1996	(1,169,020)	(863,193)	(2,032,213)	120,918	(2,774,906)	(1,697,584)	(4,472,490)	(72,570)	(3,943,926)	(2,560,777)	(6,504,703)	48,348	...
Change in 1997	(136,968)	(554,729)	(691,697)	101,748	(2,016,163)	3,136,212	1,120,049	88,794	(2,153,131)	2,581,483	428,352	190,542	...
Change in 1998	(4,092,201)	597,498	(3,494,703)	7,364	(1,308,824)	1,649,735	340,911	152,399	(5,401,025)	2,247,233	(3,153,792)	159,763	...
Change between 1989 and 1998	(1,694,680)	3,359,056	1,664,376	496,344	(2,910,879)	13,588,482	10,677,603	868,837	(4,605,559)	16,947,538	12,341,979	1,365,181	<b>45.2</b>
%	36.8	19.8	13.5	36.4	63.2	80.2	86.5	63.6	100.0	100.0	100.0	100.0	
Balance at end of 1998	10,483,408	22,052,970	32,536,378	1,025,236	3,003,262	28,984,785	31,988,047	2,100,311	13,486,670	51,037,755	64,524,425	3,125,547	<b>59.1</b>
%	77.7	43.2	50.4	32.8	22.3	56.8	49.6	67.2	100.0	100.0	100.0	100.0	

(1) Borrowings.

TABLE 22

## INDEBTEDNESS PER EURO OF SHAREHOLDERS' EQUITY

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
	€	€	€	€	€	€	€	€	€	€
1755 COMPANIES										
total debt .....	2.2	2.3	2.6	3.0	3.2	2.8	2.7	2.5	2.3	2.1
of which:										
indebtedness .....	1.0	1.1	1.3	1.5	1.6	1.3	1.2	1.1	1.0	0.9
borrowings from banks .....	0.7	0.7	0.8	0.9	1.0	0.8	0.8	0.7	0.6	0.5
PUBLIC SECTOR COMPANIES										
total debt .....	2.8	2.8	3.4	4.3	5.0	3.7	3.4	3.0	2.3	2.0
of which:										
indebtedness .....	1.5	1.5	1.8	2.3	2.9	2.1	1.7	1.5	1.1	0.9
borrowings from banks .....	0.7	0.7	0.9	1.2	1.5	1.1	0.9	0.7	0.5	0.3
PRIVATE SECTOR COMPANIES										
total debt .....	1.9	2.1	2.2	2.5	2.6	2.4	2.4	2.3	2.3	2.1
of which:										
indebtedness .....	0.8	0.9	1.0	1.2	1.2	1.1	1.0	1.0	1.0	0.9
borrowings from banks .....	0.6	0.7	0.7	0.8	0.8	0.7	0.7	0.7	0.7	0.6
MEDIUM-SIZE COMPANIES										
total debt .....	2.5	2.9	3.0	3.1	3.1	3.1	3.2	2.9	2.6	2.7
of which:										
indebtedness .....	1.0	1.2	1.3	1.4	1.3	1.3	1.4	1.3	1.2	1.3
borrowings from banks .....	0.9	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.0
MANUFACTURING COMPANIES										
total debt .....	2.2	2.4	2.5	2.9	3.2	2.9	2.8	2.6	2.4	2.2
of which:										
indebtedness .....	1.0	1.1	1.2	1.4	1.5	1.3	1.3	1.2	1.0	0.9
borrowings from banks .....	0.6	0.7	0.7	0.9	0.9	0.8	0.8	0.7	0.6	0.5
SERVICE COMPANIES										
total debt .....	2.1	2.2	2.7	3.0	3.4	2.3	2.2	1.9	1.8	1.6
of which:										
indebtedness .....	1.1	1.2	1.5	1.7	1.9	1.3	1.1	0.9	0.9	0.8
borrowings from banks .....	0.8	0.8	1.0	1.2	1.2	1.0	0.8	0.7	0.6	0.5

N.B. - Shareholders' equity, excluding monetary revaluations, gains on asset transfers and revaluations on mergers, recorded in period. Total debt excludes staff termination indemnity provisions, provisions for taxation, accrued liabilities and other provisions.

