

Commercial Companies	Slovenian Economic Mirror	IMAD
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Company performance indicators for 2002 and 2003		
	2002	2003
Number of companies	38,051	39,837
Number of employees	469,166	464,381
Difference between net profit and net loss, SIT million	215,498	314,751
Revenues/expenses	1.03	1.03
Net revenues from sales in foreign markets/total revenues, %	26.0	26.3
Valued added/employee, SIT thousand	5,588	6,130
Return on assets, %	1.7	2.3
Return on capital, %	3.6	4.8
Debt-to-capital ratio	1.09	1.07
Long-term coverage of long-term assets and stocks	0.96	0.96

Source of data: Agency for Public Legal Records and Related Services (APLRS) – data from the balance sheets and profit and loss statements for 2002 and 2003, calculations by the IMAD.

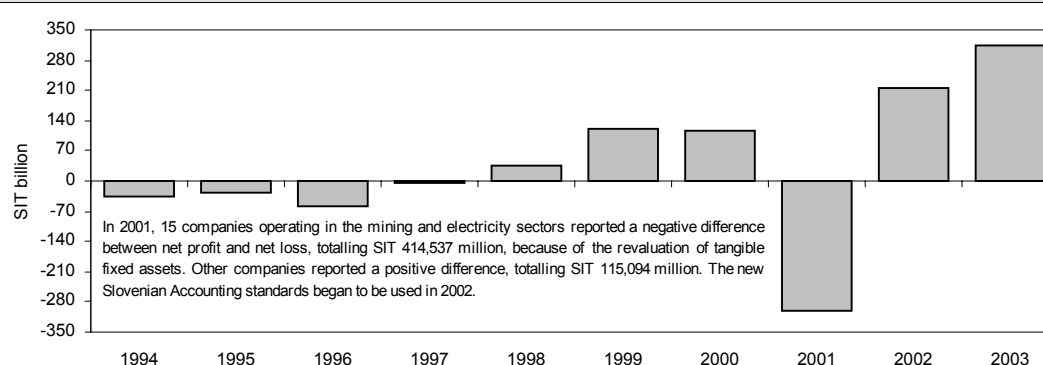
In **2003**, commercial companies kept their accounts in line with the Act Amending the Companies Act and the new Accounting Standards from 2001 for the second year running (see SEM 6/2003:16) so information from the annual reports for 2003 and 2002 is comparable.

The number of companies that submitted data from their 2003 annual reports to the APLRS totalled 1,786, 4.7% more than last year (687 more companies operated in real estate, renting and business services, 299 more in construction, and 215 more in manufacturing). However, they employed a total of 4,784 people, 1.0% less than before (the number was down by as many as 8,122 people in manufacturing and up by 2,612 in real estate, renting and business services). The **highest number of companies** operated in the activity of wholesale and retail trade and certain repair services (32.1%), while the **highest number of employees** worked in manufacturing (45.0%), an activity that mostly contributed to the overall company performance (35.3% to total revenues, 42.2% to total value added, and 27.0% to the total value of assets).

In 2003, the overall company performance improved compared to 2002. **Labour productivity** measured by value added per employee rose by 9.7% in nominal terms. As net profits increased (going up by 16.6% in nominal terms) and net losses dropped (going down by 11.0% in nominal terms), the difference between net profit and net loss was positive and surged by 46.1% in nominal terms from 2002. This pushed the **return on assets** (measured by the difference between net profit and net loss relative to the average asset value) up from 1.7% to 2.3% and the **return on capital** (measured by the difference between net profit and net loss relative to the average capital) up from 3.6% to 4.8%.

At the end of 2003, commercial companies recorded a similar structure of assets and liabilities as at the end of 2002. As regards the **structure of assets**, the share of fixed assets dropped slightly (by 0.6 of a percentage point to 63.0%) mainly due to the smaller share of tangible fixed assets, while the share of current assets increased (by 0.7 of a percentage point to 36.6%), particularly the share of short-term financial investments. As regards the **structure of liabilities and capital**, the share of capital increased slightly (by 0.4 of a percentage point to 46.7%) and the share of financial and operating liabilities fell slightly (by 0.5 of a percentage point to 50.1%) so the **debt-to-capital ratio** declined somewhat from 1.09 to 1.07. The **long-term coverage of long-term assets and stocks** remained below 1 in both 2002 and 2003 (totalling 0.96 at the end of both years), meaning that companies did not cover all fixed assets, long-term operating receivables and stocks by the total of capital, provisions and long-term liabilities.

Graph: **Difference between the net profit and net loss of commercial companies in 1994-2003**



Source of data: AP, APLRS, calculations by the IMAD.