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Medium-size businesses in North-Eastern Italy

Reggio Emilia, 27 January 2006

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Medium-size businesses selected in North-Eastern Italy

Medium-size businesses in
North-Eastern Italy

- /// **In all:** 3,893 medium-size businesses selected in 2002, 546 of which in Emilia Romagna (91 in Reggio Emilia)

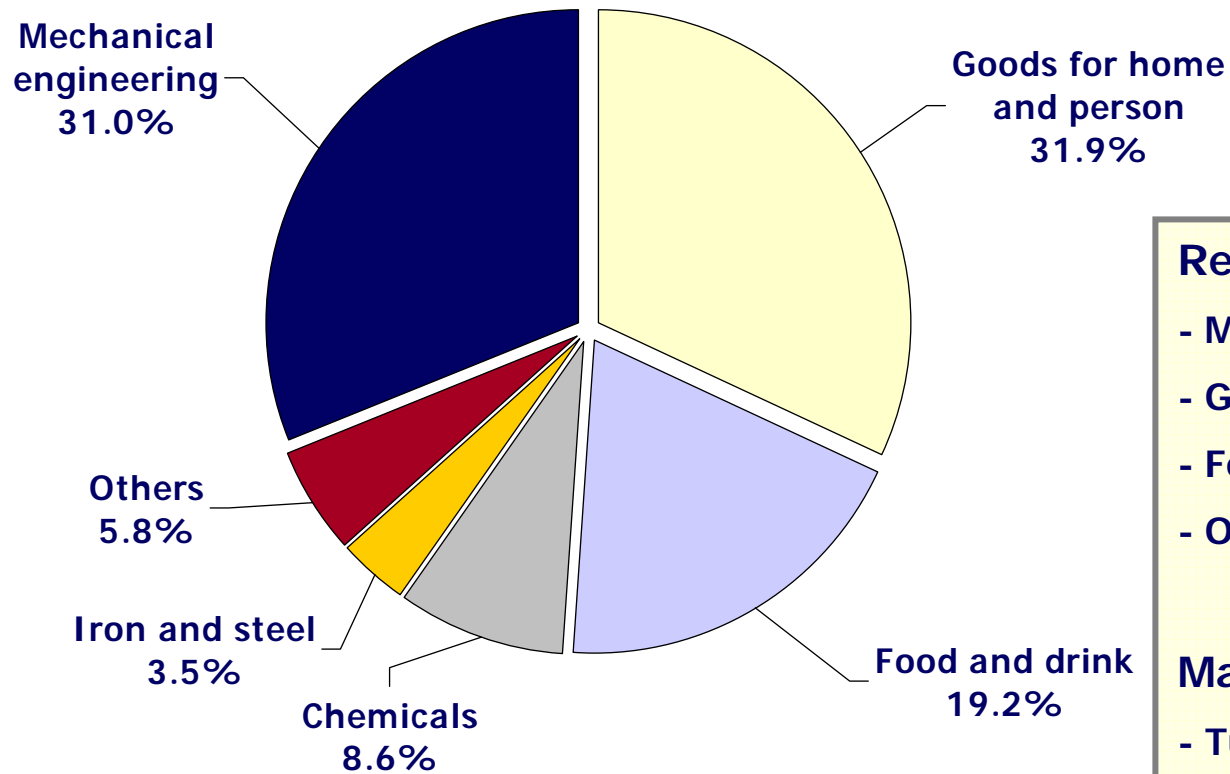
- /// **Data classified:**
 - /// by principal place of operation (macro-areas and regions)
 - /// by main activity (Ateco02's codes by 4 digit)
 - /// by location in industrial districts or some other local productive system (LPS)

Medium-size businesses in North-Eastern Italy

% of turnover in 2002

Medium-size businesses in North-Eastern Italy

Made in Italy	
- Turnover	70.1%
- Exports	77.1%



Reggio Emilia	
- Mechanical engineering	38.9%
- Goods for home and person	25.6%
- Food and drink	23.1%
- Others	12.4%

Made in Italy	
- Turnover	72.4%
- Exports	84.6%

Growth in value added 1996-2002

% change - manufacturing, closed aggregates, nominal prices

Medium-size businesses in
North-Eastern Italy

Medium-size Italian businesses	32.3
- <i>North-West Italy</i>	28.0
- <i>North-East Italy</i>	35.7

Large firms	9.8
- <i>Italian-owned</i>	4.2
- <i>Non-Italian-owned</i>	17.7

Italy	
- <i>Value added by manufacturing industry*</i>	11.7

* *Factor cost*

Growth in value added 1996-2002

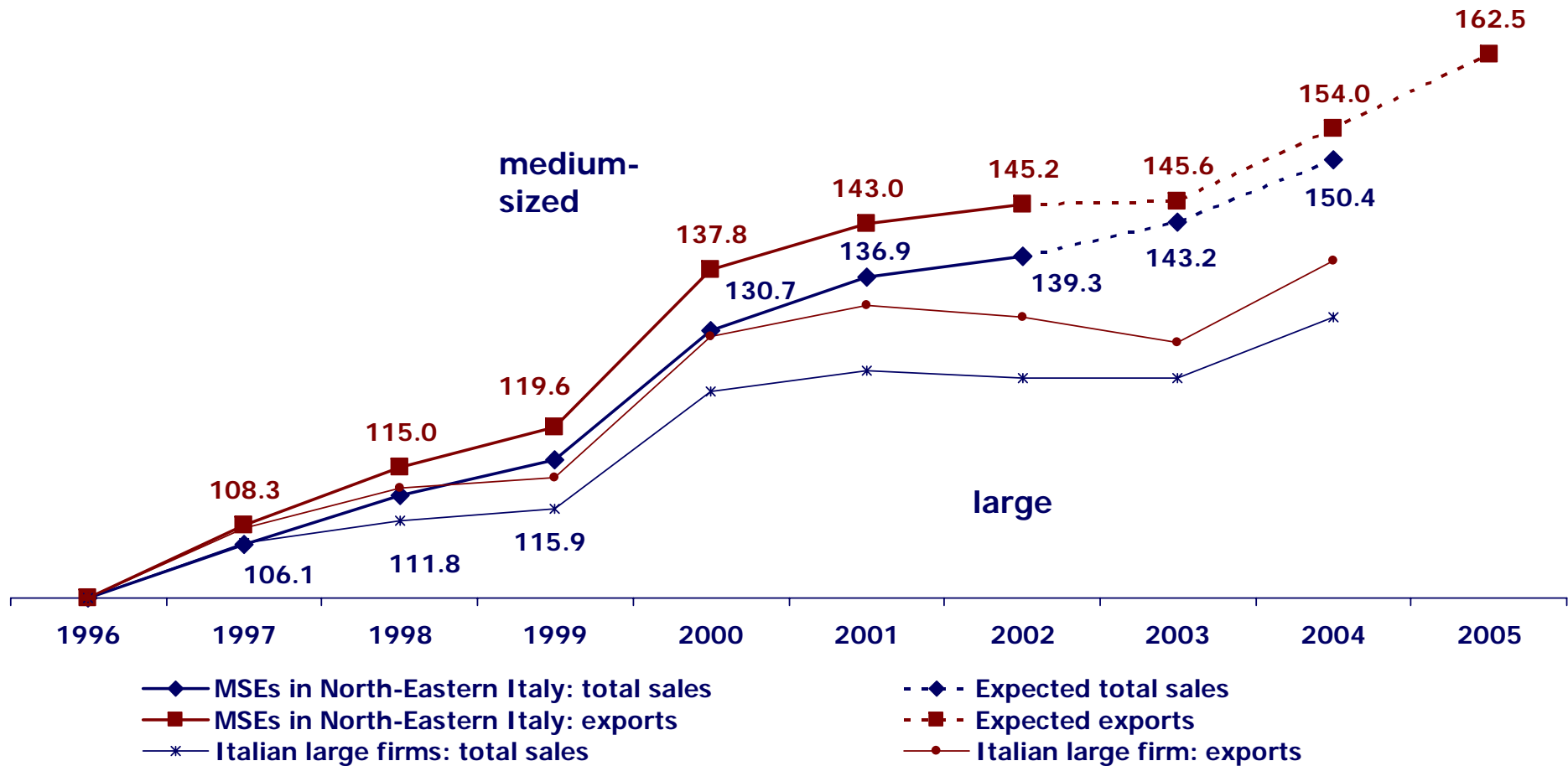
% change – manufacturing, closed aggregates, nominal prices

Medium-size businesses in
North-Eastern Italy

Medium-size businesses in North-Eastern Italy	35.7
Friuli-Venezia Giulia	37.2
Veneto	37.1
Emilia Romagna	34.8
Trentino-Alto Adige	29.3
Reggio Emilia	55.0