TABLE 23

## AVERAGE ANNUAL COST PER EMPLOYEE

	1990	1991	1992	1993	1994	1995	1996	1997	1998
	€	€	€	€	€	€	€	€	€
1755 COMPANIES									
Average cost .....	27,039	29,344	31,353	32,690	34,499	36,328	38,113	39,376	39,320
Index number .....	100.0	108.5	116.0	120.9	127.6	134.4	141.0	145.6	145.4
PUBLIC SECTOR COMPANIES									
Average cost .....	30,277	33,009	36,476	40,202	40,951	43,340	46,564	46,857	46,474
Index number .....	100.0	109.0	120.5	132.8	135.3	143.1	153.8	154.8	153.5
PRIVATE SECTOR COMPANIES									
Average cost .....	25,885	28,072	29,627	30,297	32,559	34,308	35,752	37,338	37,424
Index number .....	100.0	108.4	114.5	117.0	125.8	132.5	138.1	144.2	144.6
MEDIUM-SIZE COMPANIES									
Average cost .....	23,014	25,120	26,465	27,168	28,562	30,448	31,805	33,037	32,682
Index number .....	100.0	109.2	115.0	118.0	124.1	132.3	138.2	143.6	142.0
MANUFACTURING COMPANIES									
Average cost .....	26,689	28,934	30,913	32,163	33,754	35,642	37,223	38,557	38,680
Index number .....	100.0	108.4	115.8	120.5	126.5	133.5	139.5	144.5	144.9
SERVICE COMPANIES									
Average cost .....	28,946	31,507	33,576	35,200	37,903	39,449	42,123	43,069	42,193
Index number .....	100.0	108.8	116.0	121.6	130.9	136.3	145.5	148.8	145.8

N.B. - Costs are based on average number of employees in year.

TABLE 24

## EMPLOYEES

## BY CATEGORY

	1989		1990		1991		1992		1993		1994		1995		1996		1997		1998	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<b>1755 COMPANIES</b>																				
Operatives and supervisors .....	844,444	56.6	815,077	55.1	785,966	54.2	731,310	52.6	691,150	51.3	657,560	51.0	650,887	51.1	632,236	50.5	626,814	50.7	610,218	50.2
Clerical and executive staff .....	647,195	43.4	662,991	44.9	663,173	45.8	659,361	47.4	657,045	48.7	631,700	49.0	622,978	48.9	619,567	49.5	608,631	49.3	605,153	49.8
	<u>1,491,639</u>	<u>100.0</u>	<u>1,478,068</u>	<u>100.0</u>	<u>1,449,139</u>	<u>100.0</u>	<u>1,390,671</u>	<u>100.0</u>	<u>1,348,195</u>	<u>100.0</u>	<u>1,289,260</u>	<u>100.0</u>	<u>1,273,865</u>	<u>100.0</u>	<u>1,251,803</u>	<u>100.0</u>	<u>1,235,445</u>	<u>100.0</u>	<u>1,215,371</u>	<u>100.0</u>
<b>PUBLIC SECTOR COMPANIES</b>																				
Operatives and supervisors .....	191,152	49.7	179,668	48.1	167,070	46.6	151,741	44.6	131,036	41.6	118,059	40.3	109,326	39.2	103,910	38.3	98,666	38.0	94,837	37.6
Clerical and executive staff .....	193,113	50.3	193,617	51.9	191,169	53.4	188,651	55.4	184,047	58.4	175,214	59.7	169,275	60.8	167,534	61.7	161,323	62.0	157,590	62.4
	<u>384,265</u>	<u>100.0</u>	<u>373,285</u>	<u>100.0</u>	<u>358,239</u>	<u>100.0</u>	<u>340,392</u>	<u>100.0</u>	<u>315,083</u>	<u>100.0</u>	<u>293,273</u>	<u>100.0</u>	<u>278,601</u>	<u>100.0</u>	<u>271,444</u>	<u>100.0</u>	<u>259,989</u>	<u>100.0</u>	<u>252,427</u>	<u>100.0</u>
<b>PRIVATE SECTOR COMPANIES</b>																				
Operatives and supervisors .....	653,292	59.0	635,409	57.5	618,896	56.7	579,569	55.2	560,114	54.2	539,501	54.2	541,561	54.4	528,326	53.9	528,148	54.1	515,381	53.5
Clerical and executive staff .....	454,082	41.0	469,374	42.5	472,004	43.3	470,710	44.8	472,998	45.8	456,486	45.8	453,703	45.6	452,033	46.1	447,308	45.9	447,563	46.5
	<u>1,107,374</u>	<u>100.0</u>	<u>1,104,783</u>	<u>100.0</u>	<u>1,090,900</u>	<u>100.0</u>	<u>1,050,279</u>	<u>100.0</u>	<u>1,033,112</u>	<u>100.0</u>	<u>995,987</u>	<u>100.0</u>	<u>995,264</u>	<u>100.0</u>	<u>980,359</u>	<u>100.0</u>	<u>975,456</u>	<u>100.0</u>	<u>962,944</u>	<u>100.0</u>
<b>MEDIUM-SIZE COMPANIES</b>																				
Operatives and supervisors .....	43,325	69.7	43,255	68.9	42,571	68.1	41,059	67.3	39,795	67.0	39,247	66.5	40,325	66.6	39,820	66.1	39,709	66.0	39,795	65.7
Clerical and executive staff .....	18,845	30.3	19,484	31.1	19,986	31.9	19,914	32.7	19,639	33.0	19,766	33.5	20,183	33.4	20,438	33.9	20,432	34.0	20,766	34.3
	<u>62,170</u>	<u>100.0</u>	<u>62,739</u>	<u>100.0</u>	<u>62,557</u>	<u>100.0</u>	<u>60,973</u>	<u>100.0</u>	<u>59,434</u>	<u>100.0</u>	<u>59,013</u>	<u>100.0</u>	<u>60,508</u>	<u>100.0</u>	<u>60,258</u>	<u>100.0</u>	<u>60,141</u>	<u>100.0</u>	<u>60,561</u>	<u>100.0</u>
<b>MANUFACTURING COMPANIES</b>																				
Operatives and supervisors .....	779,268	61.2	756,745	60.3	730,042	59.6	685,003	58.7	642,637	57.8	612,448	57.8	607,438	58.0	590,940	57.6	586,386	57.7	572,013	57.5
Clerical and executive staff .....	494,758	38.8	498,538	39.7	494,912	40.4	481,603	41.3	469,255	42.2	447,563	42.2	440,208	42.0	434,992	42.4	429,439	42.3	422,372	42.5
	<u>1,274,026</u>	<u>100.0</u>	<u>1,255,283</u>	<u>100.0</u>	<u>1,224,954</u>	<u>100.0</u>	<u>1,166,606</u>	<u>100.0</u>	<u>1,111,892</u>	<u>100.0</u>	<u>1,060,011</u>	<u>100.0</u>	<u>1,047,646</u>	<u>100.0</u>	<u>1,025,932</u>	<u>100.0</u>	<u>1,015,825</u>	<u>100.0</u>	<u>994,385</u>	<u>100.0</u>
<b>SERVICE COMPANIES</b>																				
Operatives and supervisors .....	65,176	30.0	58,332	26.2	55,924	24.9	46,307	20.7	48,513	20.5	45,112	19.7	43,449	19.2	41,296	18.3	40,428	18.4	38,205	17.3
Clerical and executive staff .....	152,437	70.0	164,453	73.8	168,261	75.1	177,758	79.3	187,790	79.5	184,137	80.3	182,770	80.8	184,575	81.7	179,192	81.6	182,781	82.7
	<u>217,613</u>	<u>100.0</u>	<u>222,785</u>	<u>100.0</u>	<u>224,185</u>	<u>100.0</u>	<u>224,065</u>	<u>100.0</u>	<u>236,303</u>	<u>100.0</u>	<u>229,249</u>	<u>100.0</u>	<u>226,219</u>	<u>100.0</u>	<u>225,871</u>	<u>100.0</u>	<u>219,620</u>	<u>100.0</u>	<u>220,986</u>	<u>100.0</u>

