

20 September 2019

Enterprises in Portugal – Provisional results
2018

GVA of the non-financial enterprises increased by 5.6% in nominal terms

In 2018, the main economic indicators of the non-financial enterprise sector continued to improve, although with lower growth than in the previous year. Turnover, GVA and GOS increased by 6.4%, 5.6% and 2.8% in nominal terms, respectively (9.1%, 8.5% and 9.4% in 2017, in the same order).

The apparent labour productivity of non-financial companies increased by 0.4%, reaching EUR 29 100 per each person employed in 2018. The GVA generated per company was EUR 220.6 thousand, 1.7% more than in the previous year. The average turnover reached EUR 924.4 thousand, 2.5% more than in 2017.

Among the sectors of activity, the companies from *Construction and real estate* stood out as the ones with the highest increases in the main economic indicators, namely in turnover, GVA and GOS (+11.7%, +12.0% and +18.9%, respectively). The investment rate in this sector recorded the highest increase, reaching 34.4% in 2018 (+9.8 p.p. over 2017) (see the box).

In 2018, there were 25 731 companies with an exporting profile in Portugal (+3.8% compared to 2017), accounting for 6.3% of total non-financial companies in Portugal. These companies represented 22.7% of the persons employed, 34.8% of the turnover and 32.3% of the GVA of total non-financial companies (-0.3 p.p., -0.1 p.p. e -0.7 p.p., vis-à-vis 2017, respectively).

With this press release, Statistics Portugal disseminates the provisional data of Business Statistics in Portugal for 2018, obtained from the Integrated Business Accounts System (IBAS), by dividing into four major areas of analysis: Non-financial enterprises, Non-financial companies, Companies with an exporting profile and Investment. Finally, an analysis is presented to companies in the *Construction and real estate* sector, for the period between 2008 and 2018, given that it is the economic activity with the highest growth rate in the turnover and the GVA in 2018. Attached is a file (only in Portuguese) with the main economic and patrimonial indicators of non-financial enterprises for the period 2008-2018.

1. NON-FINANCIAL ENTERPRISES

**IN 2018, THE GVA OF THE
CONSTRUCTION AND REAL ESTATE
SECTOR GROWN UP 12.0% IN
NOMINAL TERMS**

In 2018, the persons employed, the turnover and the gross value added (GVA) from the non-financial enterprises increased by 4.2%, 6.4% and 5.6%, respectively. There was a change in the breakdown of gross operating surplus (GOS), with GVA increasing by 5.6% and personnel costs by 7.6%.

By economic activity, the *Construction and real estate* sector recorded the highest growth rates in turnover, GVA and gross operating surplus (+11.6%, +12.0% and +17.9%, respectively). The *Accommodation and food services* sector registered a slowdown in growth in turnover, GVA and gross operating surplus between 2017 and 2018 (7.5%, 7.2% and 11.7% compared to 18.1%, 22.1% and 33.5% in the previous year, respectively).

Table 1 – Main economic indicators of non-financial enterprises (2017-2018)

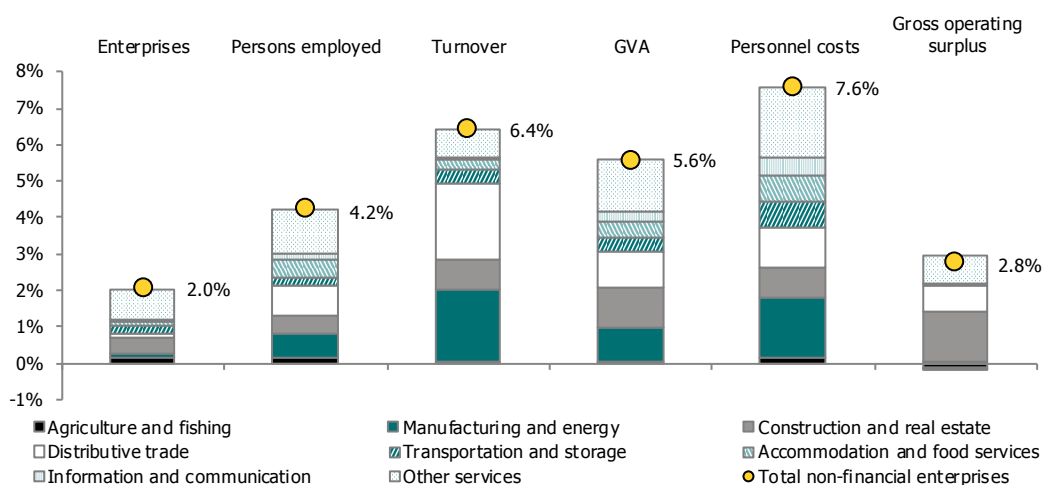
	Enterprises		Persons employed		Turnover		GVA		Personnel costs		Gross operating surplus	
	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18
	No	%	No	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%
Total non-financial enterprises	1 268 023	2.0	4 056 494	4.2	395 288 485	6.4	97 854 279	5.6	56 592 630	7.6	41 335 333	2.8
<i>Legal form</i>												
Individual enterprises	857 618	1.2	947 988	1.3	15 896 650	3.7	7 305 528	4.5	1 301 770	4.8	6 168 245	4.3
Companies	410 405	3.9	3 108 506	5.2	379 391 835	6.5	90 548 751	5.7	55 290 859	7.6	35 167 088	2.5
<i>Size-class</i>												
SME	1 266 819	2.0	3 174 540	3.2	233 963 176	5.3	62 789 100	6.2	37 638 931	6.9	25 485 427	4.7
Large	1 204	5.2	881 954	8.2	161 325 309	8.1	35 065 179	4.5	18 953 699	8.8	15 849 906	-0.2
<i>Economic activity</i>												
Agriculture and fishing	134 855	1.4	204 075	2.7	7 338 538	3.9	1 912 845	1.5	1 094 234	8.9	1 331 858	-3.3
Manufacturing and energy	75 253	1.8	792 003	3.4	123 477 168	6.3	28 367 683	3.2	14 537 296	6.3	13 715 802	0.1
Construction and real estate	128 157	4.7	396 735	5.2	29 558 991	11.6	9 320 454	12.0	5 314 449	8.4	3 626 389	17.9
Distributive trade	220 474	0.6	800 892	4.2	145 070 917	5.5	18 790 036	5.2	11 662 190	5.3	6 880 994	4.3
Transportation and storage	25 059	9.7	174 199	4.7	21 761 193	6.7	7 521 793	4.9	4 462 092	9.3	3 105 388	0.0
Accommodation and food services	106 228	1.3	365 422	5.5	14 742 293	7.5	6 218 422	7.2	3 655 679	11.7	2 506 101	0.9
Information and communication	19 038	6.7	108 973	6.7	12 791 177	2.5	5 897 597	4.1	3 214 704	8.5	2 616 318	-1.0
Other services	558 959	1.9	1 214 195	4.1	40 548 207	7.6	19 825 450	7.2	12 651 987	8.6	7 552 482	4.4

Source: Statistics Portugal, Integrated Business Accounts System

The *Manufacturing and energy* and *Distributive trade* sectors were the largest contributors to the growth in turnover, +2.0 p.p. in both sectors. Regarding GVA, the *Construction and real estate* and the *Other services* registered the highest contributions (+1.1 p.p. and +1.4 p.p., respectively).