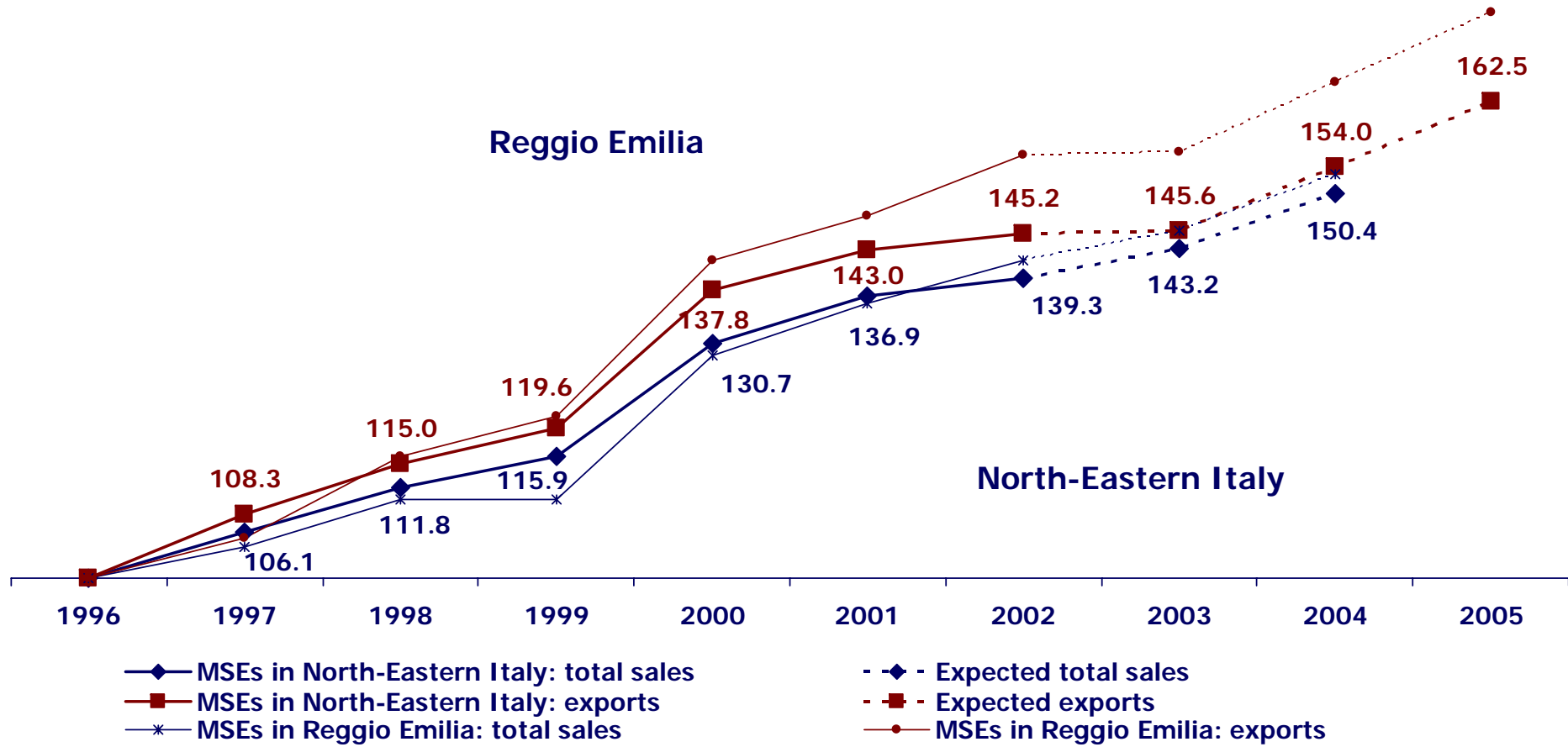
Sales: medium-size businesses in North-Eastern Italy and large manufacturing Italian businesses

Medium-size businesses in North-Eastern Italy



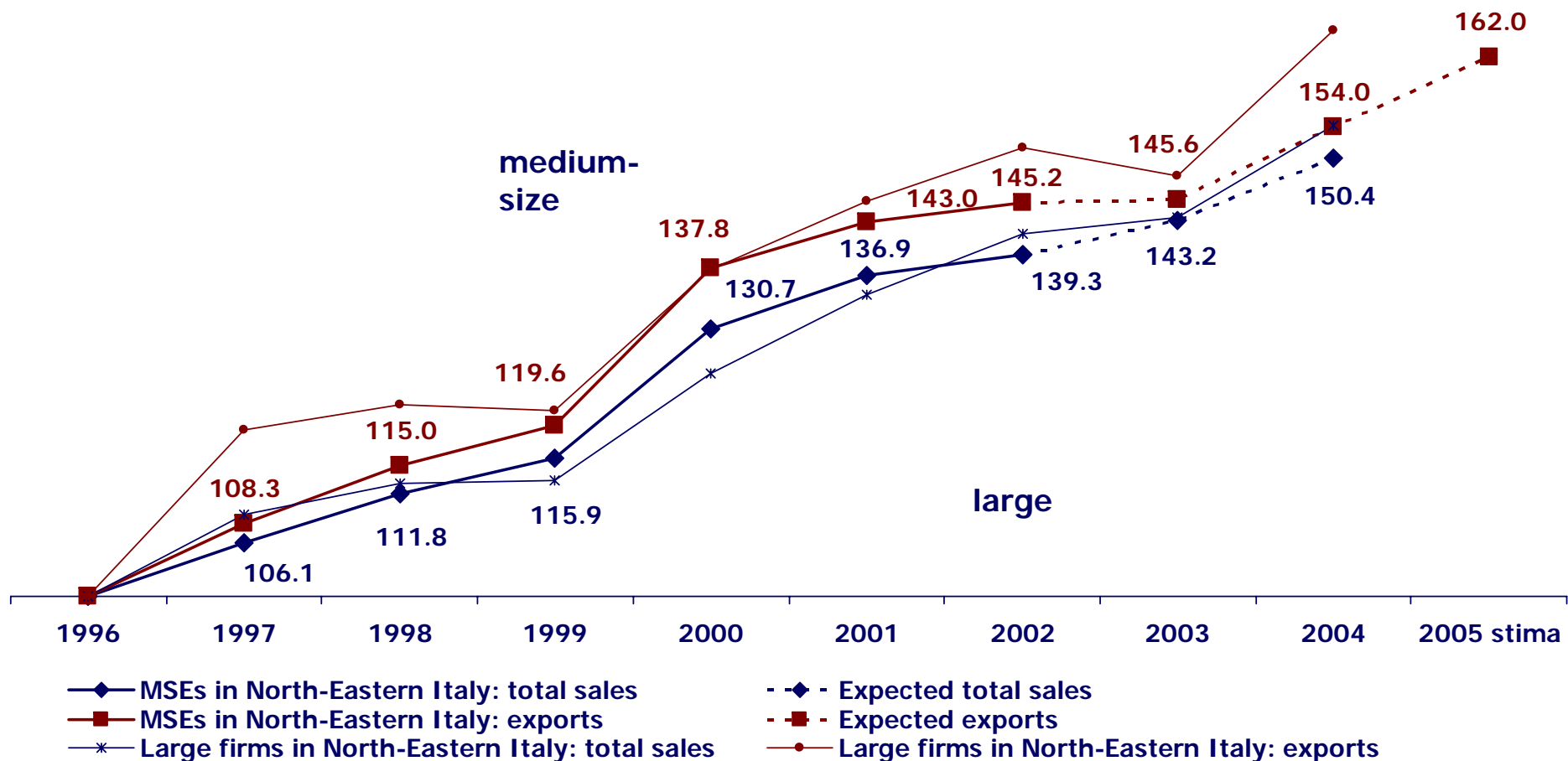
Sales: medium-size businesses in North-Eastern Italy and Reggio Emilia

Medium-size businesses in North-Eastern Italy



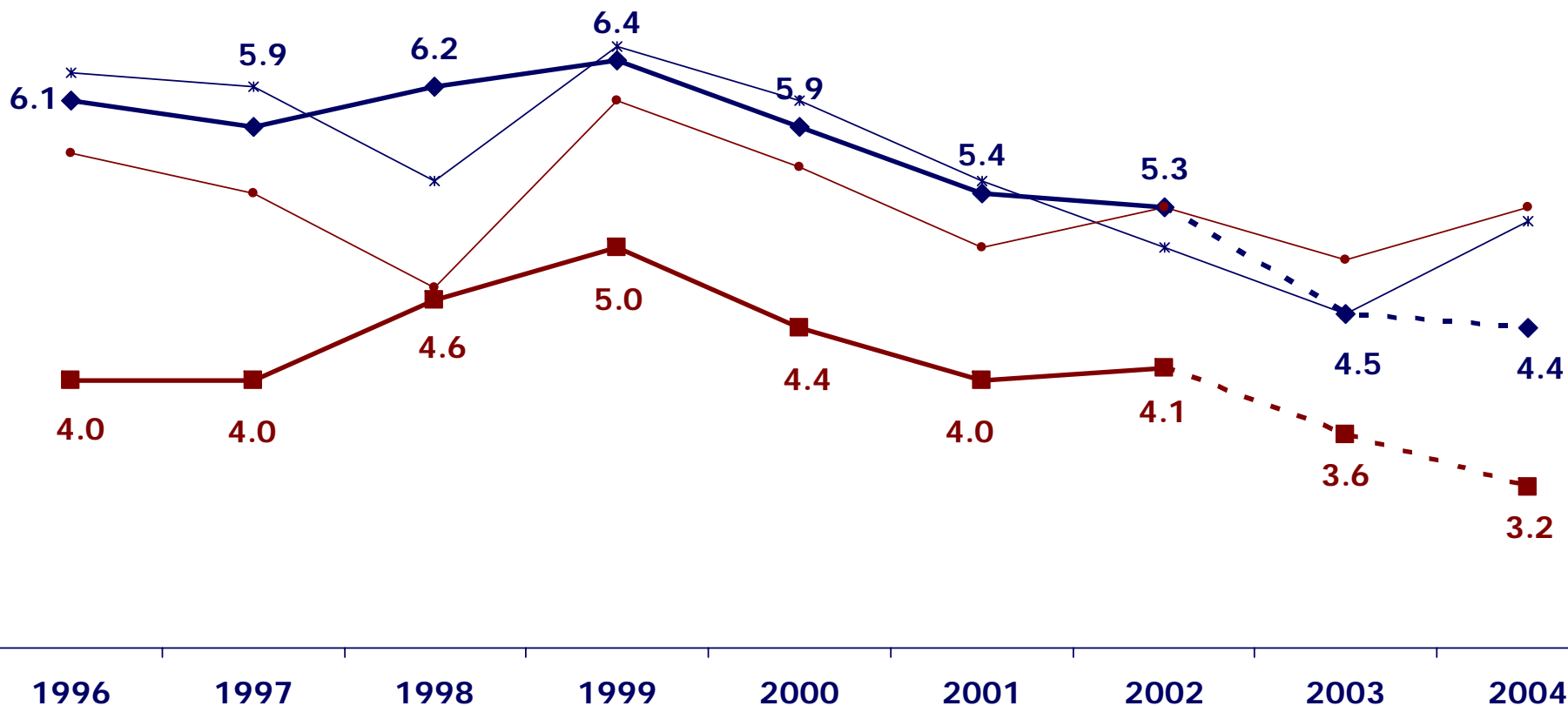
Sales: medium-size and large manufacturing businesses in North-Eastern Italy

