

ANALYSIS OF THE AGRICULTURAL SECTOR



Central Balance Sheet Studies
December 2012

11



Banco de Portugal
EUROSYSTEM

ANALYSIS OF THE AGRICULTURAL SECTOR

Central Balance Sheet Studies

December 2012

11



Banco de Portugal

EUROSYSTEM

BANCO DE PORTUGAL

Av. Almirante Reis, 71

1150-012 Lisboa

www.bportugal.pt

Edition

Statistics Department

Translation

International Relations Department

Translation Unit

Design, printing and finishing

Administrative Services Department

Documentation, Editing and Museum Division

Editing and Publishing Unit

Lisbon, 2013

Number of copies

200

ISBN 978-989-678-221-4 (print)

ISBN 978-989-678-222-1 (online)

ISSN (print) - 2182-1704

ISSN (online) - 2182-1712

Legal Deposit 326546/11

FOREWORD

This analysis is based mainly on data obtained from *Informação Empresarial Simplificada* – IES (Simplified Corporate Information) and held in the Central Balance Sheet Database of Banco de Portugal. Through IES, enterprises are able to meet their obligation to report their annual accounts simultaneously to the Ministries of Finance and Justice, Banco de Portugal and *Instituto Nacional de Estatística* - INE (Statistics Portugal).

IES is usually reported within six and a half months from the financial year end, which, for most enterprises resident in Portugal, corresponds to 15 July of the year following the reference year. As regards data for 2011, the deadline for IES submission was extended to the end of July 2012, due to the late availability of the collection application.

IES relating to 2011 annual accounts complies, for the second consecutive year, with the new *Sistema de Normalização Contabilística* – SNC (Accounting Normalisation System). The changes to the accounting regulations introduced in 2010 have given special relevance to account and financial reporting and have made the quality control developed within Banco de Portugal on the information reported by the enterprises even more relevant. This process essentially aims to ensure that accounting information for the economic year is coherent and that the main aggregates are consistent throughout the years. That analysis also involves matching the reported information with the data obtained under the other statistical systems available within Banco de Portugal.

In addition to information obtained through IES, this Study is complemented with data on the financial debt of Portuguese enterprises available in other databases of Banco de Portugal's Statistics Department, namely the *Central de Responsabilidades de Crédito* – CRC (Central Credit Register) and the *Sistema Integrado de Estatísticas de Títulos* – SIET (Securities Statistics Integrated System). These data make it possible to characterise a significant part of the financial liabilities of Portuguese enterprises, namely in what regards loans from the financial sector and securitised debt.

SUMMARY

According to data available in the Central Balance Sheet Database of Banco de Portugal, in 2011 the *Agricultural Sector* accounted for around 8% of enterprises, 9% of the number of employees and 13% of turnover in the non-financial corporations (NFC) institutional sector. This sector, which lost relevance over the last decade, has nevertheless recovered its relevance somewhat in NFCs as a whole since 2009.

In what regards the activities that, within the scope of this *Study*, form part of the *Agricultural Sector* (*Agriculture*, *Agricultural products' Industry* and *Agricultural products' Trade*), *Agricultural products' Industry* was the most relevant, with 36% of the number of enterprises, 48% of turnover and 60% of employees in the sector. In terms of enterprise size, the *Agricultural Sector* was mostly formed by microenterprises (82%), although most contributions in terms of turnover were, essentially, originated by small and medium-sized enterprises (SMEs) (50%) and large enterprises (39%).

In 2011 turnover in the *Agricultural Sector* continued to grow (1%), albeit at a slower pace than in 2010 (4%). Operating costs increased at a faster pace (2%), influenced by the cost of goods sold and materials consumed (4%), which determined a significant decline in EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) (13%). As a result, the sector's return on equity declined by 3 p.p. in 2011 to 4%, but, nonetheless, exceeded NFCs' profitability for the first time in the period under review (which, in turn, fell by 7 p.p.).

In the period under review, average equity levels in the *Agricultural Sector's* financial component exceeded those of NFCs. In 2011 the sector's capital ratio average value was 37%, compared with 33% in NFCs. The median, however, stood at 25%, which means that in half the enterprises in this sector, at least 75% of the assets were financed by debt. Therefore, enterprise financing needs were mainly met by financial debt and trade credit (68% of the liabilities in the sector). In 2011 the first component declined whereas the second increased.

Financing costs borne by the *Agricultural Sector* increased in 2011, pushing up financial pressure: 20% of EBITDA generated in 2011 were used up by interest (14% in 2010). Nonetheless, that share was higher in the case of NFCs (28% in 2011 and 17% in 2010).

At the end of 2011, the issue of debt securities represented 16% of the *Agricultural Sector's* financial debt. According to additional data available in Banco de Portugal's Securities Statistics Integrated System, the issue of debt securities was almost exclusively due to large enterprises and *Agricultural products' Industry*.

Additional information from the Central Credit Register of Banco de Portugal reveals that loans to the *Agricultural Sector* by resident credit institutions had declined by 3% at the end of 2011, compared with 2010, and continued to decline in the first half of 2012 (-2% compared with end 2011). In parallel, the non-performing loans ratio in the sector increased, but, at the end of the first half of 2012, it stood for the first time in the period under review below the level observed by the NFCs aggregate (9% and 10% respectively).

In what concerns trade credit, *Agricultural Sector's* enterprises were largely balanced between average days sales outstanding (72 days) and average days payable outstanding (70 days). However, considering the differential between accounts payable and accounts receivable, trade credit was not a source of funding of the sector, notwithstanding the favourable developments observed in recent years. This was a common characteristic in all size classes and activities considered in this sector, except *Agriculture*.

CONTENTS

I ANALYSIS OF THE AGRICULTURAL SECTOR

3	1 Introduction
5	2 Structure and Dynamics
5	2.1 Structure
11	2.2 Dynamics
13	3 Economic and Financial analysis
13	3.1 Economic environment
13	3.2 Activity and profitability
13	3.2.1 Turnover
16	3.2.2 Operating costs
18	<i>Box 1 External market importance on the operating activity of Agricultural Sector's enterprises</i>
20	3.2.3 EBITDA
21	3.2.4 Return on equity
23	3.3 Financial situation
23	3.3.1 Financial structure
26	<i>Box 2 Loans from resident credit institutions – Characterisation based on the Central Credit Register</i>
29	3.3.2 Financial costs and solvency
31	<i>Box 3 Credit obtained through debt securities issues - Characterisation based on the Securities Statistics Integrated System</i>
33	3.3.3 Trade credit financing
36	<i>Annex – Main indicators of the Agricultural sector</i>
37	<i>Methodological summary</i>
40	<i>References</i>
42	<i>Central Balance Sheet Studies</i>

CHARTS

- 6** Chart 1 Structure by economic activity segment (2011)
- 7** Chart 2 Sectoral composition of enterprise size classes (Turnover - 2011)
- 11** Chart 3 Structure by maturity classes (Turnover - 2011)
- 11** Chart 4 Structure by legal nature (Turnover - 2011)
- 12** Chart 5 Demographic indicators
- 12** Chart 6 Natural balance
- 14** Chart 7 Turnover | Annual growth rate (%) and contributions (p.p.)
- 15** Chart 8 Turnover | Quartile distribution of the annual growth rate and weighted average
- 16** Chart 9 Operating costs | Annual growth rate
- 18** *Box 1 - Chart 1.1 Exports and imports of goods and services (2011)*
- 19** *Box 1 - Chart 1.2 Balance of goods and services transactions with the external markets (2010 and 2011)*
- 20** Chart 10 EBITDA | Annual growth rate (%) and contributions (p.p.)
- 21** Chart 11 Return on equity
- 22** Chart 12 Return on equity | Quartile distribution and weighted average
- 23** Chart 13 Capital ratio | Quartile distribution and weighted average
- 24** Chart 14 Liabilities structure (2011)
- 25** Chart 15 Evolution of financial debt and trade credit | Annual growth rate (%) and contributions (p.p.)
- 26** *Box 2 - Chart 2.1 Evolution of credit from resident credit institutions | Growth rate (%) and contributions (p.p.) – values at end of period*
- 27** *Box 2 - Chart 2.2 Non-performing loans ratios (at end of period)*
- 27** *Box 2 - Chart 2.3 Non-performing enterprises (at end of period)*
- 29** Chart 16 Interests paid | Annual growth rate and market interest rates
- 30** Chart 17 Weight of interests in EBITDA
- 31** *Box3 - Chart 3.1 Debt securities issues (position at the end of the first half of 2012)*
- 32** *Box 3 - Chart 3.2 Debt securities holders (structure at the end of the first half of 2012)*
- 33** Chart 18 Days Sales Outstanding | Days
- 34** Chart 19 Days Payable Outstanding | Days
- 35** Chart 20 Net trade credit financing | As a % of turnover

TABLES

5	Table 1	Weight of the Agricultural Sector in NFCs (2011)
7	Table 2	Indicators by size class (2011)
9	Table 3	Geographical location by economic activity segment (2011)
13	Table 4	GDP and key components Annual growth rate
17	Table 5	Operating costs Annual growth rate and structure (in brackets) (2011)
21	Table 6	EBITDA Weight of enterprises with negative EBITDA

ILLUSTRATIONS

8	Figure 1	Geographical location by district (2011)
10	Figure 2	Geographical location by district Weight in total NFCs (Turnover, 2011)

ACRONYMS

CAE	Portuguese classification of economic activities
CI	Credit institutions
CoGS	Cost of goods sold and materials consumed
EBITDA	Earnings before interest, taxes, depreciation and amortization
ESA 95	European System of National and Regional Accounts 1995
GDP	Gross Domestic Product
INE	<i>Instituto Nacional de Estatística</i> – Statistics Portugal
NFCs	Non-financial corporations
p.p.	percentage points
SMEs	Small and Medium-sized Enterprises (excluding microenterprises)

ANALYSIS OF THE AGRICULTURAL SECTOR

INTRODUCTION

1

STRUCTURE AND DYNAMICS

2

ECONOMIC AND FINANCIAL ANALYSIS

3

I ANALYSIS OF THE AGRICULTURAL SECTOR

1 INTRODUCTION

The *Study Analysis of the Agricultural Sector* evaluates the economic and financial situation of enterprises within the *Agricultural Sector*, based on information compiled by the Central Balance Sheet of Banco de Portugal¹. For the purpose of this analysis, the *Agricultural Sector* is comprised not only of strict agricultural activities (except fishing), but also of downstream activities related to agricultural products, especially within the scope of industry and trade.