N.B. - Figures cover 1746 companies with fixed assets at the end of 1998 amounting to € 329,407m, or 99.3% of the total fixed assets of all the 1755 companies, when these 1746 companies accounted for 99.4% of the aggregate workforce of all the 1755 companies.

951 SELECTED COMPANIES

1968-1998



## NUMERICAL CHANGES IN SELECTED COMPANIES

	ADDITIONS	REDUCTIONS	NUMBER AT YEAR-END
	(Companies incorporated in year)	(Mergers)	
1968 .....	—	—	655
1969 .....	13	(9)	659
1970 .....	27	(31)	655
1971 .....	22	(23)	654
1972 .....	16	(36)	634
1973 .....	34	(22)	646
1974 .....	36	(11)	671
1975 .....	28	—	699
1976 .....	40	(6)	733
1977 .....	16	(3)	746
1978 .....	19	(3)	762
1979 .....	29	(8)	783
1980 .....	96	(13)	866
1981 .....	78	(21)	923
1982 .....	42	(15)	950
1983 .....	23	(21)	952
1984 .....	15	(23)	944
1985 .....	16	(24)	936
1986 .....	38	(28)	946
1987 .....	44	(41)	949
1988 .....	46	(23)	972
1989 .....	46	(36)	982
1990 .....	46	(30)	998
1991 .....	69	(36)	1031
1992 .....	44	(19)	1056
1993 .....	31	(46)	1041
1994 .....	17	(51)	1007
1995 .....	27	(42)	992
1996 .....	32	(57)	967
1997 .....	33	(49)	951
1998 .....	19	(19)	951
	<u>1023</u>	<u>(727)</u>	

N.B. - 47 companies have been added and 93 deleted since last year's edition. Of the latter, 19 have been merged into other selected companies, 9 into companies not in the sample, 23 have gone into bankruptcy proceedings, six have ceased trading, and 36 failed to provide their figures in time for inclusion.