Medium-size businesses in North-Eastern Italy



Margins on sales: medium-size and large businesses

Medium-size businesses in North-Eastern Italy



◆ MSEs in North-Eastern Italy: net operating margin

■ MSEs in North-Eastern Italy: current profit

* Large firms in North-Eastern Italy: net operating margin

◆ - Expected net operating margin

■ - Expected current profit

● - Large firms in North-Eastern Italy: current profit



Medium-size businesses headquartered in North-Eastern Italy – 1,482 companies

Medium-size businesses in North-Eastern Italy

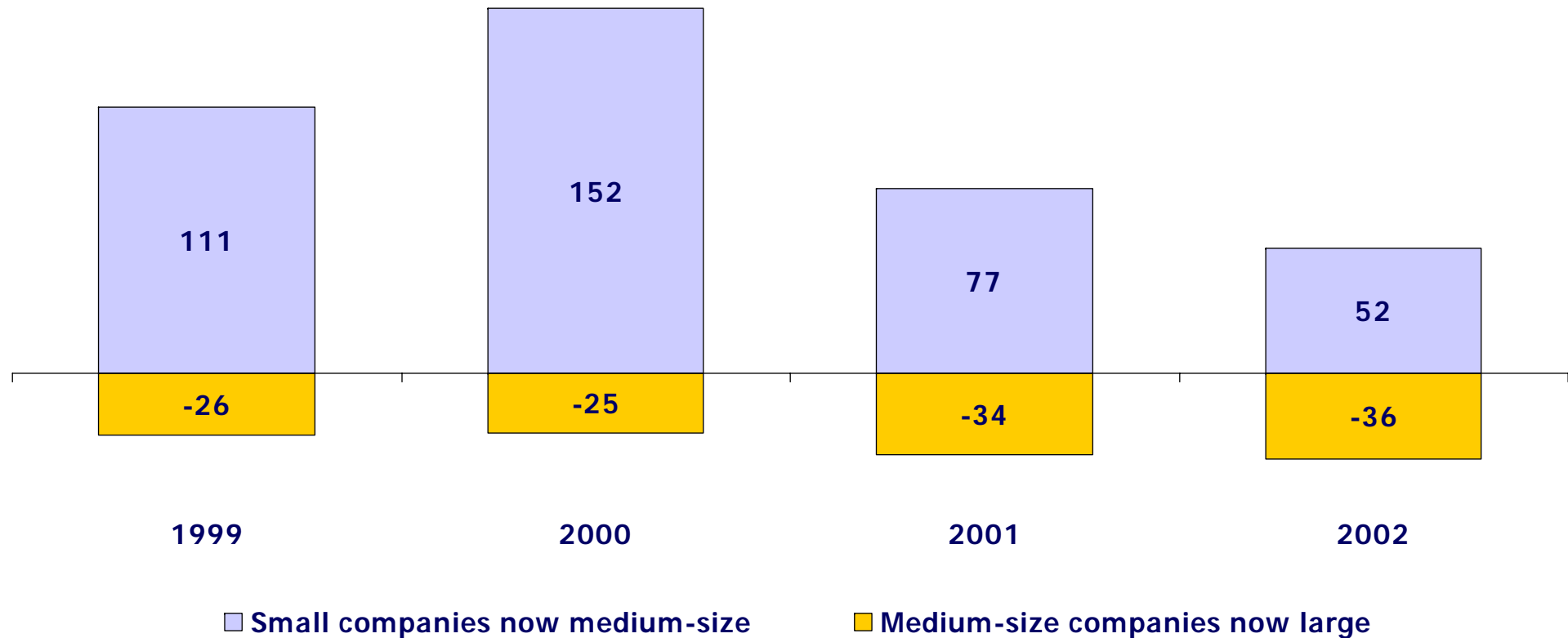


Source: Unioncamere Research Department

Growth in North-Eastern Italy

Net changes in number of companies

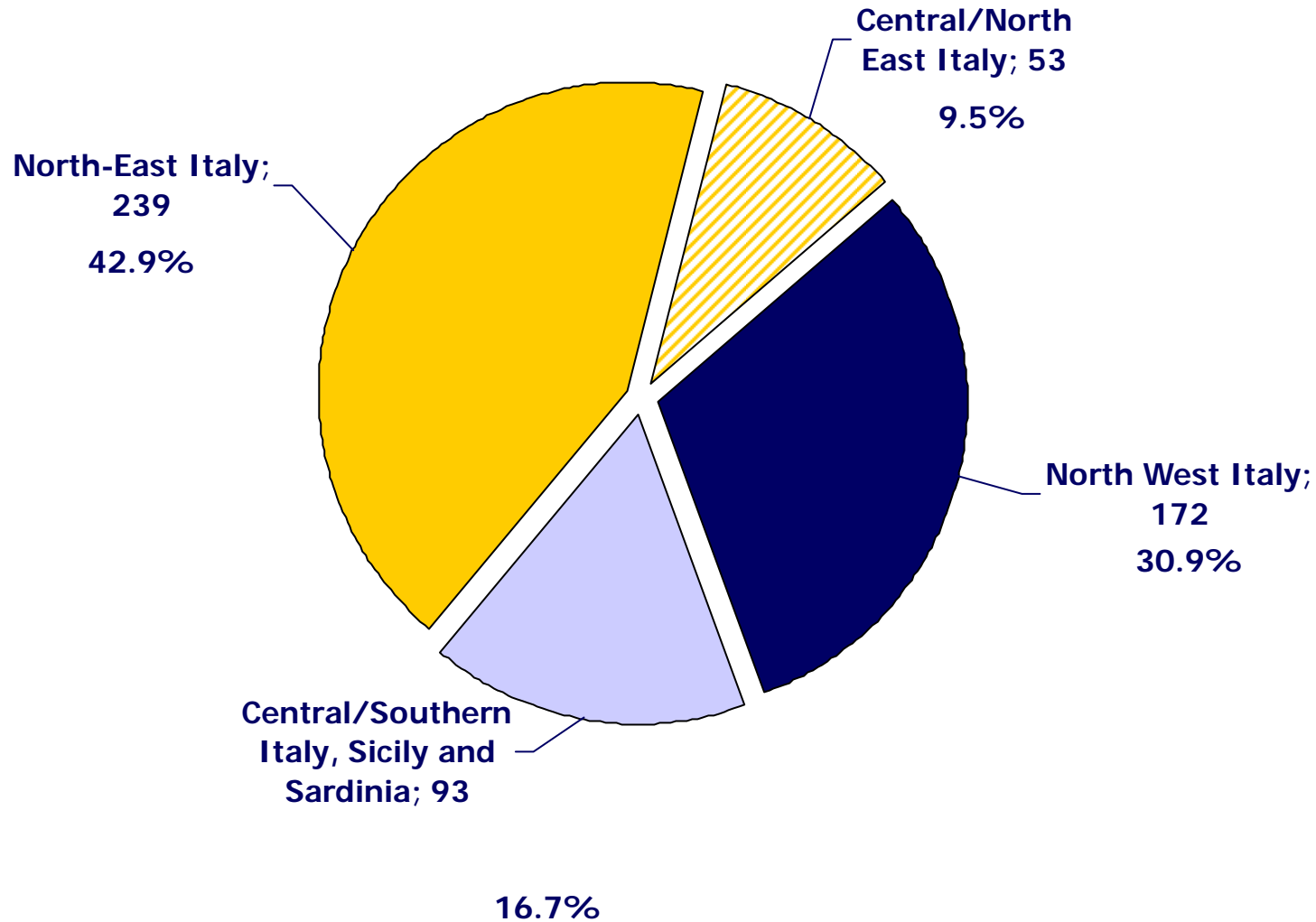
Medium-size businesses in
North-Eastern Italy



Medium-size firms: where are they growing?

Net change in number of businesses in 1996-2002 period=557

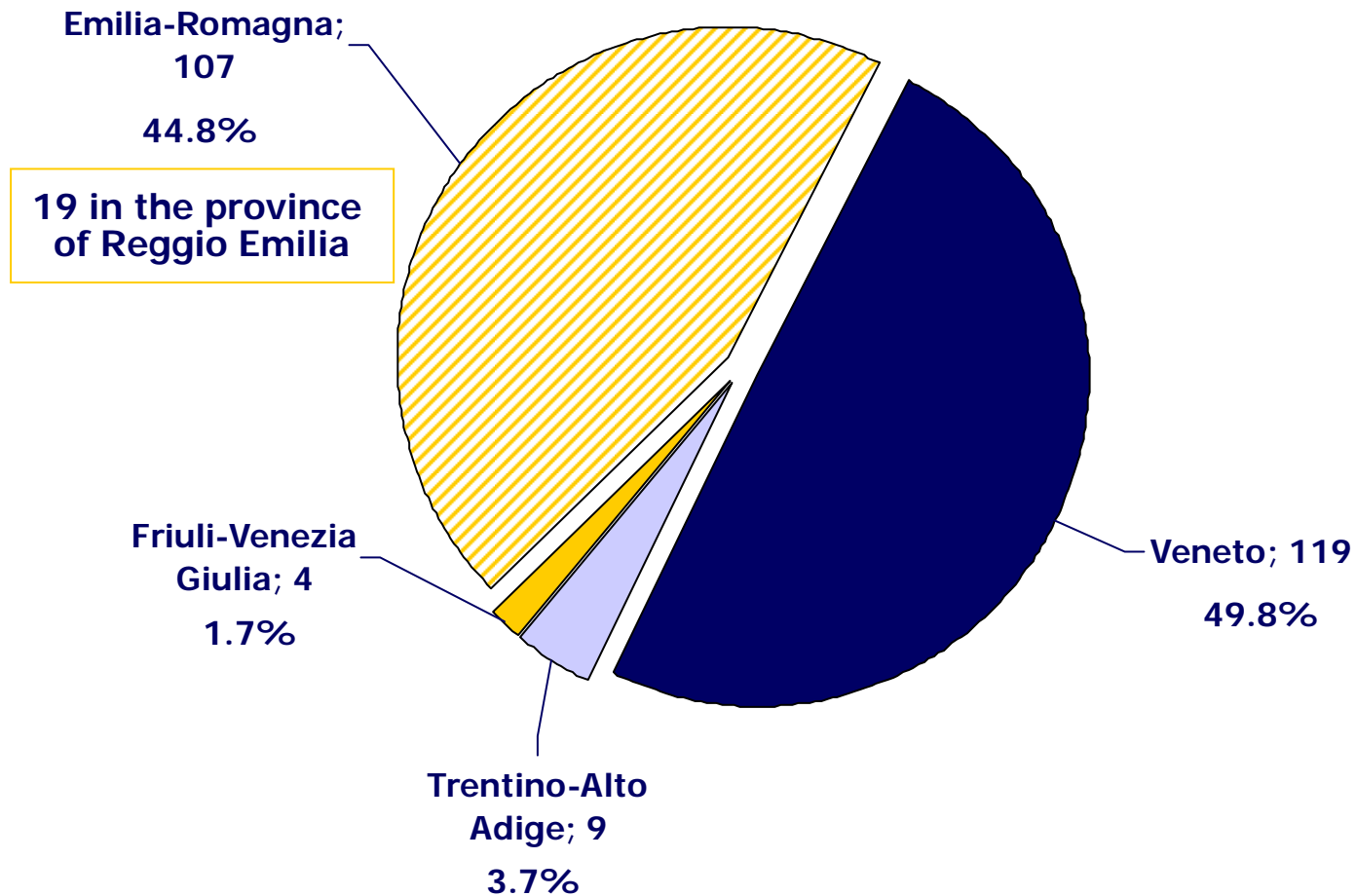
Medium-size businesses in
North-Eastern Italy