The results presented in this publication complement aggregate data on Non-financial corporations (NFCs)² also found in the Central Balance Sheet Database and issued among Banco de Portugal's statistical publications³. The analysis focuses mainly on 2007-2011 developments, with some additional detail on 2012, in what regards bank loans and debt securities financing.

This Study characterises the *Agricultural Sector* in what regards the dispersion of the results obtained by its enterprises⁴ for a group of selected indicators. For this purpose, the results are shown through distributions of the aggregate enterprises' data (i.e. quartiles), which allow for an alternative analysis to that provided by the summary indicator on the sector's average and provide measures not biased by possible extreme values. In addition, the analysis covers the contributions of the different sub-groups of enterprises in order to determine the sector's aggregate results. It therefore details segments of economic activity and size classes.

This publication also compares results for the *Agricultural Sector* and the NFC aggregate in Portugal, in terms of the indicators under review. For further details on the results obtained for the NFC sector, please see Banco de Portugal's Central Balance Sheet Studies 2, 3 and 8 (December 2010, September 2011 and November 2012, respectively).

The analysis begins with a brief characterisation of the *Agricultural Sector*, which evaluates the structure of the sector in terms of economic activity, size, geographical location, maturity and legal nature of the enterprises comprising it. It also presents data on business dynamics. Afterwards, it reviews recent turnover developments to determine the extent to which these are reflected in the achieved profitability levels. This involves a breakdown of the effects which influence profitability into operating and financial components of enterprise's activity, while also aiming to provide some information on the solvency capacity of the sector.

¹ The Central Balance Sheet Database of Banco de Portugal is a database with economic and financial information on NFCs in Portugal. Information used in this *Study* is based on annual accounting data (from the Annual Central Balance Sheet Database) reported within the scope of the ES (*Informação Empresarial Simplificada* - Simplified Corporate Information) and quarterly accounting data (from the Quarterly Central Balance Sheet Database) reported by enterprises through the Quarterly Survey of Non-financial corporations. Annual data cover nearly all NFCs and quarterly data cover around 3,000 enterprises, representing 40% of turnover in the sector. For further detail on the activity of the Central Balance Sheet Database, please refer to the Supplements to the Statistical Bulletin 5/2005 – *Statistics on Non-financial corporations from the Central Balance Sheet Database*, and 1/2008 – *Simplified reporting: Inclusion of the Simplified Corporate Information in the Statistics on Non-financial corporations from the Central Balance Sheet Database*, as well as the publication Central Balance Sheet Study | 6, December 2011– *New Enterprise and Sector Tables: Adjustment to the Accounting Standards System*.

² The NFC sector represents one of the economy's five institutional sectors. The institutional sectorisation of economic agents is carried out in accordance with the 1995 European System of National and Regional Accounts (ESA 95), approved by Council Regulation (EC) No 2223/96 of 25 June 1996. ESA 95 is a harmonised reference on the compilation methodology and deadline for release of the national accounts of the EU countries, including statistics under Banco de Portugal's responsibility. Based on this regulation, sole proprietors are included in the households' institutional sector. Hence, all data on the NFC sector throughout this document exclude sole proprietors (in Portugal these represent around two-thirds of the number of enterprises, but only 5% of the respective turnover).

³ Central Balance Sheet Database statistics are published in Banco de Portugal's Statistical Bulletin (Chapters A and G) and in Sector Tables, both available on the Banco de Portugal's website and BPstat | Statistics Online.

⁴ For the sake of simplicity, this *Study* refers interchangeably to the expressions 'enterprise' and 'corporation', but both exclude the sole proprietor aggregate..

Finally, based on complementary information available in other databases from Banco de Portugal's Statistics Department, details are given on the financial debt of *Agricultural Sector's* enterprises, especially in what concerns bank loans from the resident financial sector and debt securities issued by enterprises in the sector.

The Annex provides a summary table of the main indicators, a methodological summary with the definition of the main concepts used throughout the *Study* and a detailed list of the economic activity sectors of the 3rd Revision of the Portuguese classification of economic activities (CAE-Rev.3) included in the *Agricultural Sector*. Banco de Portugal's website also provides, in Excel file, the statistical series under review.

2 STRUCTURE AND DYNAMICS

2.1 Structure

For the purpose of this Study, the *Agricultural Sector* is comprised not only of agricultural activities, strict sensu, but also of downstream activities. This concept excludes fishing, but otherwise coincides with Article 38 (1) of the Treaty on the functioning of the European Union, according to which 'agricultural products means the products of the soil, of stockfarming and of fisheries and products of first-stage processing directly related to these products'. In this context, the common policy applied to agricultural markets shall be understood as also referring to the production and trade of agricultural products.

Therefore, for the purpose of this analysis, enterprises were considered a part of the *Agricultural Sector* when within Divisions 01 – *Crop and animal production, hunting and related service activities* and 02 – *Forestry and logging* of CAE-Rev.3 (as a whole referred to as **Agriculture**), and also the activities associated with **Agricultural products' Industry** (enterprises in Section C – *Manufacturing* of CAE-Rev.3 that have a direct link to *Agriculture*) and **Agricultural products' Trade** (enterprises whose activities are considered within the scope of Section G – *Wholesale and retail trade; repair of motor vehicles and motorcycles* of CAE-Rev.3 directly associated with *Agriculture*)⁵.

In 2011 the *Agricultural Sector* included around 28 thousand enterprises, representing 8% of the enterprises, 9% of the number of employees and 13% of the respective turnover (Table 1). Over the last ten years, the weight of the *Agricultural Sector* in total NFCs declined slightly: 0.6 p.p. in the number of enterprises; 0.9 p.p. in turnover and 1.6 p.p. in the number of employees. This decline, however, includes a recovery in recent periods, when *Agricultural Sector's* relevance rose within NFCs as a whole (from 12% of NFCs' turnover in 2008 to 13% in 2011).

Agricultural sector comprised 28 thousand enterprises representing 9% of the number of NFCs' employees and 13% NFCs' turnover as a whole

Table 1

WEIGHT OF THE AGRICULTURAL SECTOR IN NFCs (2011)			
	Number of enterprises	Turnover	Number of employees
Agricultural Sector	7.6%	13.2%	8.6%
Agriculture	2.7%	0.9%	1.4%
Agricultural products' Industry	2.7%	6.3%	5.2%
Agricultural products' Trade	2.2%	6.0%	2.0%

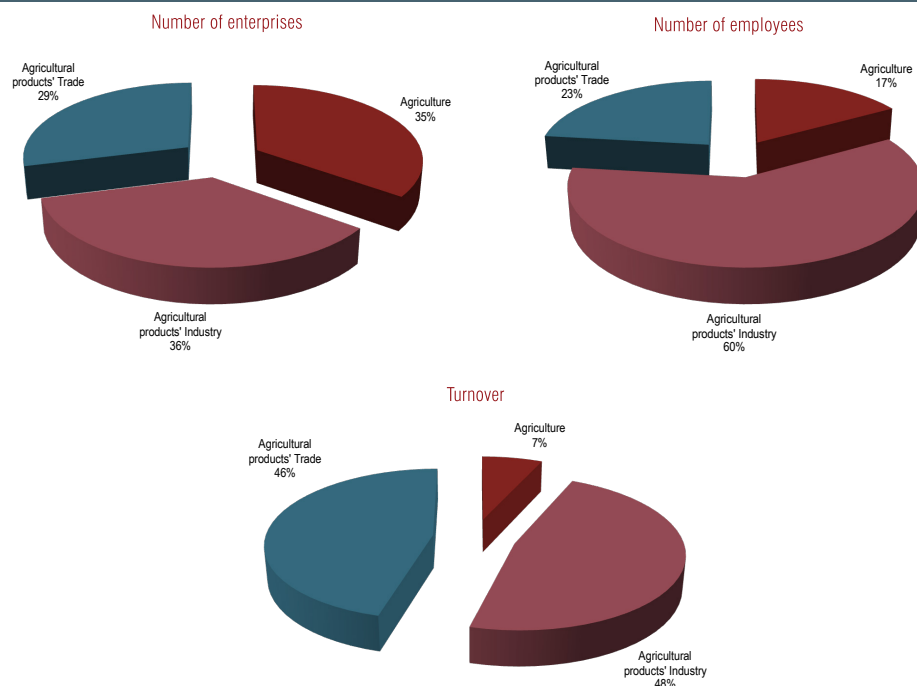
By **economic activity** segment, there was, in 2011, a relative balance in the breakdown of the number of enterprises, while *Agricultural products' Trade* and *Agricultural products' Industry* stood out in terms of turnover (93% of the sector's total). In what regards number of employees, *Agricultural products' Industry* was clearly prominent (60% of the sector's employment) (Chart 1).