MANUFACTURING AND ENERGY AND DISTRIBUTIVE TRADE SECTORS WERE THE LARGEST CONTRIBUTORS TO THE GROWTH IN TURNOVER

Figure 1 – Contribution to the change rate of the main economic indicators, by economic activity (2018)



Source: Statistics Portugal, Integrated Business Accounts System

2. NON-FINANCIAL COMPANIES

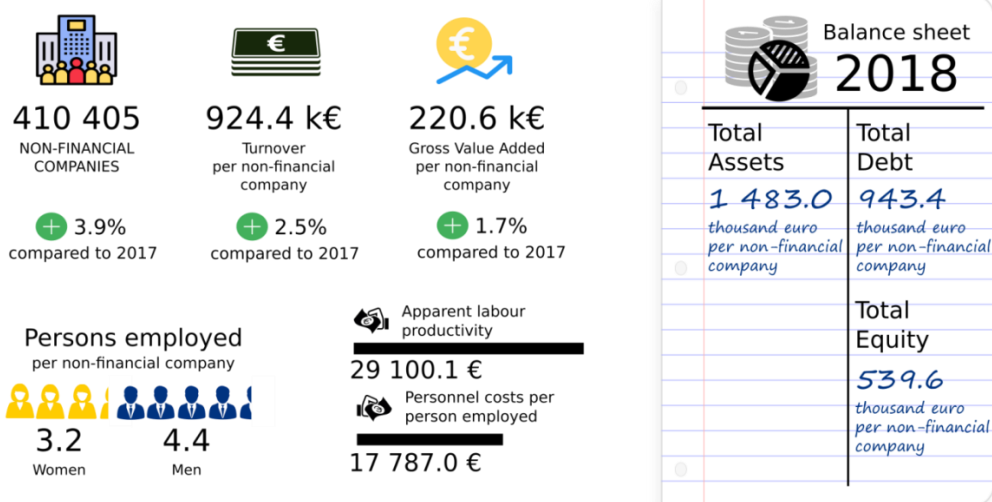
IN 2018, THERE WERE IN PORTUGAL 410 405 NON-FINANCIAL COMPANIES

+9.3% and +8.5% in 2017, respectively).

On average, each non-financial company had 7.6 persons employed in 2018 (4.4 men and 3.2 women). In this year, the apparent labour productivity, given by the quotient between the GVA and the persons employed, was EUR 29 100 per person employed (+0.4% compared to 2017).

In 2018, the GVA generated per each company was EUR 220.6 thousand, 1.7% more than in the previous year. Each company generated an average of EUR 924.4 thousand of turnover, 2.5% more than in 2017.

Figure 2 – Main average indicators of non-financial companies (2018)



Source: Statistics Portugal, Integrated Business Accounts System

2.1. ECONOMIC PERFORMANCE

GVA OF THE NON-FINANCIAL COMPANIES INCREASED BY 5.7% IN 2018

Although the economic performance of non-financial companies improved favourably in the main indicators in 2018, their growth rates were lower than in the previous year.

Highlight for growth rates in SMEs, with a growth of 6.4% in GVA and 4.9% in GOS. In large companies, GVA increased by 4.5% and GOS decreased by 0.2%, while personnel costs increased by 8.8%.

Also noteworthy is the evolution in the *Construction and real estate* sector, with the companies registering a significant growth in the main economic variables, namely in turnover, GVA and GOS (+11.7%, +12.0% and +18.9%, respectively).

The *Accommodation and food services* sector registered the largest increase in personnel costs (11.9%).

Table 2 – Main economic indicators of non-financial companies (2017-2018)