Medium-size firms in North-Eastern Italy: where are they growing?

Net change in number of businesses in 1996-2002 period=239

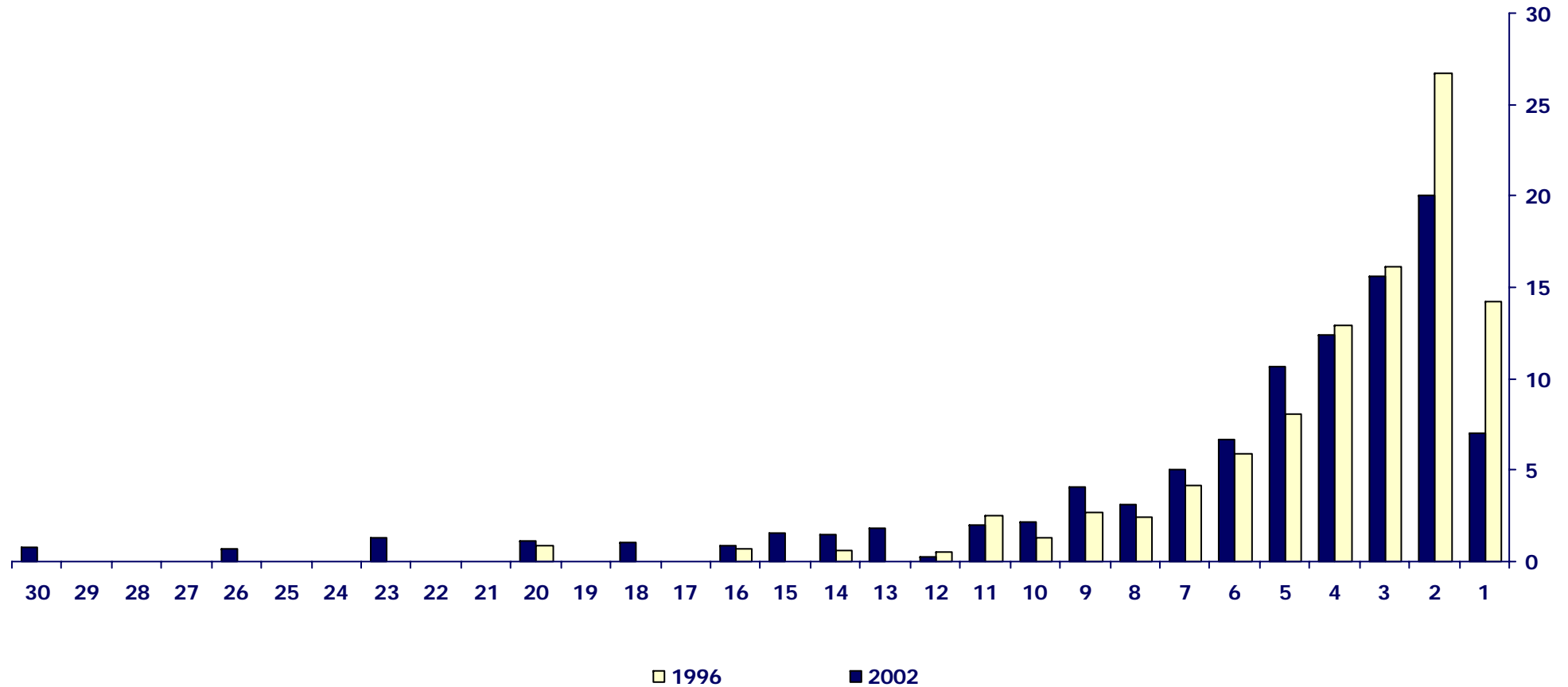
Medium-size businesses in North-Eastern Italy



MSEs in North-Eastern Italy: capital invested from 1996 to 2002

Medium-size businesses in North-Eastern Italy

% distribution over 30 categories



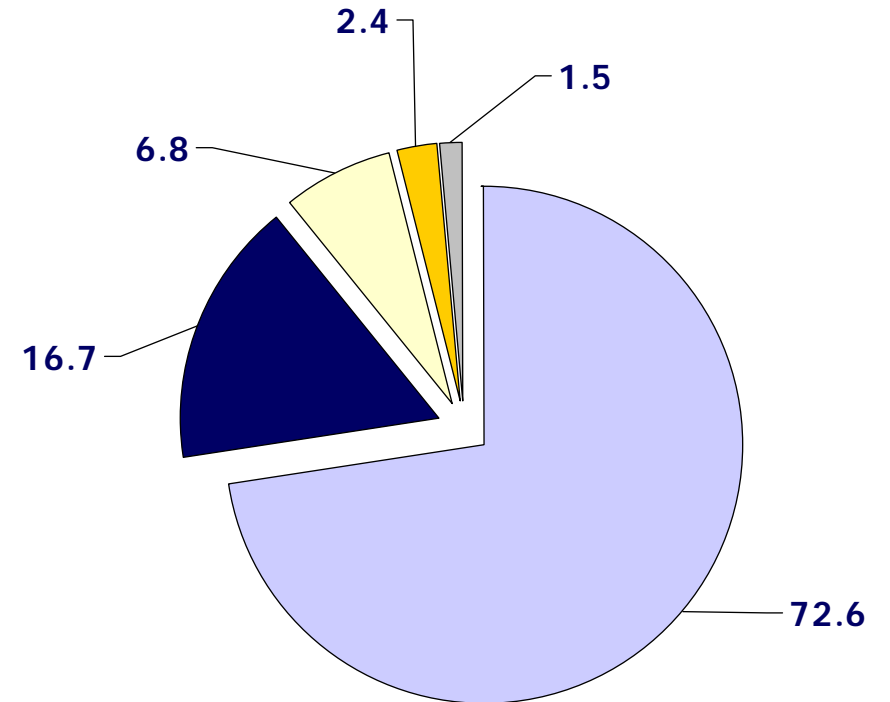
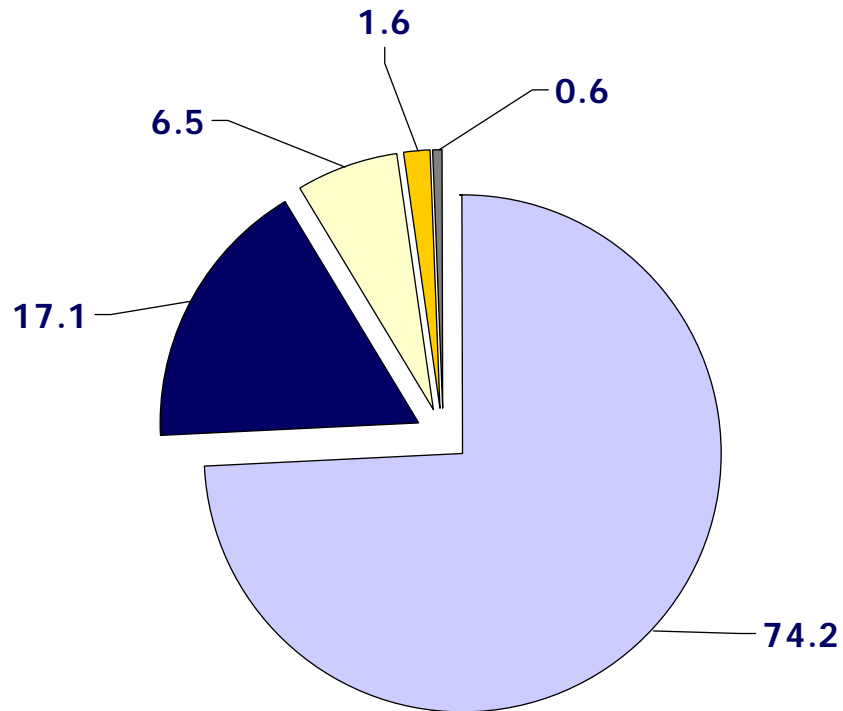
MSEs in North-Eastern Italy: capital invested in 2002

Cumulative % for groups of 6 categories (first category = € 8m; last category > € 240m)