Agricultural products' Trade and *Agricultural products' Industry* aggregated 93% of the sector's turnover

⁵ In the Annex CAE-Rev.3 sectors considered within the *Agricultural Sector* concept used in this Study are listed.

Chart 1

STRUCTURE BY ECONOMIC ACTIVITY SEGMENT (2011)



SMEs stood out as they aggregated 18% of the enterprises, 58% of the number of employees and 50% of turnover in the sector

By size class⁶, small and medium-sized enterprises (SMEs) had a higher weight in the *Agricultural Sector* than in total NFCs in Portugal, in any of the three indicators used: number de enterprises, number of employees and turnover. In 2011, SMEs aggregated 18% of the number de enterprises, 58% of the number of employees and 50% of turnover (in NFCs these figures were 12%, 44% and 40% respectively). In the *Agricultural Sector* the contribution of SMEs to total turnover exceeded that of large enterprises (39%), in contrast with the NFC aggregate in Portugal (40% compared to 45% respectively) (Table 2).

⁶ The definition of enterprise's size classes used in this Study is detailed in the Annex.

Table 2

INDICATORS BY SIZE CLASS (2011)			
Indicator	Size	NFCs	Agricultural sector
Number de enterprises	Microenterprises	88.1%	82.0%
	Small and medium-sized enterprises	11.6%	17.6%
	Large enterprises	0.3%	0.4%
Number of employees	Microenterprises	26.3%	23.5%
	Small and medium-sized enterprises	43.6%	58.0%
	Large enterprises	30.0%	18.5%
Turnover	Microenterprises	14.5%	12.0%
	Small and medium-sized enterprises	40.3%	49.5%
	Large enterprises	45.2%	38.5%

Nota: Shaded cells identify the most relevant size class in each sector/indicator.

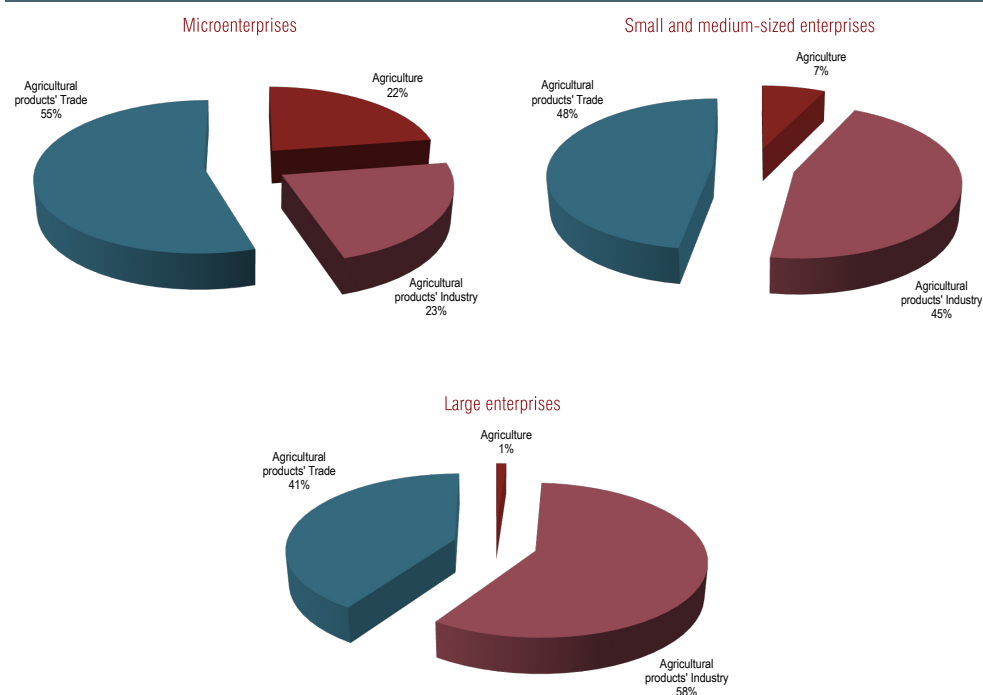
Chart 2 presents the sectoral composition of each size class, based on turnover generated in 2011 by the activities which compose the *Agricultural Sector*.

The weight of *Agricultural products' Industry* grows in tandem with enterprise size classes, while the opposite occurs in *Agricultural products' Trade* and, even more so, in *Agriculture*. *Agricultural products' Trade* stood out chiefly in the microenterprise's size class, whereas *Agricultural products' Industry* was particularly relevant in the large enterprise's size class. *Agriculture* was responsible for 22% of turnover in *Agricultural Sector's* microenterprises, a share that declined to 7% in SMEs and to 1% in large enterprises.

The share of *Agricultural products' Industry* grows in tandem with enterprise size class, while the opposite occurs in *Agricultural products' Trade* and *Agriculture*.

Chart 2

SECTORAL COMPOSITION OF ENTERPRISE SIZE CLASSES (TURNOVER - 2011)



Compared with the NFC aggregate, enterprises in the *Agricultural Sector* were more widely dispersed across the country ...

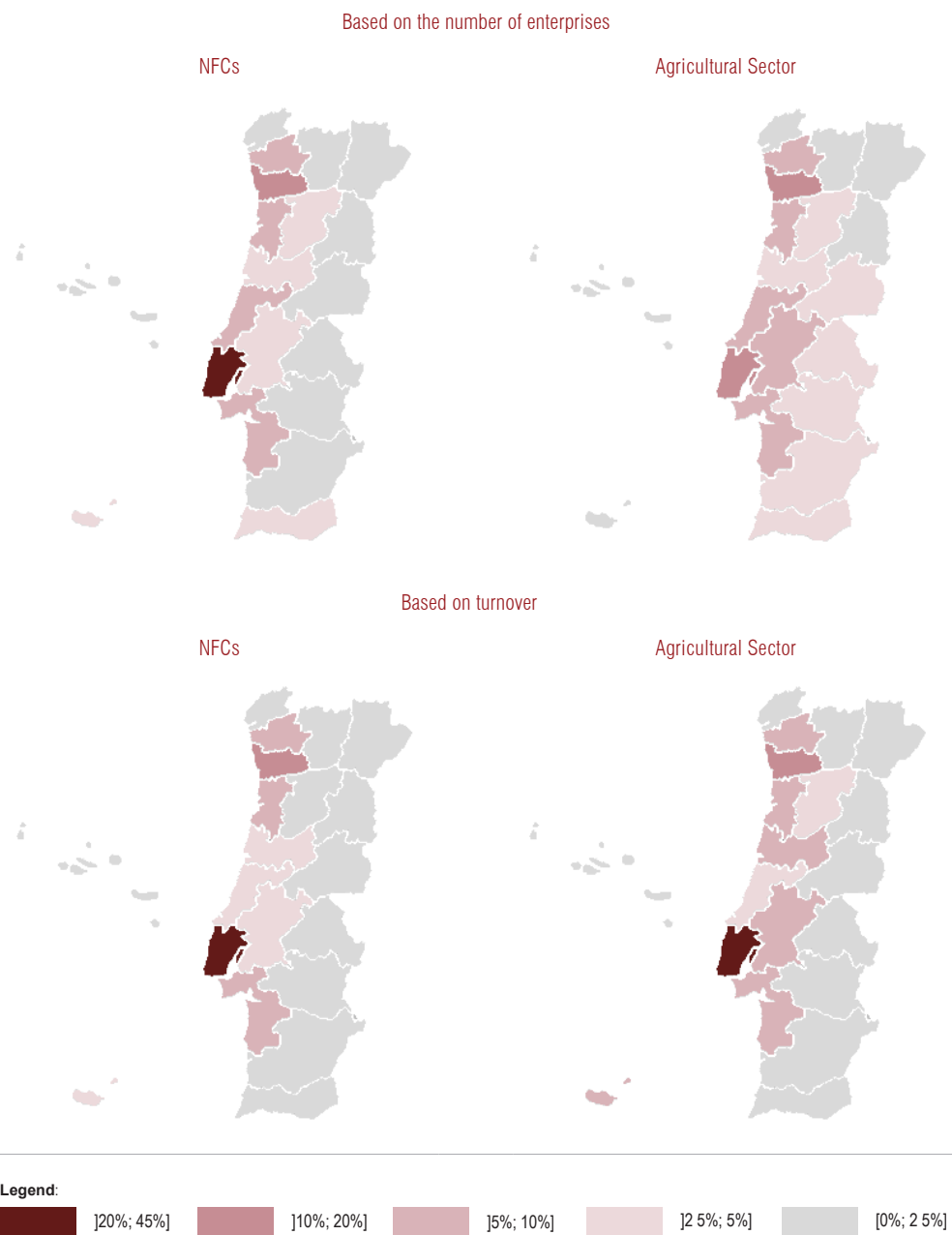
... but the districts in coastal areas generated the greatest share of turnover

Concerning the **geographical location**⁷, the high concentration of *Agricultural Sector's* enterprise's head-quarters in coastal areas was notorious, similarly to the distribution within the NFCs aggregate. Nonetheless, in the sector under review, concentration in terms of the number of enterprises was less clear (Figure 1).