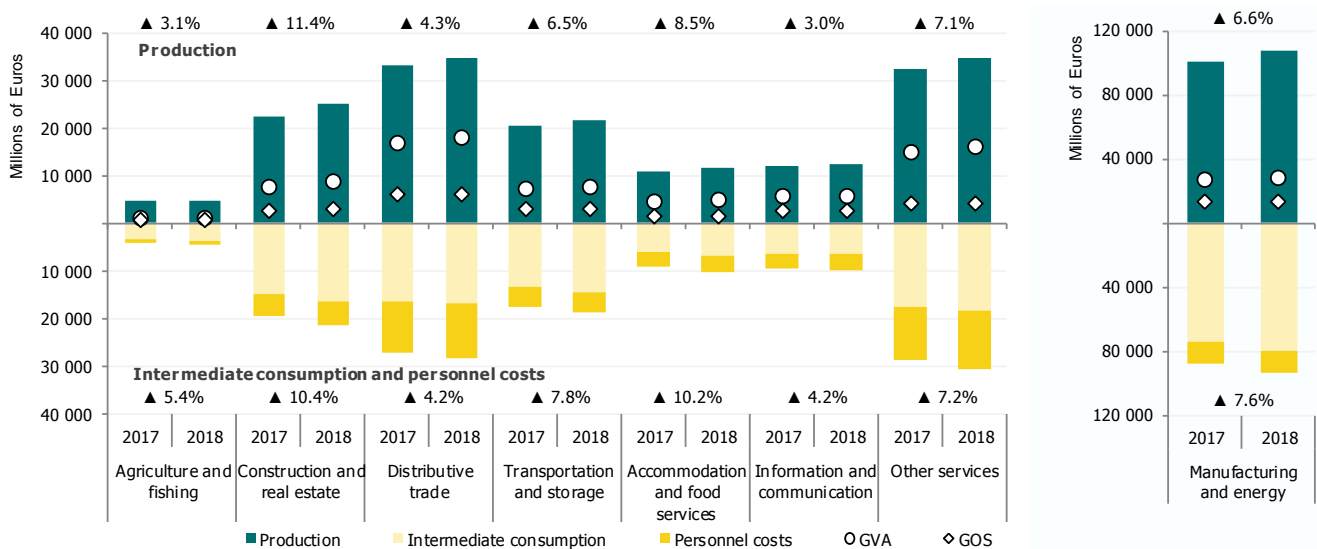
	Companies		Persons employed		Turnover		GVA		Personnel costs		Gross operating surplus	
	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18
	No	%	No	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%
Total non-financial companies	410 405	3.9	3 108 506	5.2	379 391 835	6.5	90 548 751	5.7	55 290 859	7.6	35 167 088	2.5
<i>Size-class</i>												
SME	409 201	3.9	2 226 552	4.0	218 066 526	5.4	55 483 572	6.4	36 337 161	7.0	19 317 182	4.9
Large	1 204	5.2	881 954	8.2	161 325 309	8.1	35 065 179	4.5	18 953 699	8.8	15 849 906	-0.2
<i>Economic activity</i>												
Agriculture and fishing	17 026	2.6	75 452	4.8	5 400 456	3.9	1 272 596	-0.2	927 686	9.6	642 535	-10.0
Manufacturing and energy	42 554	0.9	750 324	3.4	122 642 544	6.3	28 032 541	3.2	14 427 447	6.3	13 492 446	0.0
Construction and real estate	77 520	7.0	335 124	5.9	28 352 631	11.7	8 677 477	12.0	5 162 750	8.4	3 145 242	18.9
Distributive trade	97 776	0.4	650 481	5.1	139 696 290	5.7	17 892 828	5.2	11 372 575	5.4	6 283 708	4.3
Transportation and storage	18 658	7.0	167 560	4.2	21 699 968	6.7	7 488 558	4.9	4 458 297	9.3	3 076 258	-0.1
Accommodation and food services	40 530	5.0	282 925	7.2	12 763 124	8.0	5 089 862	7.6	3 442 379	11.9	1 599 242	-1.3
Information and communication	11 875	7.8	101 669	6.8	12 694 364	2.4	5 819 195	3.9	3 208 545	8.5	2 544 347	-1.4
Other services	104 466	5.1	744 971	6.0	36 142 457	8.1	16 275 695	8.2	12 291 180	8.8	4 383 310	5.6

Source: Statistics Portugal, Integrated Business Accounts System

As usual, the *Industry and energy* sector stood out from the others with the highest GVA and GOS levels (EUR 28.0 billion and EUR 13.5 billion, respectively, in 2018). In all economic activities there was a growth in production, intermediate consumption and personnel costs.

In the majority of the economic activities, the growth in intermediate consumption and personnel costs was higher than in production. The exceptions were the sectors of *Construction and real estate* (+10.4% vis-à-vis +11.4%, respectively) and *Distributive trade* (+4.2% vis-à-vis +4.3%, respectively).

Figure 3 – Production, intermediate consumption and personnel costs, by economic activity (2017-2018)



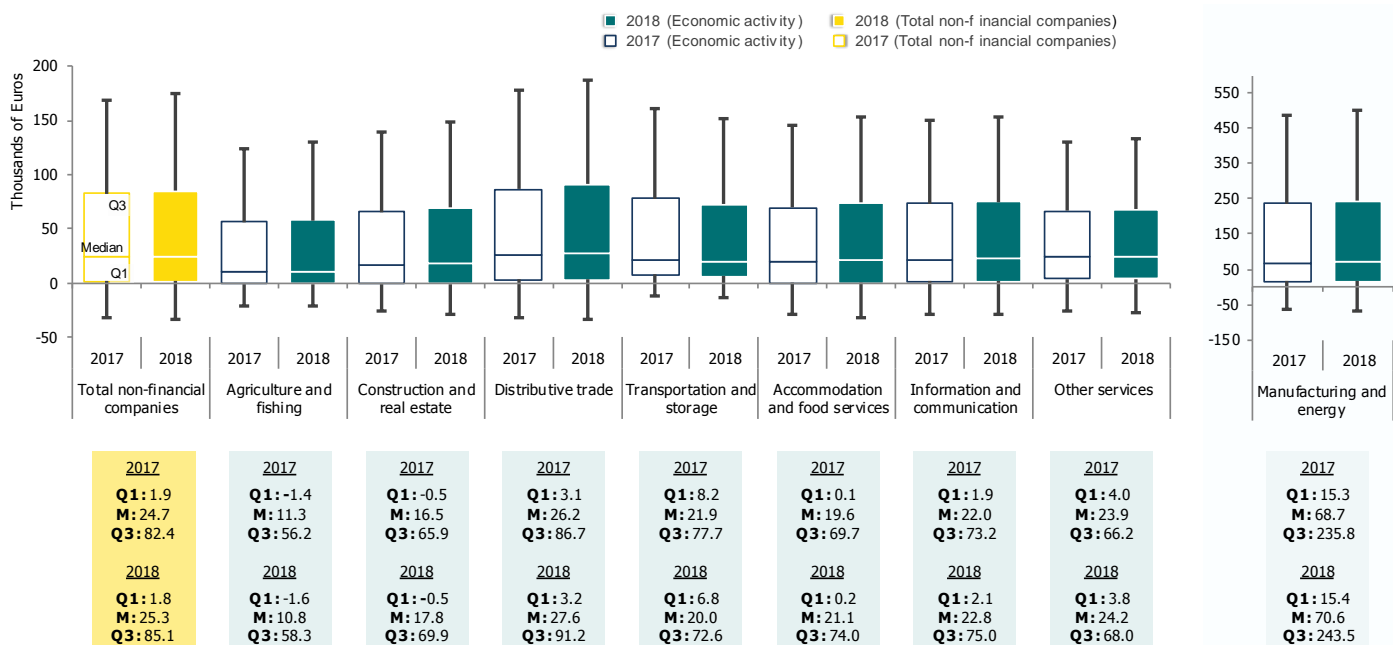
Source: Statistics Portugal, Integrated Business Accounts System

25% OF MANUFACTURING AND ENERGY COMPANIES WITH GVA HIGHER THAN EUR 243.5 THOUSAND IN 2018 (+3.2% VIS-À-VIS 2017)

From the analysis of the distribution of non-financial companies by the GVA, this indicator increased in the majority of the economic activities, with half of companies presenting GVA levels in 2018 higher than in the previous year, except for the *Agriculture and fishing* and *Transportation and storage*.