Medium-size businesses in North-Eastern Italy

Italy

North East Italy



1 - 6
 7 - 12
 13 - 18
 19 - 24
 25 - 30

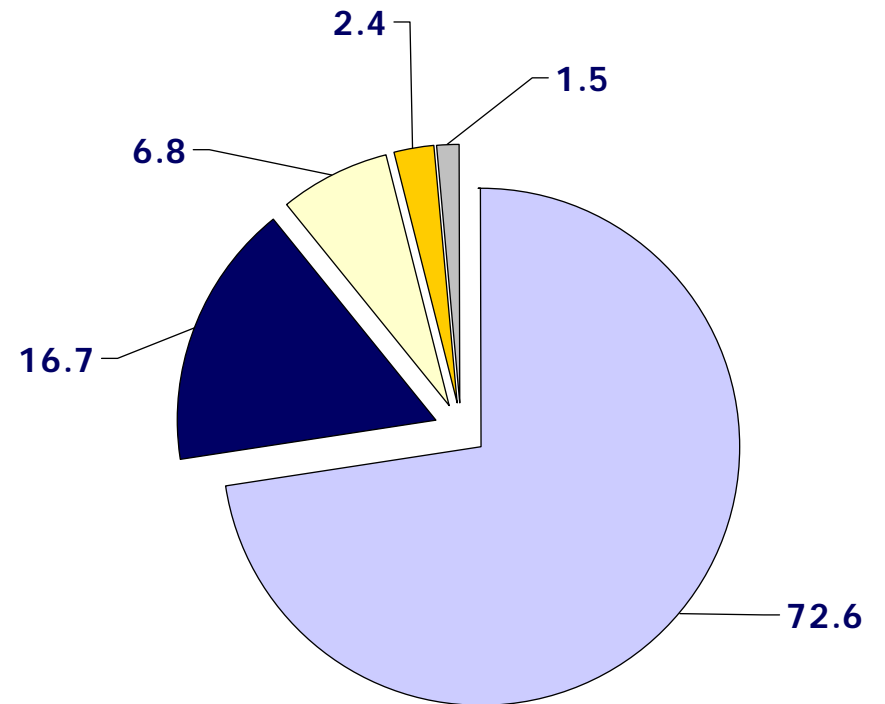
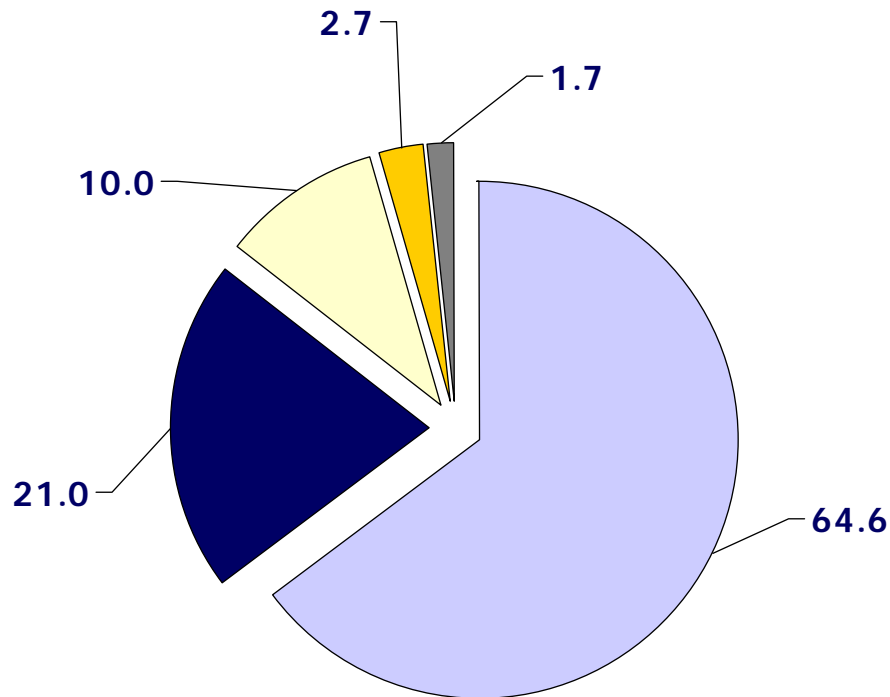
MSEs in North-Eastern Italy: capital invested in 2002

Cumulative % for groups of 6 categories (first category = € 8m; last category > € 240m)

Medium-size businesses in North-Eastern Italy

Emilia Romagna

North East Italy



1 - 6
 7 - 12
 13 - 18
 19 - 24
 25 - 30

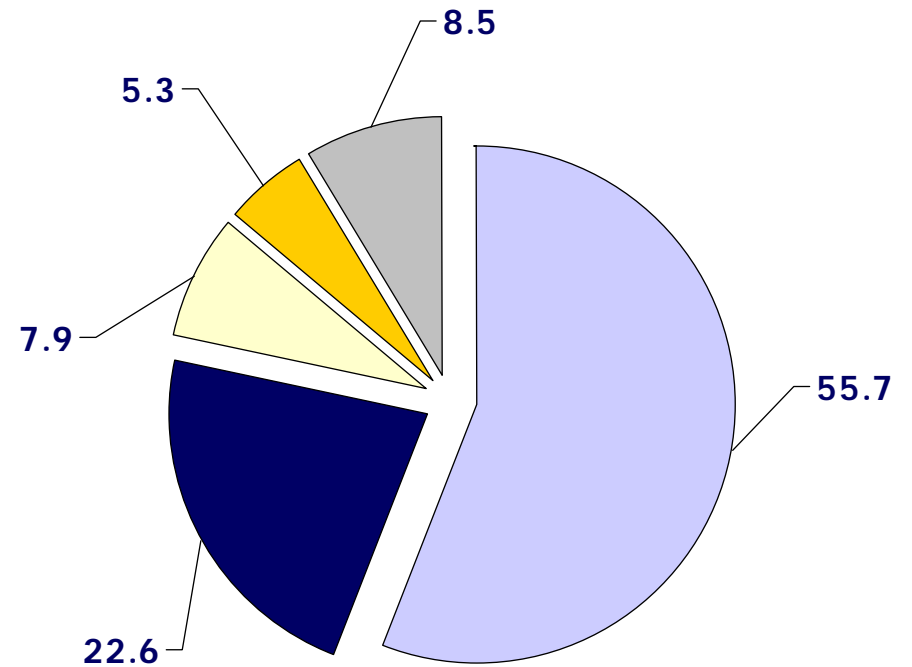
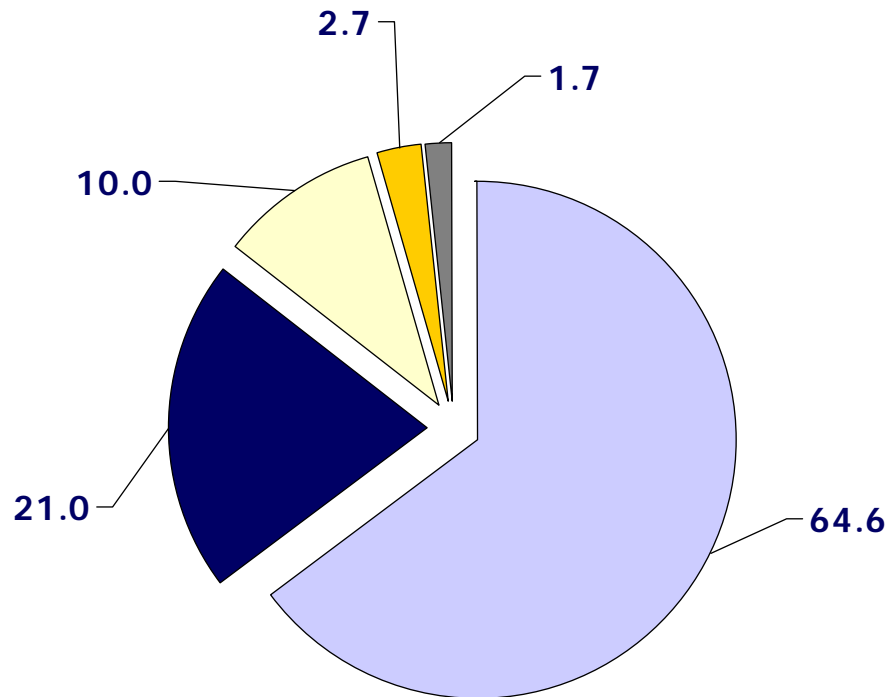
MSEs in North-Eastern Italy: capital invested in 2002

Cumulative % for groups of 6 categories (first category = € 8m; last category > € 240m)