Regarding turnover, the degree of concentration of the *Agricultural Sector* in coastal areas rose significantly, in spite of a wider dispersion than in the NFCs aggregate. In effect, whereas the Lisbon and Oporto districts aggregated around 59% of turnover in NFCs in 2011, that contribution in the *Agricultural Sector* declined to 41%. By contrast, the share of the other districts rose, such as Santarém (+5 p.p.) and Coimbra (+3 p.p.).

Figure 1

GEOGRAPHICAL LOCATION BY DISTRICT (2011)



⁷ Geographical location refers to the district where the enterprise's head-quarters are located.

Nevertheless, Lisbon was one of the districts concentrating more enterprises, employment and turnover of any of the activities within the *Agricultural Sector* (15%, 28% and 20% respectively) (Table 3).

Table 3

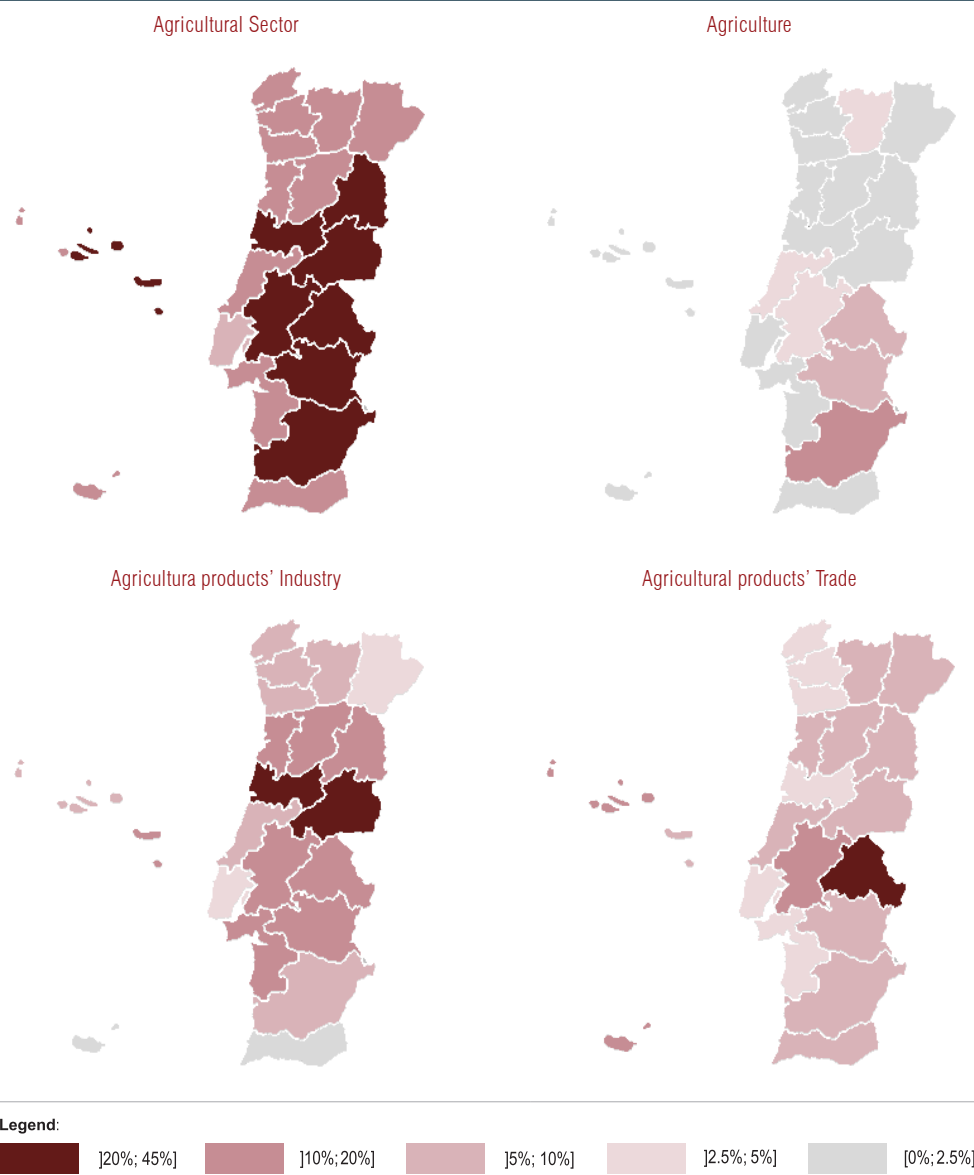
GEOGRAPHICAL LOCATION BY ECONOMIC ACTIVITY SEGMENT (2011)						
	Number of enterprises		Turnover		Number of employees	
	District (TOP 3)	% of total	District (TOP 3)	% of total	District (TOP 3)	% of total
Agriculture	Lisbon	12.8%	Lisbon	19.5%	Lisbon	14.2%
	Santarém	11.3%	Santarém	15.5%	Santarém	13.5%
	Beja	9.4%	Leiria	10.5%	Beja	10.0%
Agricultural products' Industry	Oporto	15.6%	Lisbon	22.6%	Lisbon	16.8%
	Aveiro	15.1%	Oporto	14.9%	Oporto	15.5%
	Lisbon	11.0%	Aveiro	10.6%	Aveiro	12.9%
Agricultural products' Trade	Lisbon	23.7%	Lisbon	33.8%	Lisbon	30.7%
	Oporto	15.2%	Oporto	12.2%	Oporto	13.3%
	Aveiro	7.7%	Funchal	13.4%	Leiria	6.3%
Agricultural sector	Lisbon	15.3%	Lisbon	27.5%	Lisbon	19.6%
	Oporto	11.8%	Oporto	12.9%	Oporto	13.3%
	Aveiro	9.0%	Santarém	7.8%	Aveiro	9.6%

Apart from Lisbon, the Santarém district was the most relevant regarding the *Agriculture* segment (with 11% of the enterprises associated with this activity segment, close to 16% of turnover and 14% of the number of employees), and the Oporto and Aveiro districts stood out in respect to *Agricultural products' Industry* (as a whole, they aggregated 31% of enterprises and over 25% of turnover and number of employees in this activity segment). *Agricultural products' Trade* was chiefly concentrated in the Lisbon and Oporto districts.

Figure 2 evaluates the relative weight of turnover in the *Agricultural Sector*, as well as the economic activity segments comprising it, on total turnover of the enterprises in every district.

Figure 2

GEOGRAPHICAL LOCATION BY DISTRICT (2011) | Weight in total NFCs (Turnover, 2011)



Considering that, overall, the sector under review represented around 13% of turnover of NFCs in 2011, it is relevant to stress that in most districts away from the coast the weight of these enterprise's turnover in the district total exceeded 20%, with particular emphasis on Portalegre (41%), Santarém (34%) and Castelo Branco (31%).

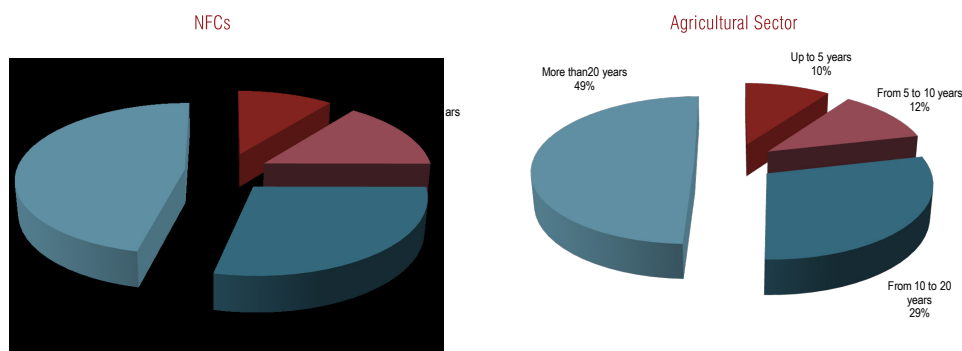
By economic activity segments, *Agriculture* stood out in Beja (14%), *Agricultural products' Industry* was more prominent in the Castelo Branco (23%) and Coimbra (22%) districts, whereas *Agricultural products' Trade* had a particular relevance in Portalegre (24%). In Santarém, the *Agricultural products' Industry* and *Agricultural products' Trade* segments represented each 15% of turnover generated by NFCs in the district.

Portalegre (41%), Santarém (34%) and Castelo Branco (31%) were the districts where the *Agricultural sector* had the highest weight on the total turnover generated by NFCs

In terms of **enterprise maturity**⁸, the *Agricultural Sector* did not differ substantially from NFCs. There was also a direct ratio between the share in turnover and the age of the corresponding enterprises (Chart 3).

Chart 3

STRUCTURE BY MATURITY CLASSES (TURNOVER - 2011)



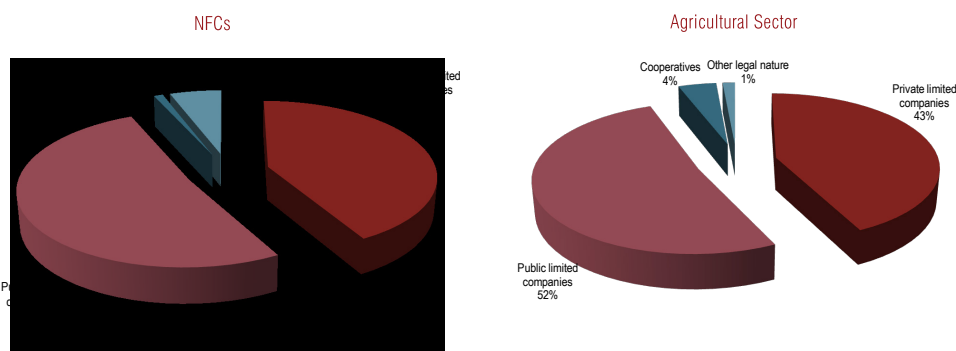
Enterprises with more than 20 years of activity accounted for around half of the sector's turnover

Concerning their **legal nature**⁹, the situation of the *Agricultural Sector* was rather similar to that of NFCs in Portugal, with a very significant contribution of public limited companies (52%) and private limited companies (43%) to turnover in the sector. However, the more relevant role of cooperatives is noteworthy, as they were responsible for 4% of the sector's turnover in 2011, whereas in NFCs as a whole, that share was 1% (Chart 4).