Comparing the results for the first and third quartiles (Q1 and Q3), in most of the economic activities there were increases, especially in *Industry and energy*, where 25% of companies recorded GVA levels above EUR 243.5 thousand in 2018 (+3.2 vis-à-vis 2017).

Figure 4 – Distribution of non-financial companies, by GVA and by economic activity (2017-2018)



Source: Statistics Portugal, Integrated Business Accounts System

In 2018, 60.1% of total non-financial companies presented positive net profits, minus 0.5 p.p. over the previous year. This proportion was surpassed in four of the eight economic activities, with highlight for *Manufacturing and energy* sector, where more than 66% of companies reported positive net profits.

Among the sectors which are below the average, noteworthy is the *Accommodation and food services* sector which recorded a positive net profit for 49.1% of the companies in 2018, minus 0.8 p.p. over the previous year. Also noteworthy is the *Transportation and storage* sector, that recorded the largest decrease in the proportion of companies with positive net profits, which passed from 62.9% in 2017 to 57.8% in 2018 (-5.1 p.p.).

Between 2017 and 2018, the interquartile range of the distribution of non-financial companies by net results increased, with a decrease in the median distribution from EUR 1 473 in 2017 to EUR 1 413 in 2018.

THE MEDIAN OF THE TOTAL NON-FINANCIAL COMPANIES WAS EUR 1 412 IN 2018

The *Accommodation and food services* and *Transportation and storage* sectors presented a different behaviour compared to the total of the companies and to the other economic activities.

Figure 5 – Distribution of companies, by net results and economic activity (2017-2018)



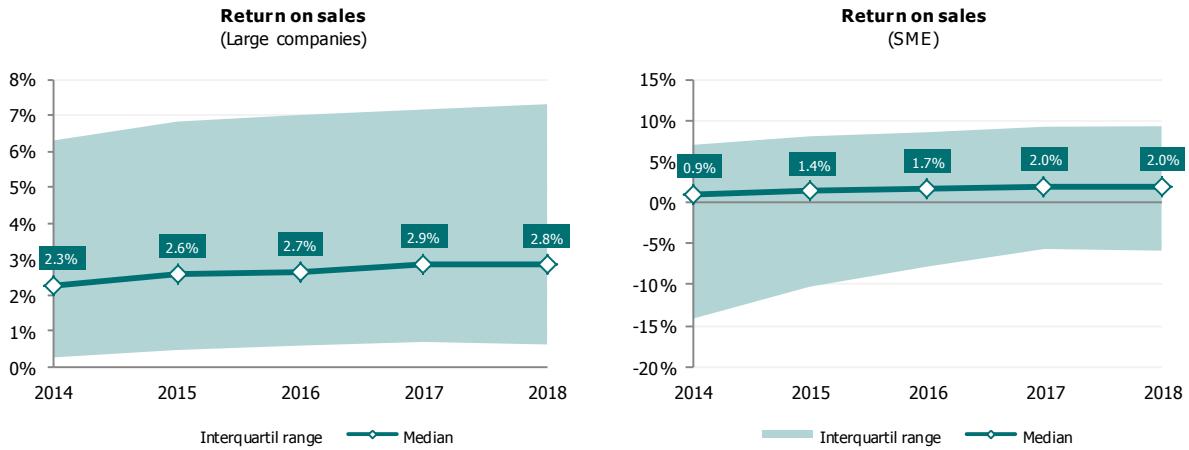
Source: Statistics Portugal, Integrated Business Accounts System

Analysing the distribution of non-financial companies by return on sales and size-class, it can be seen that in 2018 there was a decrease of 0.1 p.p. in the median value of large companies (2.8%), while in SMEs the median value remained unchanged (2.0%).

THE INTERQUARTILE RANGE OF THE COMPANIES DISTRIBUTION BY RETURN ON SALES INCREASED

In 2018, the interquartile range, given by the distance between the third quartile (Q3) and the first quartile (Q1), increased in both groups of companies, +6.7 p.p. in large and +15.2 p.p. in SMEs (+6.5 p.p. and +14.9 p.p. in 2017, respectively).

Figure 6 – Distribution of non-financial companies, by return on sales and size-class (2014-2018)



Source: Statistics Portugal, Integrated Business Accounts System

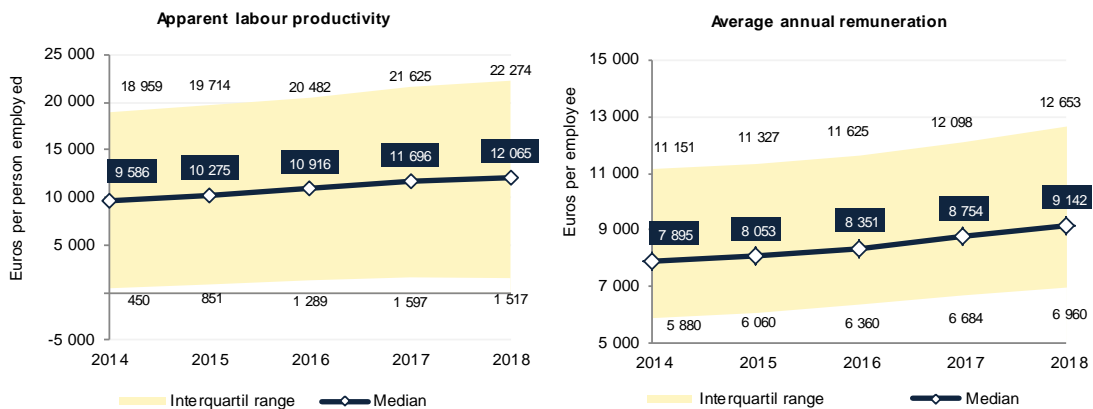
2.2. EMPLOYMENT AND PRODUCTIVITY

From 2017 to 2018 the median distribution of companies by apparent labour productivity increased by EUR 369 per person, corresponding to +3.2%.