TABLE 26

## AGGREGATE PROFITS AND LOSSES

	1998				1997				INCREASE (DECREASE) 1998/1997	
	PROFITS		LOSSES		PROFITS		LOSSES		PROFITS	LOSSES
	No. of compa- nies	€ m	No. of compa- nies	€ m	No. of compa- nies	€ m	No. of compa- nies	€ m	€ m	
951 COMPANIES .....	655	12,907	296	4,055	680	9,425	271	3,872	3,482	183
95 PUBLIC SECTOR COMPANIES .....	58	3,161	37	1,876	56	2,688	39	2,099	473	(223)
856 PRIVATE SECTOR COMPANIES .....	597	9,746	259	2,179	624	6,737	232	1,773	3,009	406
154 MEDIUM-SIZE COMPANIES .....	124	115	30	16	120	86	36	20	29	(4)

TABLE 27

## INDEBTEDNESS PER EURO OF SHAREHOLDERS' EQUITY

	1968	1976	1984	1991	1998
	€	€	€	€	€
951 COMPANIES					
total debt .....	2.2	6.8	5.8	3.7	2.6
of which:					
indebtedness .....	1.4	4.0	2.9	1.7	1.0
borrowings from banks .....	0.9	3.3	2.2	1.1	0.6
PUBLIC SECTOR COMPANIES					
total debt .....	3.7	11.9	10.5	4.9	2.8
of which:					
indebtedness .....	2.7	7.5	5.4	2.2	0.9
borrowings from banks .....	1.5	5.3	3.7	1.3	0.4
PRIVATE SECTOR COMPANIES					
total debt .....	1.6	5.1	4.3	3.2	2.6
of which:					
indebtedness .....	0.9	2.9	2.1	1.5	1.1
borrowings from banks .....	0.7	2.6	1.8	1.1	0.7
MEDIUM-SIZE COMPANIES					
total debt .....	1.6	2.4	3.2	4.0	3.3
of which:					
indebtedness .....	1.0	1.2	1.3	1.7	1.6
borrowings from banks .....	0.8	1.0	1.1	1.5	1.3

N.B. - Shareholders' equity, excluding monetary revaluations, gains on asset transfers recorded in period and revaluations arising on mergers. Total debt excludes staff termination indemnity provisions, provisions for taxation and other provisions.

TABLE 28

## AVERAGE ANNUAL COST PER EMPLOYEE

	1969	1975	1981	1987	1993	1998
951 COMPANIES						
Average cost (€) .....	1,553	3,798	9,721	20,382	32,355	39,751
Index number .....	100.0	244.6	625.9	1,312.4	2,083.4	2,559.6
PUBLIC SECTOR COMPANIES						
Average cost (€) .....	1,848	4,284	11,089	21,030	38,821	45,787
Index number .....	100.0	231.8	600.1	1,138.0	2,100.7	2,477.7
PRIVATE SECTOR COMPANIES						
Average cost (€) .....	1,476	3,649	9,273	20,154	30,565	38,343
Index number .....	100.0	247.2	628.3	1,365.4	2,070.8	2,597.8
MEDIUM-SIZE COMPANIES						
Average cost (€) .....	1,122	3,165	9,093	17,802	27,783	32,767
Index number .....	100.0	282.1	810.4	1,586.6	2,476.2	2,920.4

N.B. - Costs are based on average number of employees in year.

TABLE 29

HOURS WORKED PER EMPLOYEE  
AND AVERAGE HOURLY LABOUR COST

1755 SELECTED COMPANIES

STATISTICS 1989-1998

	NUMBER OF HOURS PER EMPLOYEE			HOURLY LABOUR COST	
	NO. OF HOURS WORKED	NO. OF HOURS LAID OFF	TOTAL	€	INDEX NUMBER
1968 .....	1,972	—	1,972	0.57	5.3
1988 .....	1,589	125	1,714	10.84	100.0
1989 .....	1,593	92	1,685	11.77	108.5
1990 .....	1,538	115	1,653	13.11	120.9
1991 .....	1,473	206	1,679	14.70	135.6
1992 .....	1,479	223	1,702	14.92	137.6
1993 .....	1,388	332	1,720	15.63	144.2
1994 .....	1,510	198	1,708	16.05	148.1
1995 .....	1,611	66	1,677	16.30	150.4
1996 .....	1,547	99	1,646	17.30	159.6
1997 .....	1,612	46	1,658	17.90	165.1
1998 .....	1,562	63	1,625	18.13	167.3

N.B. - Figures cover 215 companies with fixed assets at the end of 1998 amounting to € 44,091m, or 20.5% of the total fixed assets of all 951 companies. These 215 companies accounted for 27.9% of the total workforce of the 951 companies.