Cooperatives had a higher share in turnover in the *Agricultural sector* (4%) than in the NFC aggregate (1%)

Chart 4

STRUCTURE BY LEGAL NATURE (TURNOVER - 2011)



2.2 Dynamics

Agricultural Sector's churn rate¹⁰ in recent years has been of around 13%, equally broken down into birth rate and death rate. 2010 was the sole exception, given that the number of closures exceeded the number of enterprises starting their activity (Chart 5).

The number of enterprises carrying on their activity in the sector has remained relatively stable

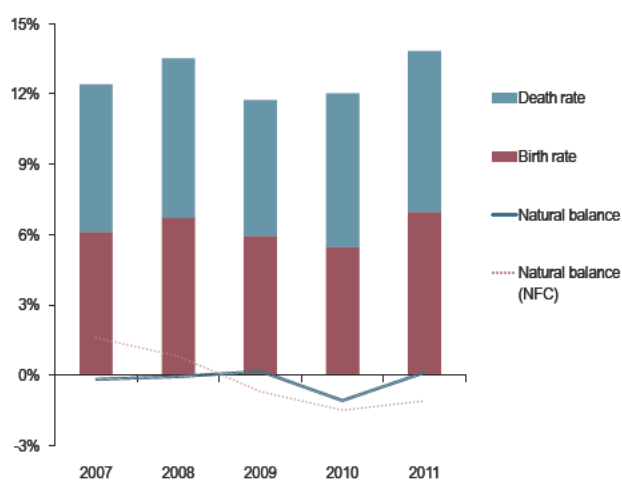
⁸ The enterprise maturity corresponds to the age of the enterprise at the analysis reference date. In order to define relatively homogeneous groups, meaningful at produced information level, four maturity classes were built: up to and including five years; from five to and including ten years; from ten to and including 20 years; and more than 20 years.

⁹ Considering the numerous categories included in national regulations for the classification of enterprises by legal nature, we opted for highlighting only public limited companies, private limited companies and cooperatives, whereas the remaining legal natures were aggregated under 'other legal natures'.

¹⁰ The churn rate makes it possible to assess the dynamics regarding the creation and closing of enterprises in an economy. It is calculated from the sum of the enterprise birth rate (calculated from the ratio of enterprises starting their activity to the number of active enterprises in the reference period) and the respective death rate (resulting from the ratio of enterprises ceasing their activity to the number of active enterprises in the reference period).

Chart 5

DEMOGRAPHIC INDICATORS



The relative weight of the *Agricultural sector* in total NFCs has increased over the last three years ...

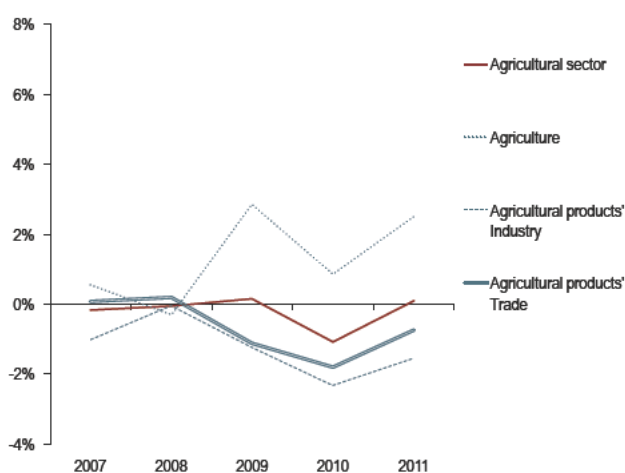
In turn, *Agricultural Sector's* natural balance¹¹ has exceeded that of NFCs over the past three years, implying an increase in the relative share of the *Agricultural Sector* in NFCs as a whole in Portugal, as opposed to the previous situation, when the natural balances in the sector under review were consistently below those of NFCs.

By economic activity segment, the *Agricultural Sector* has been undergoing a readjustment, on account of the contraction in *Agricultural products' Industry* and *Agricultural products' Trade* and the expansion in *Agriculture*, chiefly since 2008 (Chart 6).

... while *Agriculture* grew, the other segments contracted

Chart 6

NATURAL BALANCE



¹¹ The natural balance, contrary to the churn rate, is calculated by deducing the death rate from the birth rate of enterprises.

3 ECONOMIC AND FINANCIAL ANALYSIS

3.1 Economic environment

The growing international financial markets' pressure on Portuguese sovereign debt, due both to the widespread sovereign debt crisis in the euro area as well as to international investors' fears on the sustainability of Portuguese public finances and external debt, has led to a formal request for economic and financial assistance to the European Union, euro area member countries and the International Monetary Fund, in April 2011.

2011 was therefore marked by the beginning of the adoption of a range of measures to adjust macroeconomic and structural imbalances in the Portuguese economy, in the context of a wide economic and financial assistance programme drawn up to return to the economy the conditions necessary for its sustained growth and promoting its financing together with international investors in a near future. As a result of the implementation of these measures, a contraction in the Portuguese economy was expected in the short-run. Therefore, in 2011, economic activity in Portugal receded by 1.6%, after a 1.9% growth in 2010. The strong declines in public and private consumption and investment were dampened by the dynamics of the external trade balance, with countercyclical favourable developments that contributed to a decline in Portuguese economy's external borrowing requirements (Table 4).

In 2012 data point to a fall in output in the first semester, in year-on-year terms, of around 2.7%. Most recent Banco de Portugal estimates point to a decline of 3% of GDP in 2012¹².

Table 4

GDP AND KEY COMPONENTS Annual growth rate					
	2008	2009	2010	2011	2012 (1 st half semester)
GDP	0.0%	-2.9%	1.9%	-1.6%	-2.7%
Private consumption	1.3%	-2.3%	2.5%	-3.8%	-5.7%
Public consumption	0.3%	4.7%	0.1%	-4.3%	-4.1%
Gross fixed capital formation	-0.3%	-8.6%	-3.1%	-10.7%	-15.2%
Exports	-0.1%	-10.9%	10.2%	7.2%	5.9%
Imports	2.3%	-10.0%	8.0%	-5.9%	-8.1%

Source: Statistics Portugal and Banco de Portugal.

3.2 Activity and profitability

3.2.1 Turnover¹³

Notwithstanding the unfavourable macroeconomic environment, according to annual data from the Central Balance Sheet Database, *Agricultural Sector's turnover* continued to grow in 2011 (1%), albeit at a slower pace than in 2010 (4%). The sector under review had a relatively more favourable performance than the NFC aggregate, whose turnover declined by 5% in 2011, after a 4% increase in 2010 (Chart 7).

The Portuguese GDP declined by 1.6% in 2011

At the end of the first half of 2012 the fall in GDP reached 2.7%, year on year

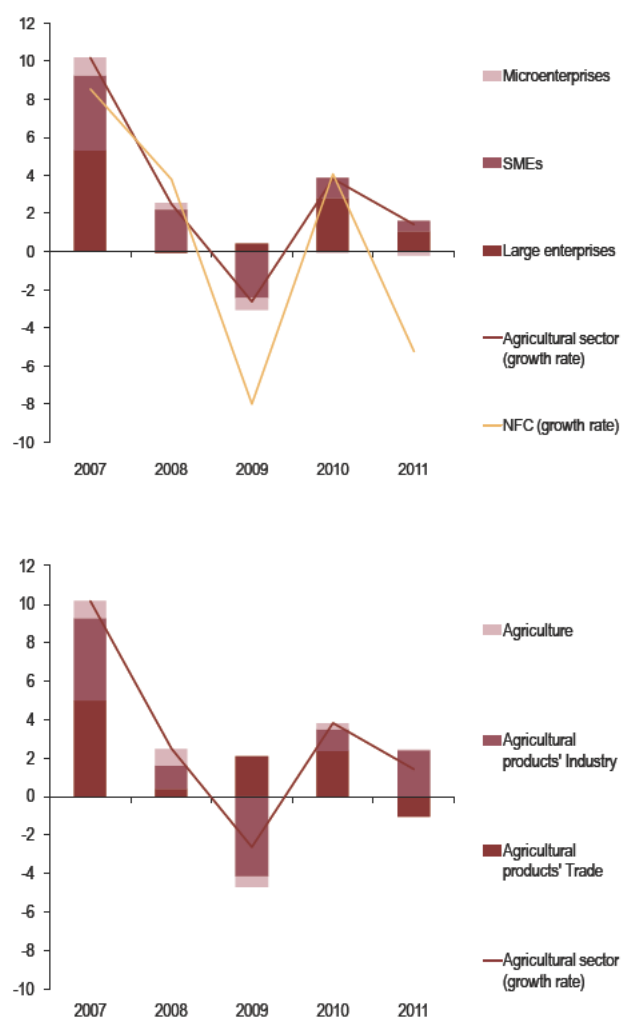
Turnover in the Agricultural sector continued to grow in 2011 (1%), comparing favourably with NFCs (-5%)

¹²For more information on economic activity developments in Portugal, please refer to Banco de Portugal's *Annual Report* as well as to the *Economic Bulletin* published quarterly. Both publications are available at <http://www.bportugal.pt>.