IMPROVMENT IN THE APPARENT LABOUR PRODUCTIVITY AND AVERAGE ANNUAL REMUNERATION IN 2018

Concerning the average annual remuneration, in 2018, 50% of non-financial companies paid salaries between EUR 6 960 and EUR 12 653 per person showing a greater interquartile range compared to 2017, explained by an increase in the third quartile (Q3), higher than the increase in the first quartile (Q1). Concerning the median evolution, a 4.4% increase was recorded in 2018, 1.2 p.p. above the growth observed in the apparent labour productivity, consequently reflecting a decrease in the gross profit margin.

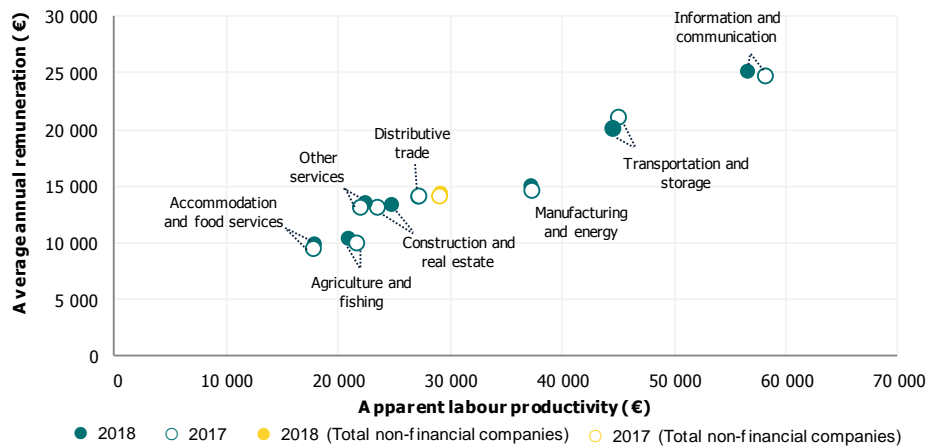
Figure 7 – Distribution of non-financial companies, by apparent labour productivity and average annual remuneration (2014-2018)



Source: Statistics Portugal, Integrated Business Accounts System

Most of the economic activities recorded increases both for the apparent labour productivity and for the average annual remuneration from 2017 to 2018. The exceptions were the *Distributive trade*, with small decreases in the two indicators, and the *Agriculture and fishing, Manufacturing and energy* and *Information and communication*, which recorded a decrease in the apparent labour productivity.

Figure 8 – Apparent labour productivity and average annual remuneration, by economic activity (2017-2018)



Source: Statistics Portugal, Integrated Business Accounts System

2.3. FINANCIAL SITUATION

INCREASE IN THE EQUITY RATIO IN 2018

In 2018, the equity ratio of non-financial companies increased by 0.01 points compared to the previous year, reaching 0.36 points. By economic activity, the *Manufacturing and energy* and the *Information and communication* recorded the largest increases (+0.03 in both).

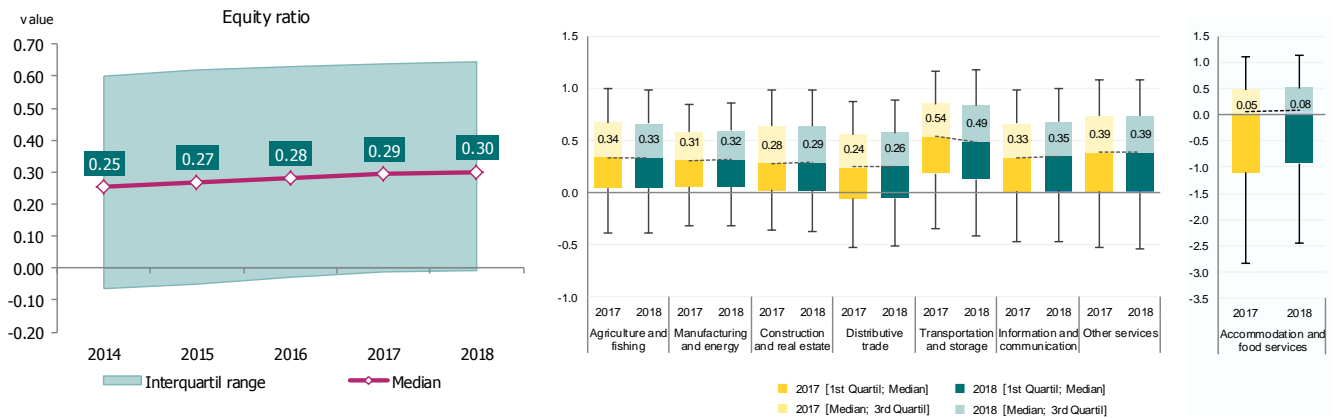
Table 3 – Main financial indicators of non-financial companies (2017-2018)

	Assets		Liabilities		Equity		Equity ratio	
	2018	Var. 17-18	2018	Var. 17-18	2018	Var. 17-18	2018	Var. 17-18
	EUR 10 ⁶	%	EUR 10 ⁶	%	EUR 10 ⁶	%	Value	
Total non-financial companies	608 651	3.2	387 182	0.5	221 469	8.1	0.36	0.01
<i>Size-class</i>								
SME	424 393	3.8	265 539	1.9	158 854	7.2	0.37	0.01
Large	184 258	1.7	121 643	-2.2	62 615	10.5	0.34	0.03
<i>Economic activity</i>								
Agriculture and fishing	14 156	7.8	8 221	7.5	5 935	8.1	0.42	0.00
Manufacturing and energy	168 629	3.0	104 087	-3.0	64 542	14.2	0.38	0.03
Construction and real estate	110 821	5.2	75 069	2.8	35 752	10.5	0.32	0.01
Distributive trade	92 707	3.1	59 979	3.3	32 728	2.7	0.35	0.00
Transportation and storage	33 874	-3.3	26 370	-3.5	7 504	-2.7	0.22	0.00
Accommodation and food services	25 313	8.3	17 746	6.3	7 567	13.3	0.30	0.01
Information and communication	27 437	-0.3	22 906	-3.3	4 531	18.1	0.17	0.03
Other services	135 713	2.9	72 804	1.9	62 909	4.1	0.46	0.00

Source: Statistics Portugal, Integrated Business Accounts System

From the distribution of the non-financial companies by equity ratio, between 2014 and 2018, there is a greater coverage of assets by equity, given that the median of non-financial companies went from 0.29 in 2017 to 0.30 in 2018, although with heterogeneous behaviours in different economic activities. Highlight for the *Transport and storage* sector, that presented the highest median value, and the only decrease from 2017 to 2018 (-0.05).