Medium-size businesses in North-Eastern Italy

Emilia Romagna

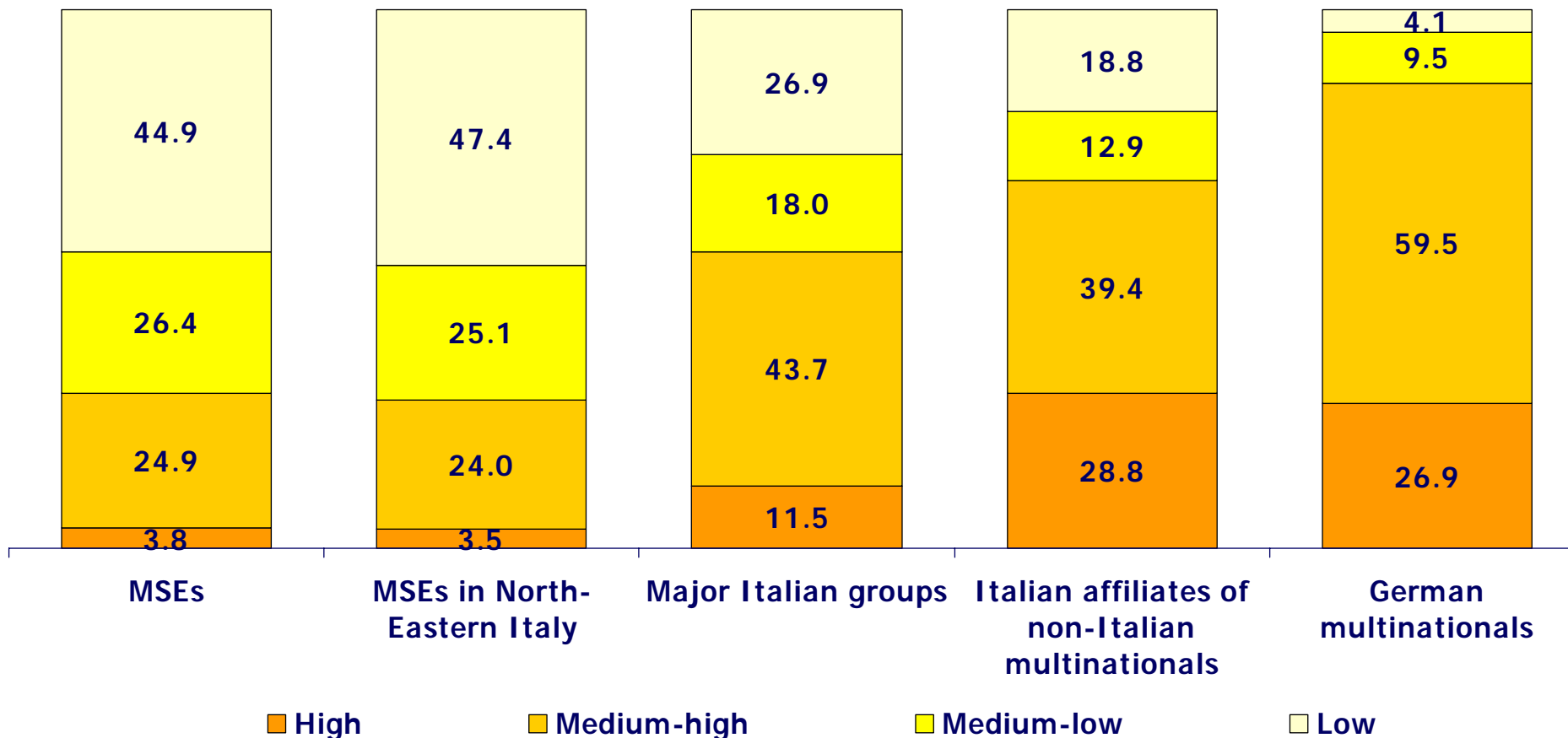
Reggio Emilia



1 - 6
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Medium-size businesses in
North-Eastern Italy

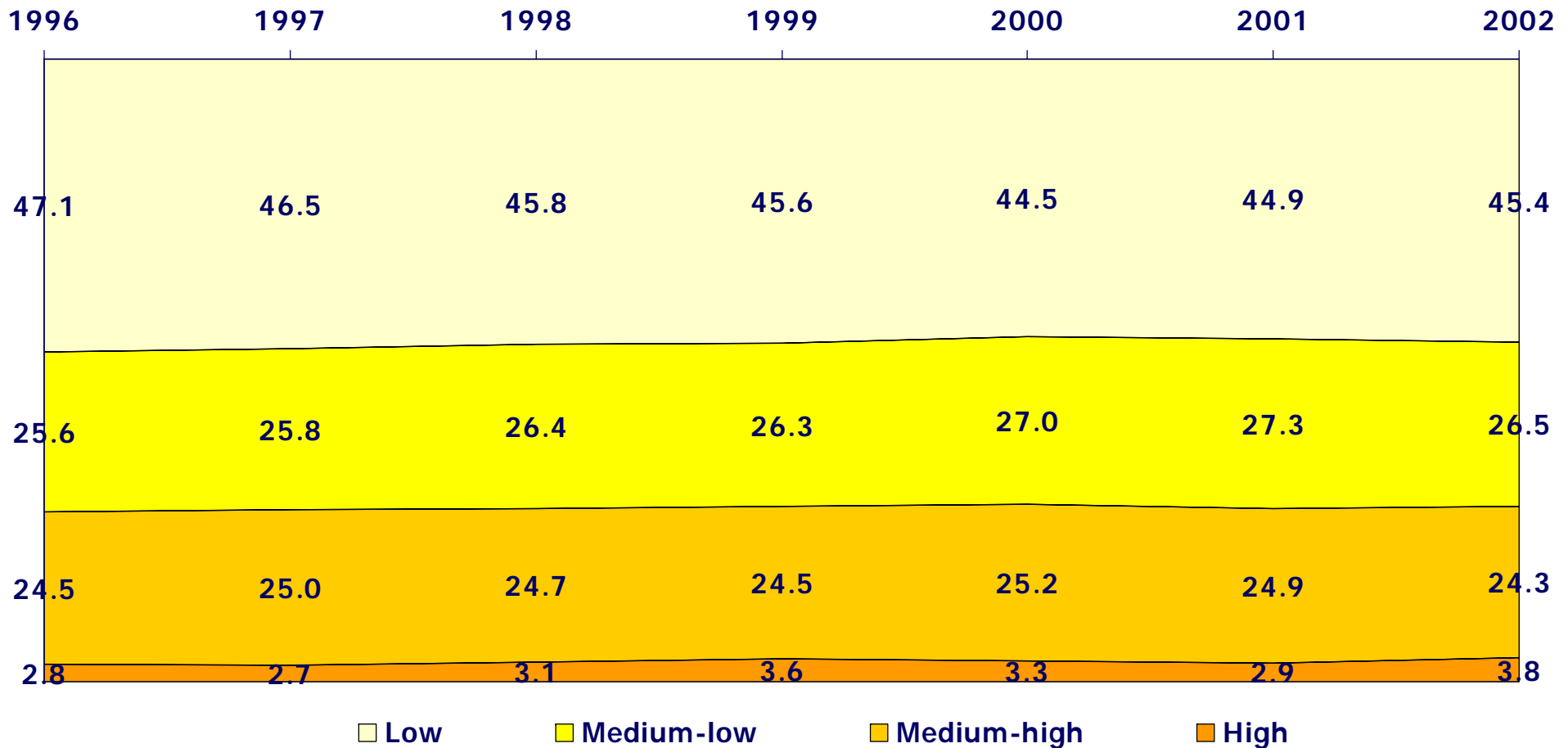
Technology % of turnover in 2002 (OECD principles)



Changes in North-Eastern Italian medium-size firms' technology

% of capital invested

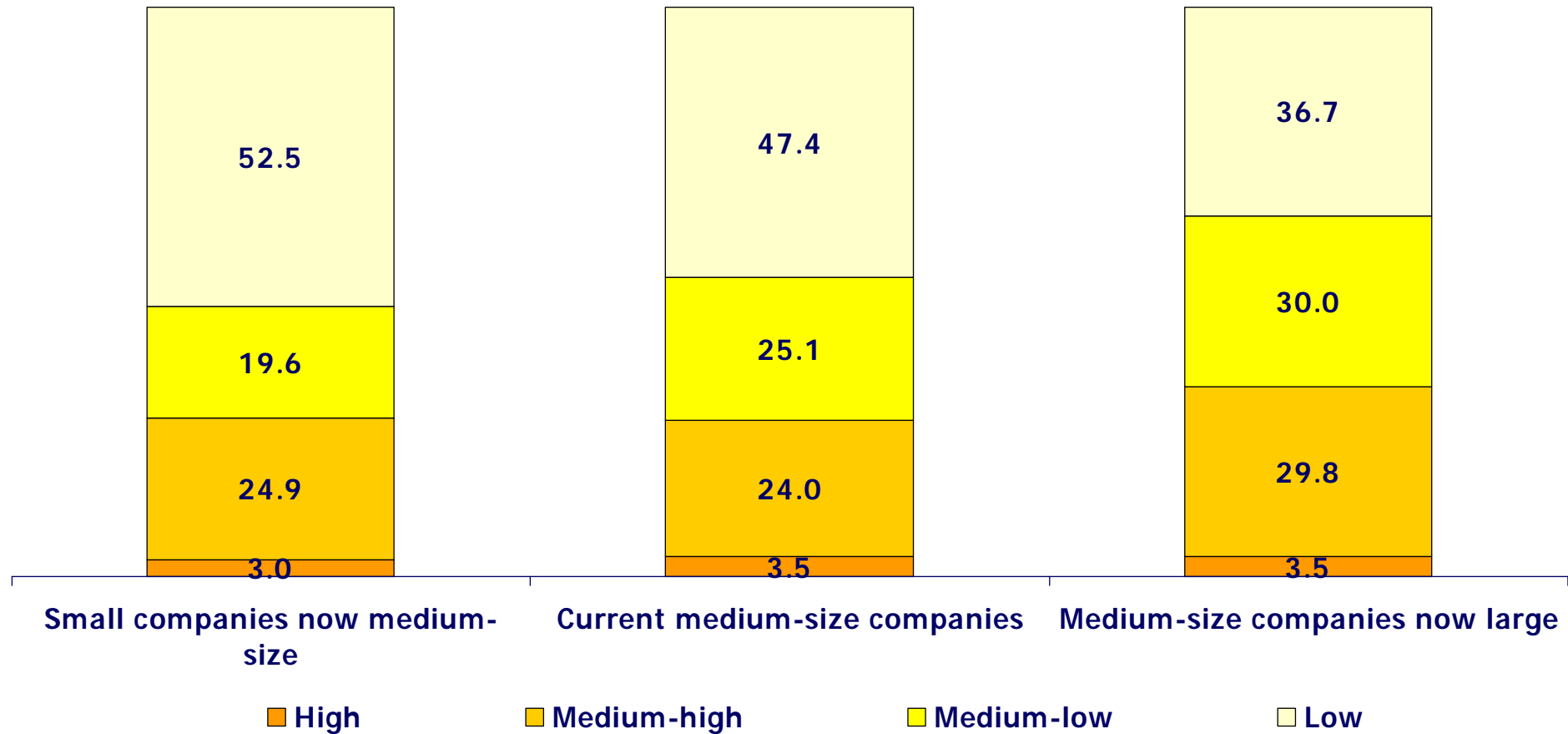
Medium-size businesses in North-Eastern Italy