¹³Box 1: 'External market importance on the operating activity of Agricultural Sector's enterprises' provides additional information on the weight of the external market in the activities of enterprises in the sector.

Chart 7

TURNOVER | Annual growth rate (%) and contributions (p.p.)



Large enterprises (3%) and SMEs (1%) in the sector have contributed to this growth...

...as well as *Agricultural products' Industry* (5%)

The situation in most corporations was more favourable in the *Agricultural sector* than in NFCs as a whole

For the performance of the *Agricultural Sector*, the behaviour of its large enterprises was particularly relevant, given that they, as a whole, contributed 1 p.p. to the change in the sector (turnover in this class increased by 3%). This was followed by SMEs (contribution of 0.5 p.p., associated with 1% growth of turnover) whereas in microenterprises turnover declined by 2%.

By economic activity segment, the positive change registered by turnover in this sector was chiefly due to growth in *Agricultural products' Industry* (5%), which more than offset the 2% fall in *Agricultural products' Trade*. *Agriculture* had a marginal growth (1%).

At enterprise level (Chart 8), the analysis leads to the conclusion that the situation in the *Agricultural Sector* as a whole was more favourable than in NFCs as a whole. In effect, in 2011, the distribution of the rates of growth in enterprise turnover deteriorated more in NFCs than in the *Agricultural Sector*, and the median, for instance, declined by 7 p.p. in the former case and by only 2 p.p. in the latter.

Chart 8

TURNOVER | Quartile distribution of the annual growth rate and weighted average

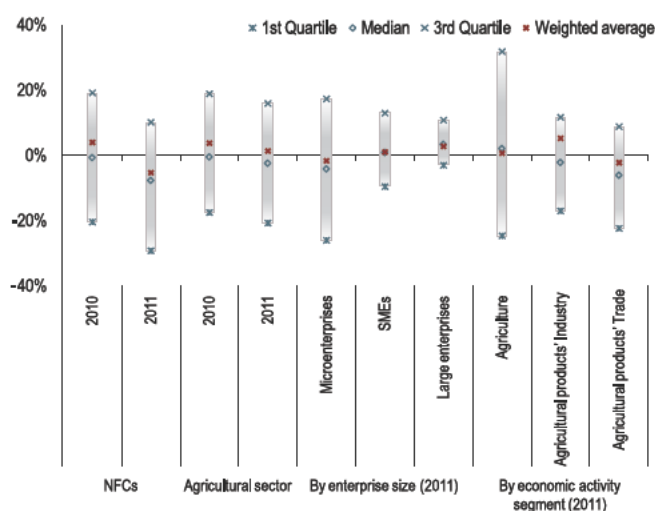


Chart 8 also shows high result dispersion in *Agriculture*, where more than half of the enterprises had an increase in turnover in 2011, and that the average growth of 5% in *Agricultural products' Industry* was the result of a small number of enterprises, given that activity declined in more than half of the enterprises in this segment.

3.2.2 Operating costs¹⁴

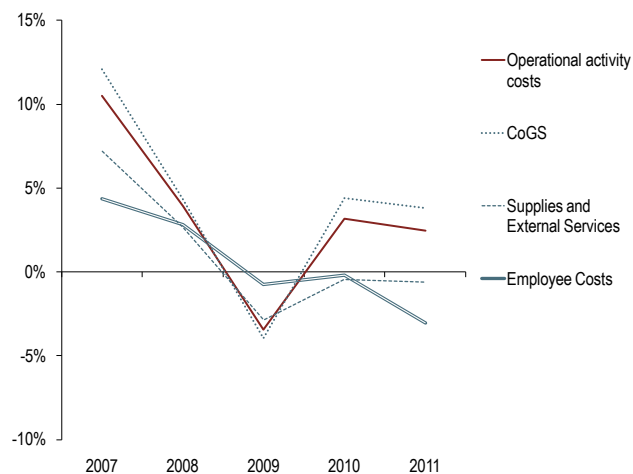
Agricultural Sector's operating costs followed turnover's trend, albeit at different levels. In 2011 they grew by 2%, i.e. twice as much as turnover in the sector. The analysis by cost component shows that this performance was essentially driven by the Cost of Goods Sold and Materials Consumed (CoGS), which increased by 4% from 2010. Indeed, this component was the main determinant of the aggregate developments on operating costs in the *Agricultural Sector* over the whole 2007-2011 period, and was even the sole component registering positive changes in 2010 and 2011 (Chart 9).

Operating costs increased by 2% in 2011, as a result of a 4% growth in CoGS

¹⁴The "operating costs" aggregate aims to draw a parallel with what the Official Chart of Accounts had defined as so, only aggregating the most relevant items of the previously established concept: Cost of Goods Sold and Materials Consumed (CoGS), Supplies and External Services and Employee Costs.

Chart 9

OPERATING COSTS | Annual growth rate



Employee costs declined more than the other components

CoGS represented 76% of operating activity costs in the *Agricultural sector*, whereas supplies and external services corresponded to 15% and employee costs to only 9%

Supplies and External Services and employee costs, in turn, decreased (by 1% and 3% respectively). In 2011, employee costs declined more than the other components for the first time in the period under review. This greater flexibility was in line with the evolution in the NFCs aggregate, where employee costs fell by 6% in 2011.

Agricultural Sector's operating costs' structure accounts for the strong impact of CoGS on the aggregate changes. In fact, in 2011, CoGS stood for 76% of operating costs in the *Agricultural Sector*, whereas Supplies and External Services corresponded to 15% and employee costs to only 9% (Table 5). When compared to NFCs, the *Agricultural Sector* reveals a greater share related with CoGS (+18 p.p.), which was offset by less relevance of both supplies and external services (-11 p.p.) and employee costs (-6 p.p.).

All enterprise size classes in the *Agricultural Sector* had roughly the same operating costs' structure, even though smaller enterprises (microenterprises and SMEs) had larger shares allocated to employee costs. Regarding *Agricultural Sector's* economic activity segments, Supplies and External Services and employee costs in *Agriculture* had a higher relative weight, similar to that of NFCs as a whole in Portugal (exceeding 40%), whereas in *Agricultural products' Trade* their combined weight stood at around 13%.

Table 5

OPERATING COSTS Annual growth rate and structure (in brackets) (2011)								
	By enterprise size:					By economic activity segment:		
	NFCs	Agricultural Sector	Microenterprises	SMEs	Large enterprises	Agriculture	Agricultural products' Industry	Agricultural products' Trade
Operating costs		2.5%	-0.8%	2.0%	4.2%	3.0%	7.7%	-2.2%
CoGS	-1.3% (59%)	3.8% (76%)	-1.1% (72%)	3.5% (78%)	5.8% (76%)	5.4% (57%)	10.9% (68%)	-1.1% (87%)
Supplies and external services	-8.5% (26%)	-0.6% (15%)	1.9% (17%)	-1.7% (13%)	-0.4% (17%)	0.8% (28%)	3.7% (20%)	-10.4% (8%)
Employee costs	-6.3% (15%)	-3.0% (9%)	-2.2% (11%)	-4.4% (10%)	-0.8% (7%)	-1.5% (15%)	-1.8% (13%)	-6.8% (5%)

In what relates to operating cost's growth rate, it should be mentioned it rose in parallel with enterprise size (-1% in microenterprises and 4% in large enterprises of the sector). By economic activity segment, a special note for the sharp increase in *Agricultural products' Industry* (8%), explained by strong growth of CoGS (11%), and for the decline in *Agricultural products' Trade* (2%), on account of all cost components. Finally, employee costs decreased in all size classes and economic activity segments.

Operating costs in *Agricultural products' Industry* increased considerably (8%), underpinned by growth of CoGS (11%)

BOX 1 - EXTERNAL MARKET IMPORTANCE ON THE OPERATING ACTIVITY OF AGRICULTURAL SECTOR'S ENTERPRISES

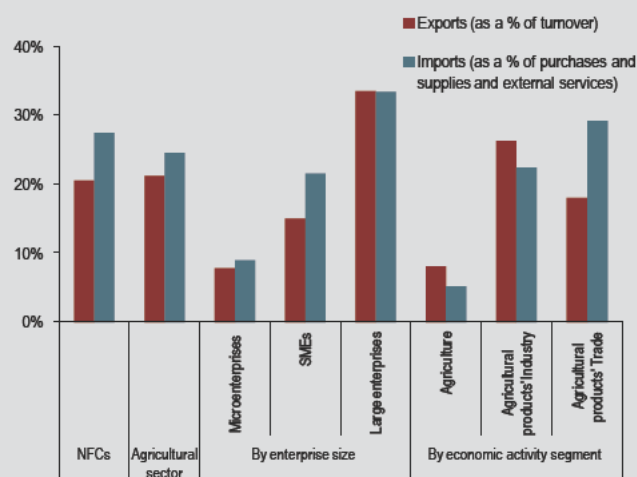
This Box evaluates the importance of the external market on the operating activity of *Agricultural Sector's* enterprises, based on data available in Banco de Portugal's Central Balance Sheet Database¹⁵.