Figure 9 – Distribution of non-financial companies, by equity ratio (2014-2018)



Source: Statistics Portugal, Integrated Business Accounts System

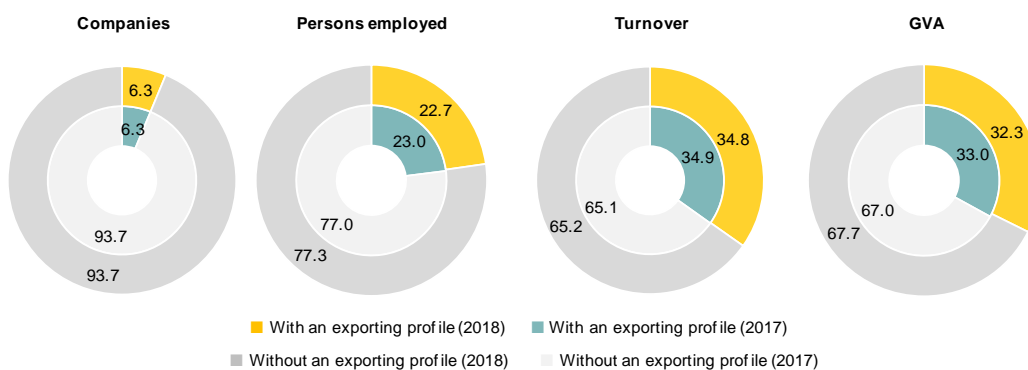
3. EXPORTING PROFILE

In 2018, there were 25 731 companies with an exporting profile (+3.8% compared to 2017), weighting 6.3% of the total number of non-financial companies in Portugal. These companies represented 22.7% of the persons employed, 34.8% of the turnover and 32.3% of the GVA.

COMPANIES WITH AN EXPORTING PROFILE REPRESENTED 22.7% OF PERSONS EMPLOYED AND 32.3% OF GVA IN 2018

Between 2017 and 2018, the turnover of these companies increased by 6.2% and the GVA grew by 3.5% (+12.5% and +9.0%, in the same order, in the previous year), consequence of a slowdown in exports.

Figure 10 – Weight (%) of companies with an exporting profile in the main economic indicators (2018)



Source: Statistics Portugal, Integrated Business Accounts System

In 2018, the GVA growth of companies with an exporting profile (+3.5%) was lower than that of companies without this profile (+6.7%). The large companies with an exporting profile registered a 3.5% increase in this indicator, while the companies without an exporting profile increased by 5.2%.

Table 4 – Main economic indicators of non-financial companies, by exporting profile (2017-2018)

	Companies		Persons employed		Turnover		GVA		Personnel costs		Gross operating surplus	
	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18	2018	RC. 17-18
	No	%	No	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%	EUR 10 ³	%
Total non-financial companies	410 405	3.9	3 108 506	5.2	379 391 835	6.5	90 548 751	5.7	55 290 859	7.6	35 167 088	2.5
<i>Exporting profile</i>												
With an exporting profile	25 731	3.8	706 500	3.9	131 883 297	6.2	29 270 595	3.5	17 565 881	7.7	11 621 149	-2.1
SME	25 228	3.8	431 675	1.1	55 089 981	1.4	14 396 463	3.6	9 533 629	4.1	4 894 411	2.7
Large	503	6.3	274 825	8.7	76 793 316	10.0	14 874 132	3.5	8 032 252	12.3	6 726 738	-5.3
Without an exporting profile	384 674	3.9	2 402 006	5.5	247 508 539	6.7	61 278 157	6.7	37 724 979	7.6	23 545 940	4.9
SME	383 973	3.9	1 794 877	4.7	162 976 545	6.9	41 087 109	7.5	26 803 532	8.1	14 422 772	5.6
Large	701	4.5	607 129	8.0	84 531 993	6.4	20 191 047	5.2	10 921 447	6.4	9 123 168	3.8

Source: Statistics Portugal, Integrated Business Accounts System

In 2018, the sectors of *Manufacturing and energy*, *Information and communication* and *Transportation and storage* continued to concentrate the largest weight of companies with an exporting profile (15.8%, 15.4% and 10.9%, respectively). It was also these economic activities that recorded a greater weight of persons employed, turnover and GVA in companies with an exporting profile, compared to the total of non-financial companies.

Table 5 – Distribution of the main economic indicators, by exporting profile and economic activity (2017-2018)

	Agriculture and fishing		Manufacturing and energy		Construction and real estate		Distributive trade		Transportation and storage		Accommodation and food services		Information and communication		Other services	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Companies with an exporting profile																
Number of companies (%)	4.1	4.0	15.8	15.8	3.7	3.6	6.0	6.1	11.5	10.9	0.9	0.9	14.7	15.4	5.0	5.1
Persons employed (%)	13.7	13.4	53.8	54.0	19.2	17.8	8.8	8.2	33.0	33.1	2.9	2.6	40.4	42.0	9.3	9.7
Turnover (%)	18.5	18.0	66.9	66.8	19.2	18.6	13.6	13.6	51.2	51.2	4.6	4.4	46.2	47.3	19.7	19.6
GVA (%)	20.2	19.5	60.3	59.2	21.6	21.7	14.0	13.0	33.9	32.7	4.7	4.9	43.8	45.7	16.5	17.6
Companies without an exporting profile																
Number of companies (%)	95.9	96.0	84.2	84.2	96.3	96.4	94.0	93.9	88.5	89.1	99.1	99.1	85.3	84.6	95.0	94.9
Persons employed (%)	86.3	86.6	46.2	46.0	80.8	82.2	91.2	91.8	67.0	66.9	97.1	97.4	59.6	58.0	90.7	90.3
Turnover (%)	81.5	82.0	33.1	33.2	80.8	81.4	86.4	86.4	48.8	48.8	95.4	95.6	53.8	52.7	80.3	80.4
GVA (%)	79.8	80.5	39.7	40.8	78.4	78.3	86.0	87.0	66.1	67.3	95.3	95.1	56.2	54.3	83.5	82.4