Growth and technology in North Eastern Italy

% of turnover in 2002

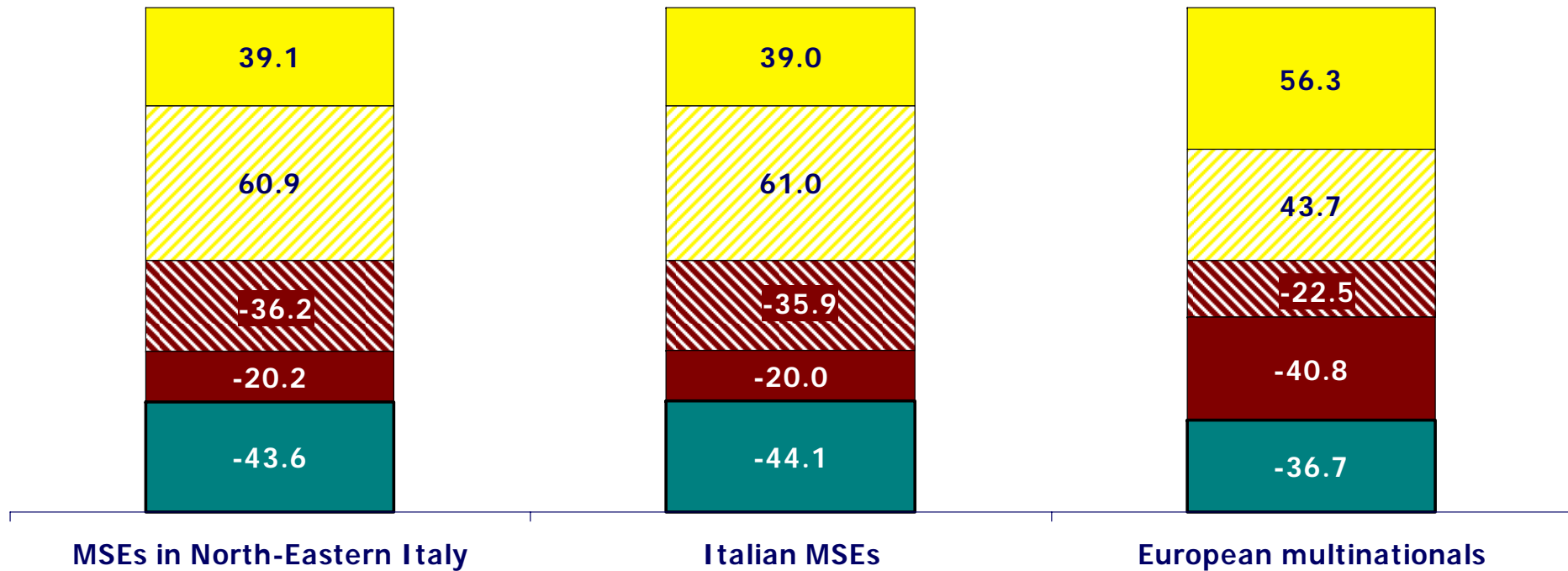
Medium-size businesses in North-Eastern Italy



Financial structure in 2002

% of tangible invested capital

Medium-size businesses in
North-Eastern Italy

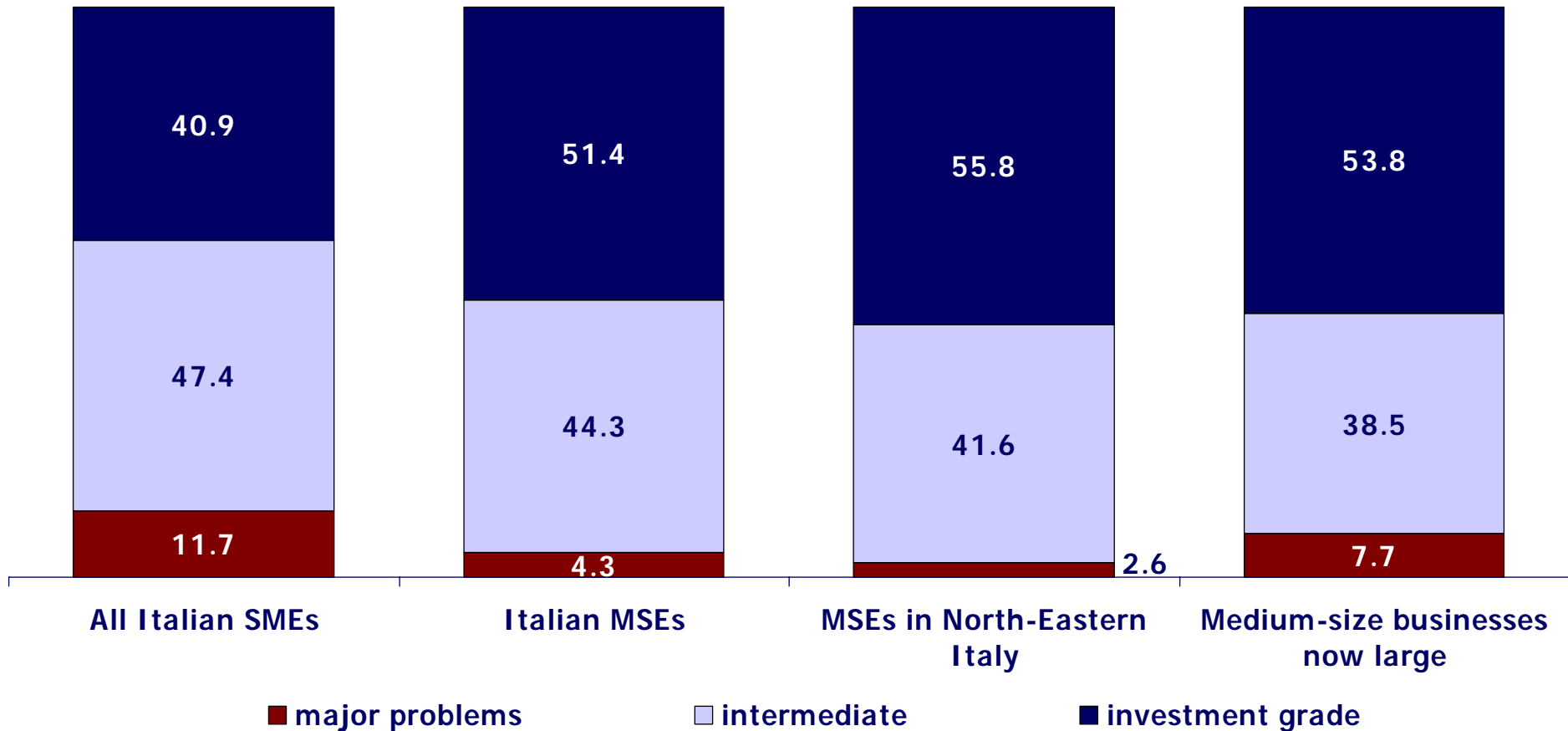


■ Short-term borrowings
 ■ M/I term borrowings
 ■ Net worth
 ▨ Working capital
 ■ Fixed assets

Financial strength in 2000

R&S-Unioncamere scoring model (%)

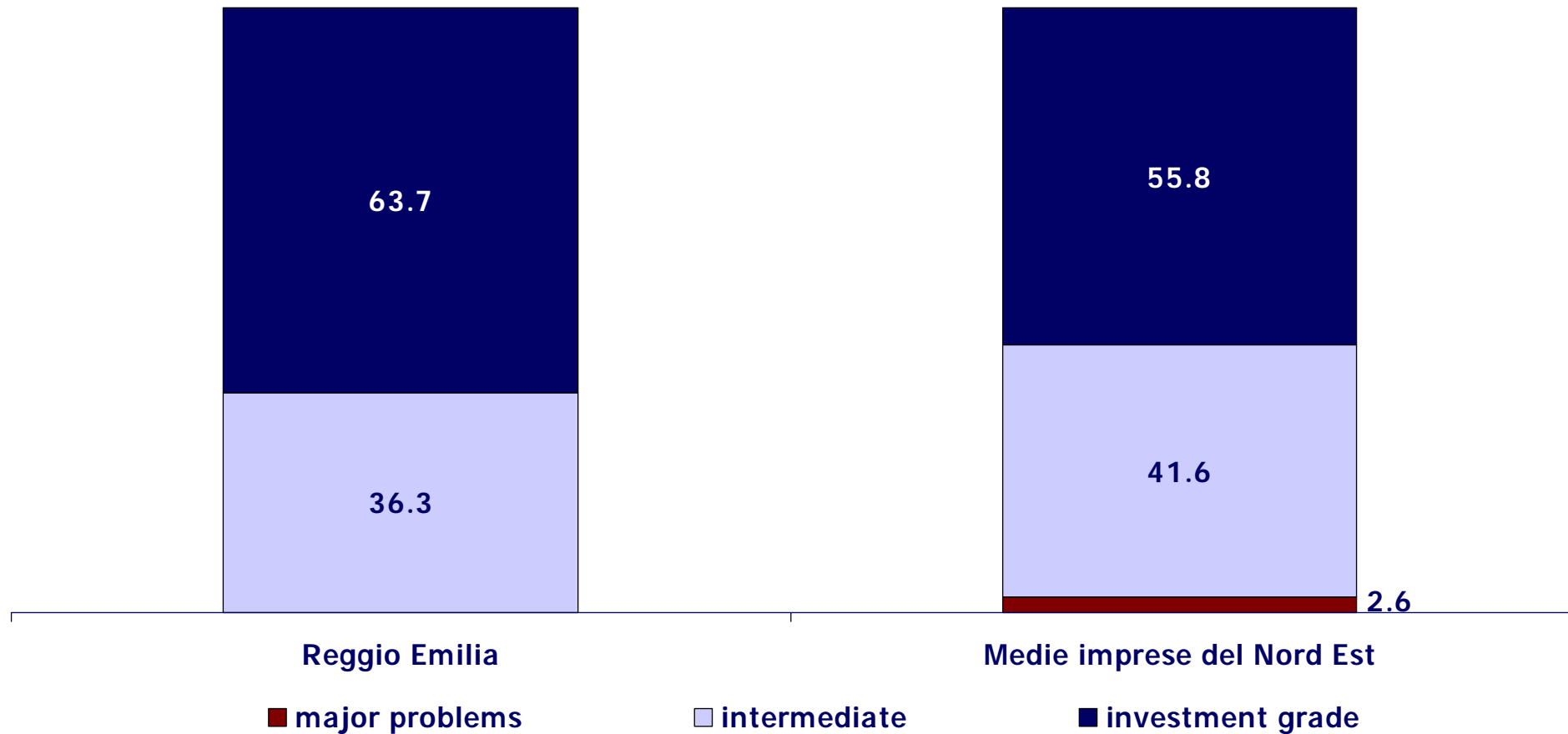
Medium-size businesses in North-Eastern Italy