Exports of goods and services in the *Agricultural Sector* declined by 5% in 2011. This contrasts with the evolution registered in NFCs as a whole (6% growth in 2011). Taking into account that turnover in the *Agricultural Sector* increased in 2011, even if marginally (1%), it may be concluded that the internal market gained importance in this activity, to the detriment of the external market (share in turnover of 21% in 2011, compared with 23% in 2010).

Chart 1.1 shows that in 2011 exports in the sector were lower, as a percentage of turnover, than imports, as a percentage of purchases and supplies and external services. However, this behaviour did not extend to all economic activity segments comprised within the *Agricultural Sector*.

Chart 1.1

EXPORTS AND IMPORTS OF GOODS AND SERVICES (2011)



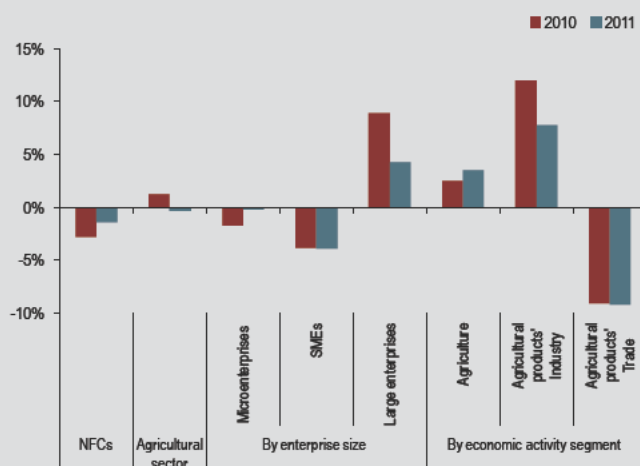
Similarly to the evolution registered in the NFC aggregate, the weight of exports in *Agricultural Sector's* turnover increased also in tandem with the enterprise's size: 8% in microenterprises, 15% in SMEs, and 34% in large enterprises, a situation similar to the one relating to the weight of imports in purchases and supplies and external services: 9%, 22%, and 33% respectively.

By economic activity segment, *Agricultural products' Industry* and *Agricultural products' Trade* registered the highest weights of the external market, both in turnover and purchases and supplies and external services. In turn, *Agriculture* was less open to the rest of the world, with the external market accounting for only 8% of turnover and 5% of purchases and supplies and external services.

¹⁵Data reported by enterprises within the scope of IES submissions regarding exports and imports of goods and services are subject to quality control by Banco de Portugal, especially through comparison with balance of payments data. Nevertheless, this control does not guarantee that final data from each enterprise in IES are fully coincident with corresponding data in international trade statistics.

Chart 1.2

BALANCE OF GOODS AND SERVICES TRANSACTIONS WITH THE EXTERNAL MARKETS (2010 AND 2011)



The balance of goods and services transactions with the external markets, as a percentage of turnover, reflects that, in 2011, imports in the *Agricultural Sector* exceeded exports by 0.3% of its turnover, representing a deterioration of the situation registered in 2010, when the external balance had been positive (net export balance equivalent to more than 1% of the sector's turnover) (Chart 1.2).

Large enterprises and the segments associated with *Agriculture* and *Agricultural products' Industry* obtained positive balances in their transactions with the abroad. From 2010 to 2011, however, only *Agriculture* grew in this indicator (+1 p.p.), given that *Agricultural products' Industry* and the large enterprise class had declines of 4 p.p. and 5 p.p., respectively. In 2011 SMEs and *Agricultural products' Trade* maintained the most negative external balances.

Agricultural sector's EBITDA declined by 13% in 2011

The decline in EBITDA was broadly based across all economic activity segments and size classes...

3.2.3 EBITDA¹⁶

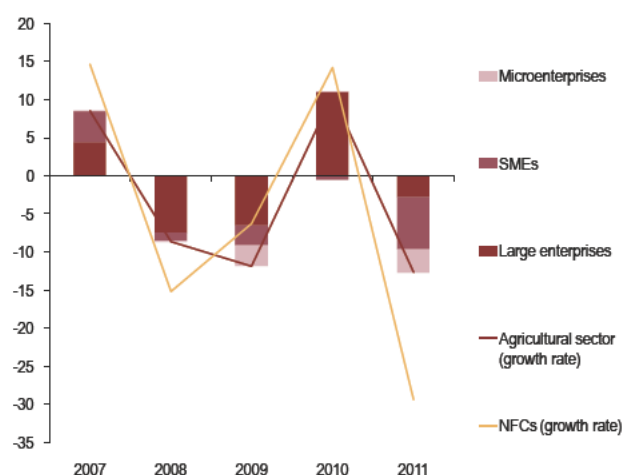
Agricultural Sector's EBITDA declined 13% in 2011, having grown 11% in 2010. However, the decline in 2011 in this sector compares favourably with NFCs performance (29%)¹⁷ (Chart 10). The expansion of operating activity costs in *Agricultural Sector's* enterprises accounted for 12 p.p. of the 13% fall in its EBITDA.

The decline in EBITDA was broadly based across all economic activity segments and size classes in the sector. Microenterprises registered a fall of 28% (3 p.p. contribution to the decline in the sector's EBITDA), but the largest negative contribution was that of SMEs (7 p.p.), with a 19% fall in the respective EBITDA. The contributions from economic activity segments were relatively balanced.

Finally, over the period under review, the behaviour of the *Agricultural Sector's* EBITDA was generally followed by the different size classes and economic activity segments, which showed positive evolutions in EBITDA boom periods and negative developments in contraction periods.

Chart 10

EBITDA | Annual growth rate (%) and contributions (p.p.)



...however, the rise in the number of enterprises with negative EBITDA was not significant (3 p.p. to 32%)

The analysis of individual data shows that, notwithstanding EBITDA's unfavourable developments in 2011, the rise in the number of enterprises with negative EBITDA was not expressive (around 3 p.p.), as seen in NFCs as a whole (Table 6). In 2011, 32% of *Agricultural Sector's* enterprises registered negative EBITDA, which compares with 37% in NFCs as a whole.

¹⁶ EBITDA stands for Earnings Before Interest, Taxes, Depreciation and Amortisation. It corresponds to profit and loss for the year plus costs related to interest, taxes, depreciation and amortisation.

¹⁷ The 29% decline in 2011 reflects not only the worst operational performance of NFCs last year, but also the strong growth of EBITDA in 2010 (14%), greatly influenced by revenue yielded by the sale of *Portugal Telecom's* stake in *Vivo*.

Table 6

EBITDA Weight of enterprises with negative EBITDA								
	By enterprise size					By economic activity segment		
	NFCs	Agricultural Sector	Micro-enterprises	SMEs	Large enterprises	Agriculture	Agricultural products' industry	Agricultural products' Trade
2010	33.3%	28.6%	31.8%	14.9%	8.7%	28.7%	28.3%	28.8%
2011	36.5%	32.0%	35.0%	18.4%	14.0%	31.2%	32.9%	31.9%

By enterprise size, the share of enterprises with negative EBITDA is smaller in larger size classes. In 2011, 35% of *Agricultural Sector's* microenterprises had negative EBITDA, whereas in large enterprises as a whole this share stood at 14%. This was nevertheless the class where this proportion increased more significantly (5 p.p., in 2011). In the different economic activity segments, this indicator was broadly balanced.

The share of enterprises with negative EBITDA was smaller in larger size classes (14% in large enterprises)

3.2.4 Return on equity¹⁸

In the 2007-2010 period, *Agricultural Sector's* return on equity followed the trend observed in NFCs, albeit at a lower level. In 2011, however, *Agricultural Sector's* profitability (4%) exceeded that of the NFCs aggregate in Portugal (3%), as a result of the lower contraction in the sector's return on equity (3 p.p.), when compared with NFCs as a whole (7 p.p. contraction) (Chart 11).

In 2011 the sector's return on equity (4%) exceeded that of NFCs (3%)

Chart 11

RETURN ON EQUITY



Agricultural Sector's return on equity grew in tandem with the enterprise size class. Therefore, in 2011 microenterprises' profitability was -5% (in the period under review, this group of enterprises only reached a positive profitability level in 2007), while in SMEs this indicator stood at 0.3% and in large enterprises it was close to 10%.

Return on equity grew in tandem with the enterprise size class ...

¹⁸ Return on equity was calculated as the year's total profit to equity ratio and measures return from equity invested by shareholders. As mentioned in Central Balance Sheet Study | 6, December 2011 – *New Enterprise and Sector Tables: Adjustment to the Accounting Standards System*, return on equity is derived from individual data only for enterprises with positive equity.

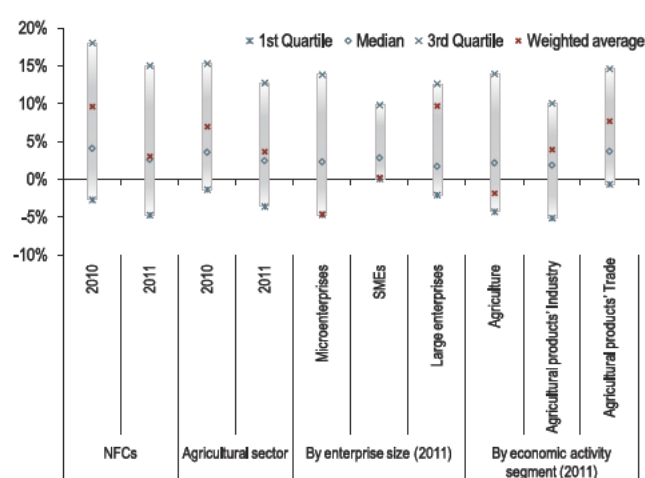
... while by economic activity segment *Agriculture's* return on equity (-2%) stood in contrast with *Agricultural products' Industry* (4%) and *Agricultural products' Trade* (8%).