Source: Statistics Portugal, Integrated Business Accounts System

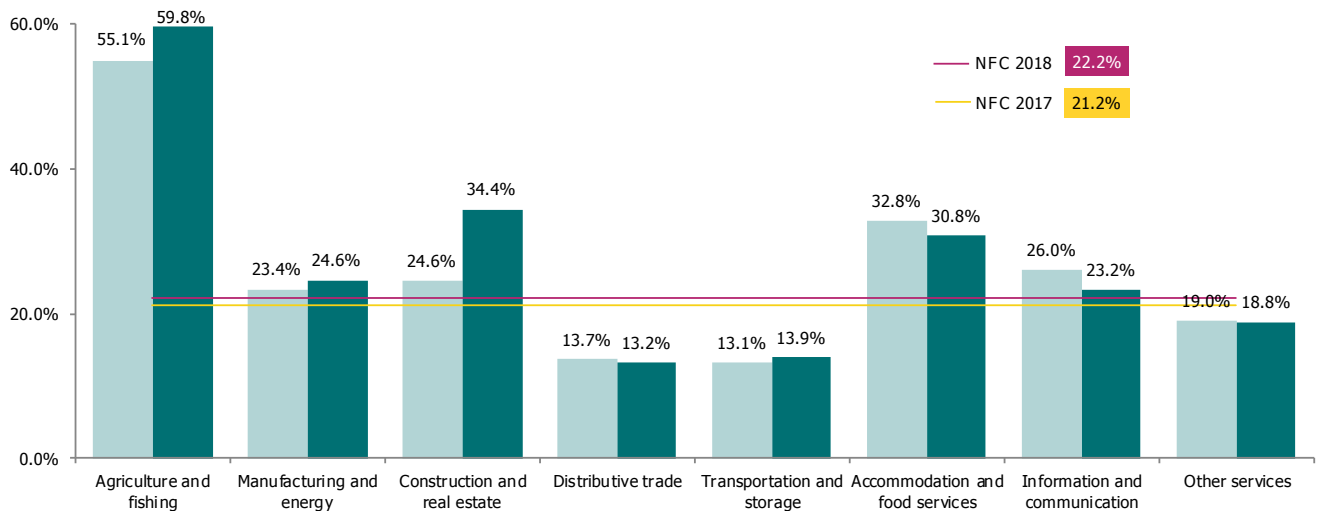
4. INVESTMENT

In 2018, the investment rate of non-financial companies was 22.2%, 1 p.p. more than in 2017. The Gross Fixed Capital Formation (GFCF) reached EUR 20 074 million in 2018, more EUR 1 914 million compared to the previous year.

CONSTRUCTION AND REAL ESTATE SECTOR PRESENTED THE LARGEST INCREASE IN THE INVESTMENT RATE IN 2018

The *Construction and real estate* sector presented the largest increase in the investment rate in 2018, going from 24.6% in 2017 to 34.4% in 2018 (+9.8 p.p.).

Figure 11 – Investment rate, by economic activity (2017-2018)



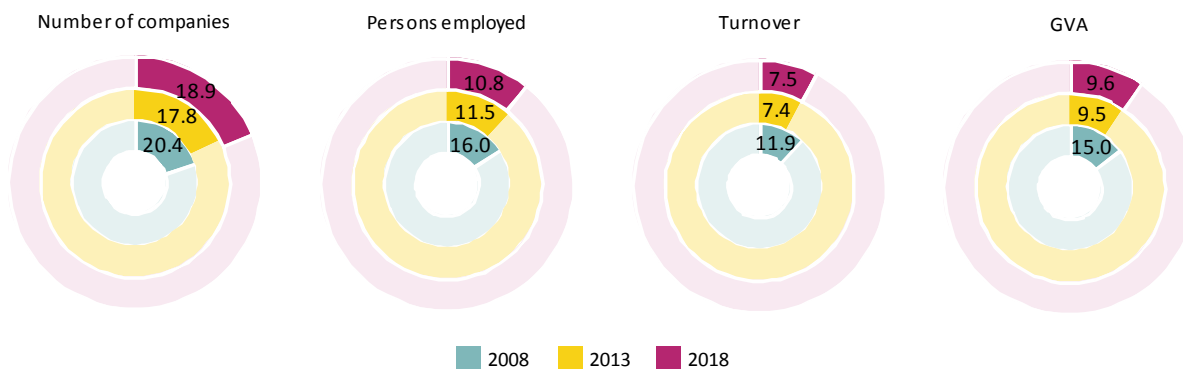
Source: Statistics Portugal, Integrated Business Accounts System

Sectorial analysis of Construction and real estate, 2008-2018

The companies in the *Construction and real estate* sector stood out in 2018, as they presented the greatest increase in turnover (+11.7%) and in GVA (+12.0%), among the various economic activities.

In 2018, the *Construction and real estate* sector represented 18.9% of the non-financial companies in Portugal (77.5 thousand companies), 10.8% of the persons employed, 7.5% of the turnover and 9.6% of the GVA. Comparing with 2008, the weight of this sector decreased in the number of companies (-1.5 p.p.), in the persons employed (-5.2 p.p.), in the turnover (-4.4 p.p.) and in the GVA (-5.4 p.p.).

Figure 12 – Weight (%) of Construction and real estate sector in the main economic indicators (2008, 2013 e 2018)



Source: Statistics Portugal, Integrated Business Accounts System

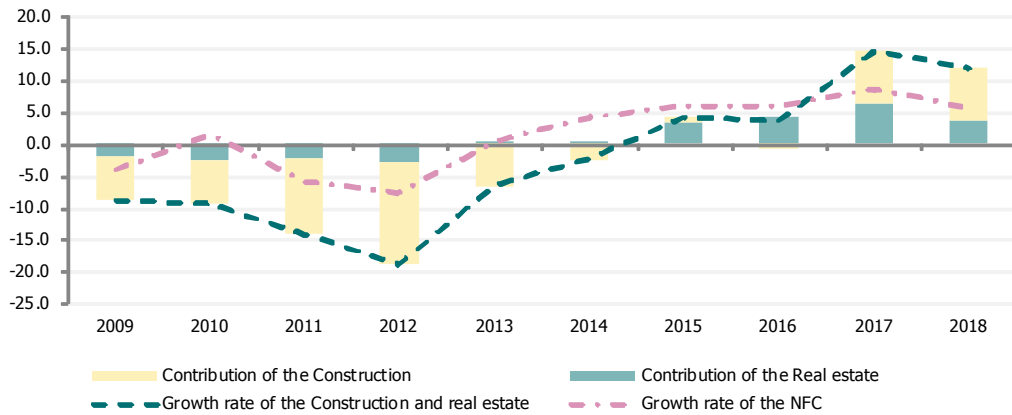
In 2018, the distribution by enterprise size-class of the companies from this sector is similar to that of the total non-financial companies, where around 99.9% was SMEs. In terms of number of persons employed and turnover, SMEs accounted for the largest share in *Construction and real estate*: 89.5% and 84.1%, respectively (17.9 p.p. and 26.6 p.p. above SMEs in total non-financial companies).