Financial strength in 2000

R&S-Unioncamere scoring model (%)

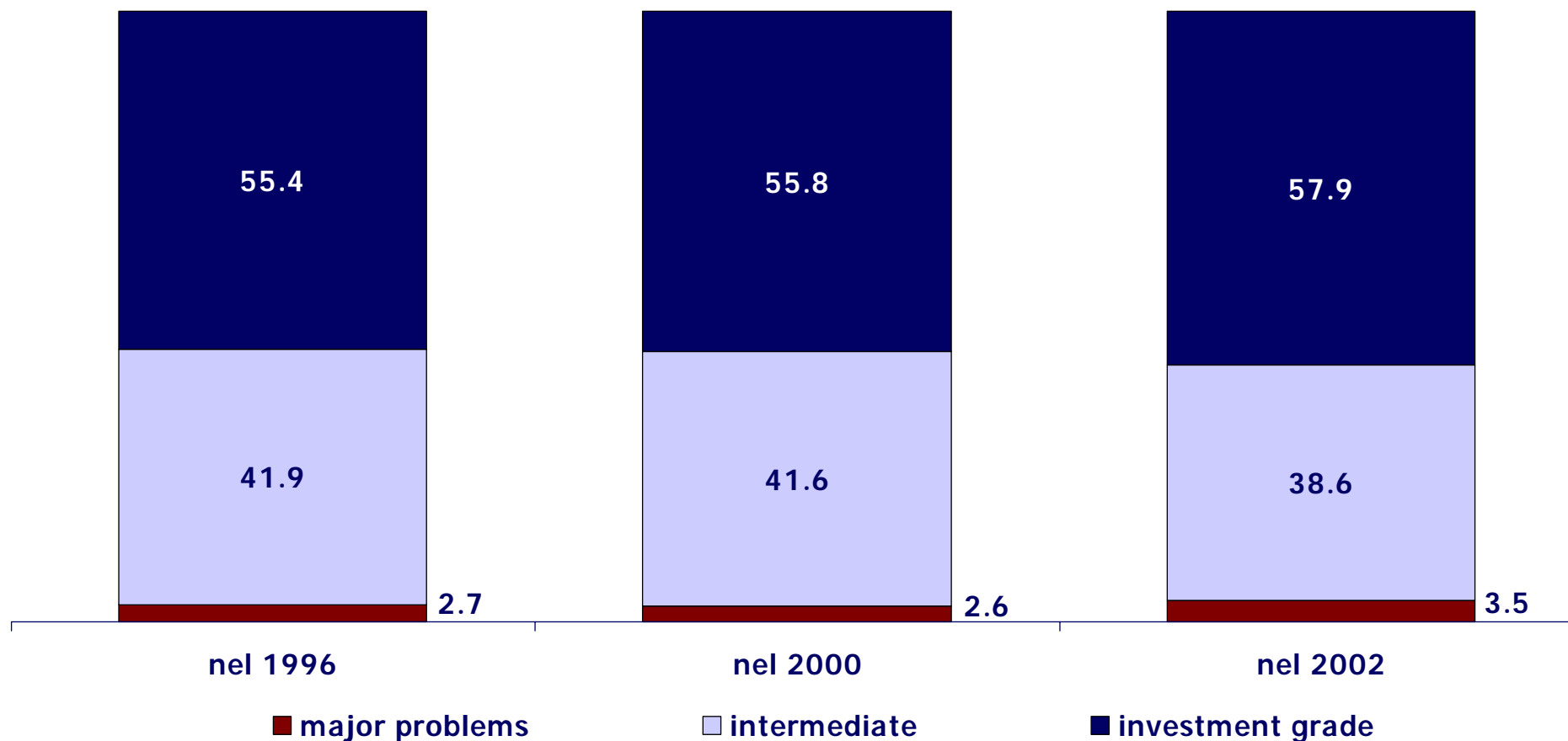
Medium-size businesses in
North-Eastern Italy



Financial strength in 1996-2002

R&S-Unioncamere scoring model (%)

Medium-size businesses in
North-Eastern Italy



Annual average default rates 1999-2002

Medium-size businesses in
North-Eastern Italy

Medium-size businesses:

North-East Italy	0.13%
North-West Italy	0.25%
Italy	0.22%

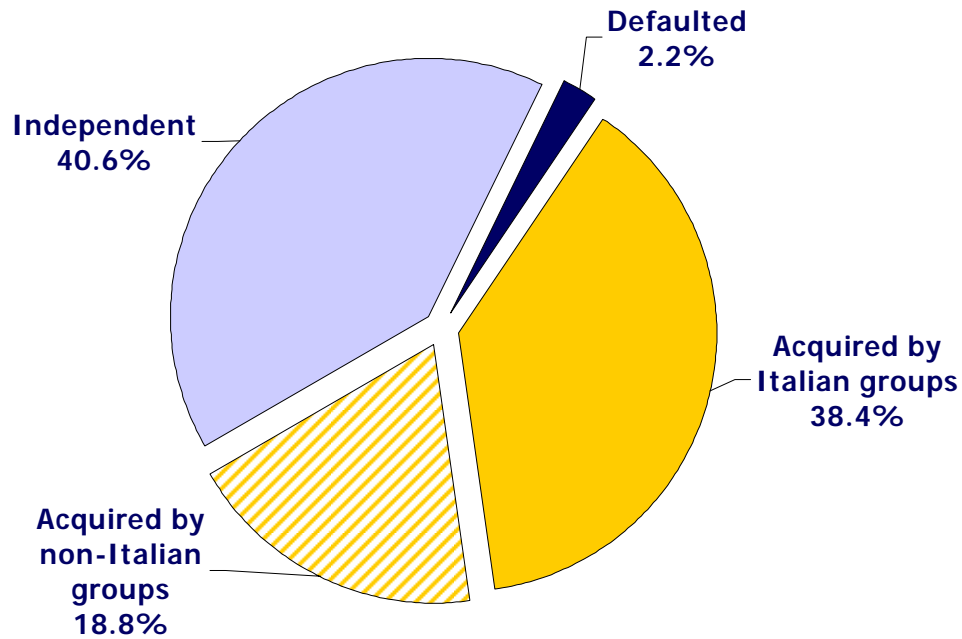
National average of Italian
manufacturing companies

1.37%

North-Eastern Italian medium-size business which became large: where are they now?

Medium-size businesses in North-Eastern Italy

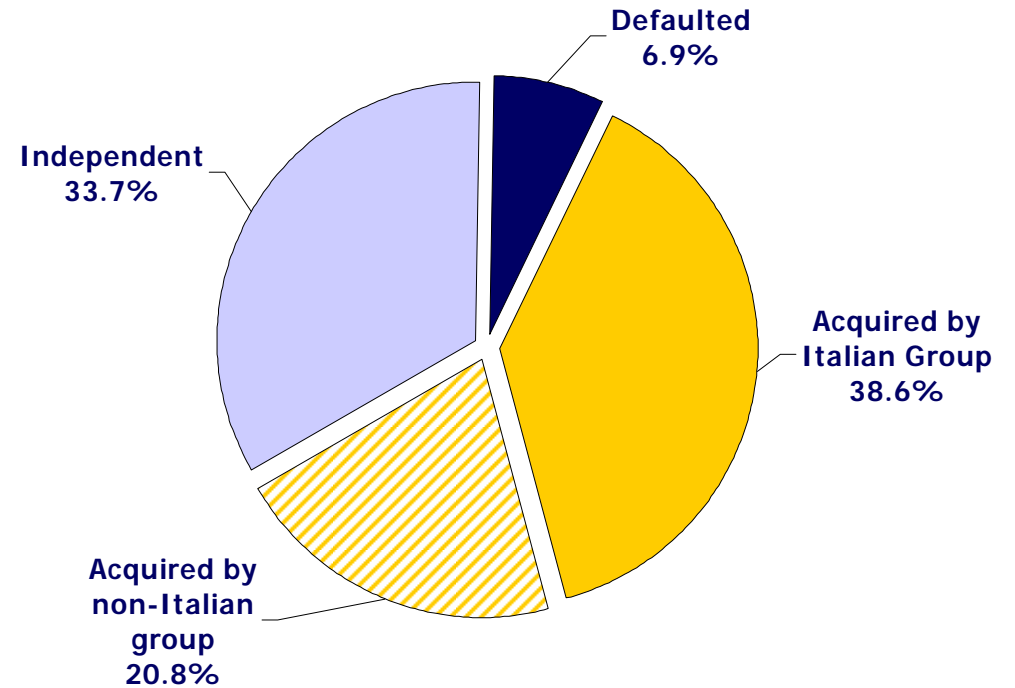
North-East



Annual average default rate in North-Eastern Italy

0.6%

North-West



Annual average default rate in North-Western Italy

1.7%

Medium-size businesses in Reggio Emilia

Medium-size businesses in
North-Eastern Italy

	MSEs in Italy	MSEs in North-Eastern Italy	MSEs in Reggio Emilia
Number of businesses in 2002	3,893	1,451	91
Average size - turnover per firm (€ m)	34.4	35.4	34.2
Exports (as % of turnover)	33.6	34.6	35.3
% variations 96-02:			
turnover	40.1	41.7	50.7
exports	49.0	50.0	71.8
employees	16.2	18.4	23.1
Technology:			
medium-high/high (%)	28.7	27.5	36.1
medium-low/low (%)	71.3	72.5	63.9

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