THE GVA REACHED, IN ABSOLUTE TERMS, EUR 8.7 BILLION IN 2018, THE HIGHEST VALUE SINCE 2011

The GVA of *Construction and real estate* registered a growth of 12.0% in 2018 (+5.7% considering the total non-financial companies). The increase in GVA was observed in the different enterprise size-classes (+16.9% for large companies and +11.2% for SMEs) and in both sectors of economic activity (+11.7% for *Construction* and +12.8% for *Real estate*).

In 2018, the *Construction* showed a greater contribution to the GVA variation, with 8.3 p.p. (contribution of 3.7 p.p. from *Real estate*).

Figure 13 – Contributions of the economic sectors (in p.p.) for the annual GVA growth rate (2009-2018)



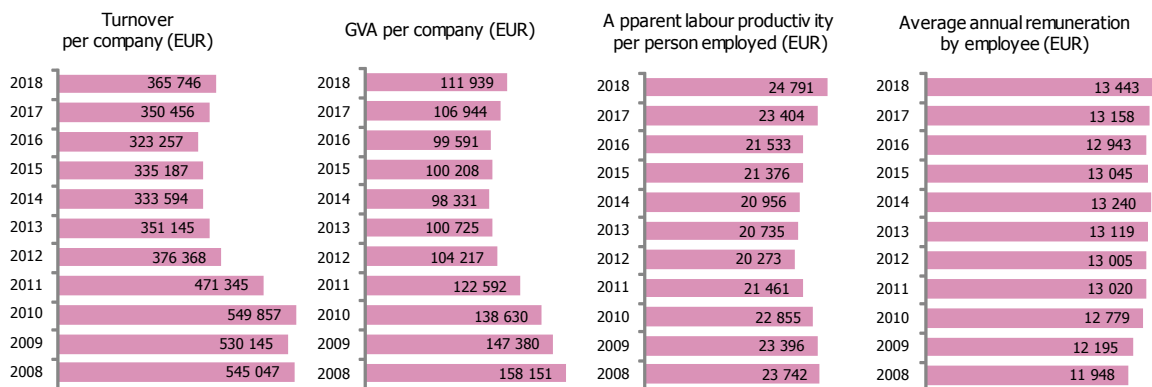
Source: Statistics Portugal, Integrated Business Accounts System

THE APPARENT LABOUR PRODUCTIVITY AND THE AVERAGE ANNUAL REMUNERATION REGISTERED THE HIGHEST VALUES IN 2018

In 2018, turnover and GVA per company from *Construction and real estate* sector reached EUR 365.7 thousand and EUR 111.9 thousand, respectively (+4.4% and +4.7% compared to 2017, in the same order).

Apparent labour productivity and average annual remuneration reached, in 2018, the highest values of the period under analysis, reaching EUR 24.8 thousand and EUR 13.4 thousand, respectively (+5.9% and +2.2% than in 2017, in the same order).

Figure 14 – Turnover, GVA, apparent labour productivity and average annual remuneration of the Construction and real estate (2008-2018)



Source: Statistics Portugal, Integrated Business Accounts System

In 2018, 21.9% of the companies from *Construction and real estate* registered a negative equity, which represents a decrease of 0.1 p.p. compared to 2017. The percentage of non-financial companies with negative equity was 26.0% in the 2018, 4.9 p.p. more than the total of the *Construction and real estate* sector.

Methodological note:

The statistical data disclosed correspond to the provisional data of the Integrated Business Accounts System (IBAS) for non-financial enterprises for the reference year 2018. The data were obtained from the IBAS, resulting from a business statistics integration process, based on administrative data, with a focus on the Simplified Business Information (SBI).

The provisional data of IBAS 2018 are now released, one month ahead compared to the previous year, which allowed their incorporation into the National Accounts data to be released shortly.

The scope of economic activity includes all enterprises from sections A to S (excepting K and O) of CAE Rev.3. The sectors were aggregated in 8 larger groups: Agriculture and fishing (section A of CAE Rev.3), Manufacturing and energy (sections B to E), Construction and real estate (sections F to L), Distributive trade (section G), Transportation and storage (section H), Accommodation and food services (section I), Information and communication (section J) and Other services (sections M to S).

The classification of **large enterprises** was based on the recommendation of the Commission of May 6th, 2003. As such, enterprises were considered to be large when observing one of the following criteria: (i) companies with 250 or more persons employed, or (ii) companies with a turnover above EUR 50 million and total assets above EUR 43 million. The remaining companies were considered **SME**.

In this press release it was considered as **companies with an exporting profile** those with exports of goods and services that comply with the following criteria: (i) companies where at least 50% of the turnover originates from exports of goods and/or services or; (ii) companies where at least 10% of the turnover originates from exports of goods and/or services and the total value of exports exceeds EUR 150 000. Companies that did not meet these criteria were classified as having no exporting profile.

For some variables, the median and the 1st and 3rd quartiles of their distribution are presented. In a distribution of a variable, ordered by increasing order of values, the **first quartile** (Q1) corresponds to the value that limits the first 25% of the distribution, the **median** (M) at 50% and the **third quartile** (Q3) at 75%. The values presented in this press release do not include treatment of outliers.

Financial and economic ratios:

Apparent labour productivity = GVA / Persons employed

Average annual remuneration = (Remunerations / Employees)

Average size = Persons employed / Number of enterprises

Equity ratio = Equity / Assets

Investment rate = (GFCF / GVA) * 100

Personnel costs by person employed = Personnel costs / Persons employed

Return on sales = (Net results / Turnover) * 100

Acronyms:

GFCF: Gross fixed capital formation

GOS: Gross operating surplus

GVA: Gross value added

IBAS: Integrated Business Accounts System

NFC: Non-financial companies

No: Number

p.p.: percentage points

RC.: Rate of change

SBI: Simplified Business Information

SME: Small and medium enterprise

Var.: Variation

Note: For issues related to the rounding of values, the totalizers, in value or percentage, may not correspond exactly to the sum of their parts.

Information to users: Additional information is available on the Official Statistics Portal at: www.ine.pt