This ratio shows similar developments when reviewing the economic activity segments which compose the *Agricultural Sector*, with return on equity in 2011 standing at -2% in *Agriculture*, 4% in *Agricultural products' Industry* and 8% in *Agricultural products' Trade*.

The quartile distribution of enterprises' profitability in the *Agricultural Sector* shows that the situation in the sector is much in line with that of the NFC aggregate. It also suggests that the difference between the central value (median) of the distribution (3%) and the weighted average of the observations (4%) has declined to 1 p.p. in 2011, after having reached 3 p.p. in 2010 (Chart 12). This result indicates that, in 2011, the median was less biased on account of extreme values, and was therefore more representative of the general situation of the enterprises in the sector.

Chart 12

RETURN ON EQUITY | Quartile distribution and weighted average



In spite of negative average profitability, most microenterprises submitted positive returns

The analysis of this distribution shows that most microenterprises and SMEs achieved positive profitability levels, even though the average profitability of those size classes had been negative and marginally nil, respectively. In the case of SMEs, the share of enterprises with positive return on equity exceeded 75%, with lower dispersion among enterprises' return within this class. In large enterprises, the high average profitability level resulted from the impact of a reduced group of enterprises, given that the profitability of half the enterprises in this size class was below 2%.

Higher average profitability in *Agricultural products' Trade* reflected the situation of most of the segments' enterprises

By economic activity segment, the enterprise profitability distribution in *Agricultural products' Trade* stood out, with higher values at the 1st quartile (-1%), median (4%) and 3rd quartile levels (15%), suggesting that the higher average profitability value, compared with the other activity segments in the *Agricultural Sector*, reflected the situation of most enterprises in the segment. In turn, the lower average level of *Agriculture's* profitability does not reflect lower returns of the enterprises in the segment, but rather low returns in a subgroup of relevant enterprises within that activity.

The share of enterprises with negative equity in the *Agricultural sector* (24%) was lower than in NFC's (27%)

Finally, return on equity was only calculated, in individual terms, for the enterprises with positive equity, implying that, in the case of the *Agricultural Sector*, 24% of the enterprises were excluded in 2011. This proportion grew 1 p.p. from 2010, but was nevertheless lower than in the NFCs aggregate in Portugal (27%).

In 2011, by enterprise size within the *Agricultural Sector*, insufficient equity levels occurred in 27% of microenterprises and 10% of SMEs. No large enterprise was faced with such situation. Regarding economic activity segments, negative equity was found in 25% of the enterprises in *Agricultural products' Industry* and *Agricultural products' Trade*, whereas in *Agriculture* that share dropped to 23%.

3.3 Financial situation

3.3.1 Financial structure

According to Central Balance Sheet Database data, *Agricultural Sector's* capital ratio reached 37% in 2011 (+1 p.p. from 2010), above the 33% level in the NFC aggregate. Chart 13 shows that results were slightly more varied among the enterprises in the sector in 2011, as result of both an increase in value in the 3rd quartile and a decline in value in the 1st quartile. Therefore, the interquartile range of the enterprise capital ratio in the sector rose from 52 p.p. in 2010 to 55 p.p. in 2011, while the median remained at 25%.

The capital ratio in the sector (37%) was higher than in the NFC aggregate (33%).

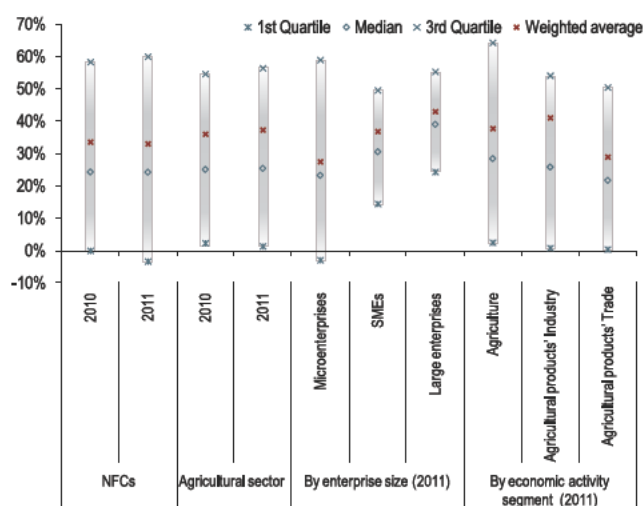
In 2011, on average, the capital ratio of most enterprises in the *Agricultural Sector* grew in tandem with the enterprise size class (at the average value and median level). In turn, the wider value dispersion in microenterprises is notorious.

By economic activity segment, on average, *Agricultural products' Industry* had the highest capital ratio level (41%) and *Agricultural products' Trade* the lowest (29%). The analysis of the enterprise ratio distribution, however, shows that all *Agriculture* quartiles are higher, indicating that most enterprises operating in this activity have higher capital ratio levels.

Agricultural products' Industry had the highest capital ratio level (41%) and *Agricultural products' Trade* the lowest (29%).

Chart 13

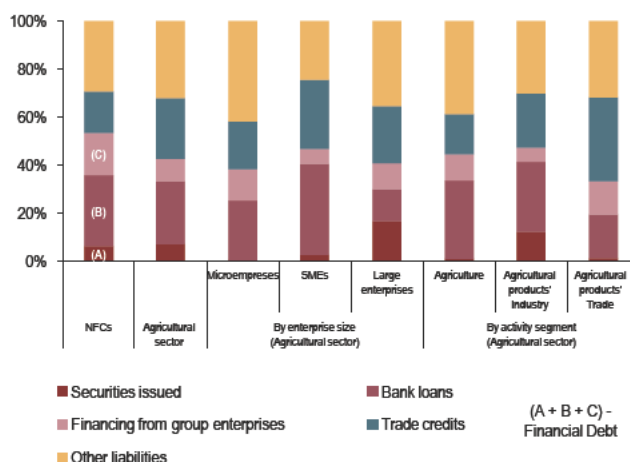
CAPITAL RATIO | Quartile distribution and weighted average



Considering the median value of the enterprise capital ratio distribution in the *Agricultural Sector* (25%), at least 75% of the assets in half of the enterprises in the sector were financed by debt. A more detailed analysis of this component shows that in 2011 financial debt and trade credit represented, as a whole, 68% of liabilities in the *Agricultural Sector*, slightly less than in the NFCs aggregate, where the weight of these items reached 71% (Chart 14). However, trade credit was more relevant in the *Agricultural Sector* (25%) than in NFCs (17%), while bank loans showed the opposite trend (27%, compared with 30%).

Chart 14

LIABILITIES STRUCTURE (2011)



Note: Financial debt refers to the set of interest bearing debt obtained through issuing debt securities, debt from banks and debt from group companies. The analysis excludes liabilities' components considered eminently related with accounting procedures, such as deferrals and provisions. Thus, 'Other liabilities' includes debt to the Public Administration and other public entities, debt to shareholders and other current liabilities and accounts payable.

Bank loans were a relevant financing source in all size classes, even though they were outperformed by debt securities in large enterprises

The relative importance of each of these sources of funding differed somewhat among the various size classes and economic activity segments. Bank loans¹⁹ were a relevant source of funding in all size classes, although revealing a smaller weight in large enterprises (13%), outperformed only by debt securities (17%). By economic activity segments, the weight of trade credit in *Agricultural products' Trade* stood out (35%) surpassing bank loans in what relates to external sources of funding. Finally, the issue of debt securities²⁰ was only notable in *Agricultural products' Industry*.

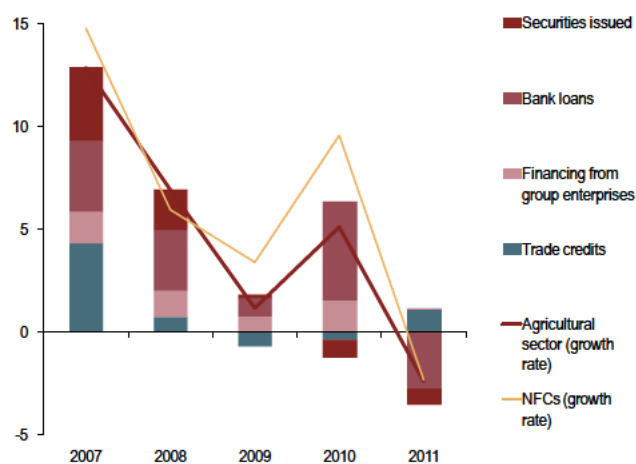
The evolution of financial debt and trade credits in the *Agricultural Sector* followed the same trend observed in total NFCs (2% fall) (Chart 15). In both aggregates, bank loans accounted for a significant share of that decrease (-3 p.p. in the *Agricultural Sector* and in total NFCs), but in the *Agricultural Sector* trade credit did partly offset the fall (1 p.p. positive contribution), in contrast with the NFCs aggregate (-1 p.p. contribution). The decline in bank loans in 2011 should be emphasised since in preceding years this component always contributed positively.

¹⁹Box 2: 'Loans from resident credit institutions – characterisation based on the Central Credit Register' provides additional information on this financing source.

²⁰Box 3: 'Credit obtained through debt securities issues – characterisation based on the Securities Statistics Integrated System' provides additional information on this financing source.

Chart 15

EVOLUTION OF FINANCIAL DEBT AND TRADE CREDIT | Annual growth rate (%) and contributions (p.p.)



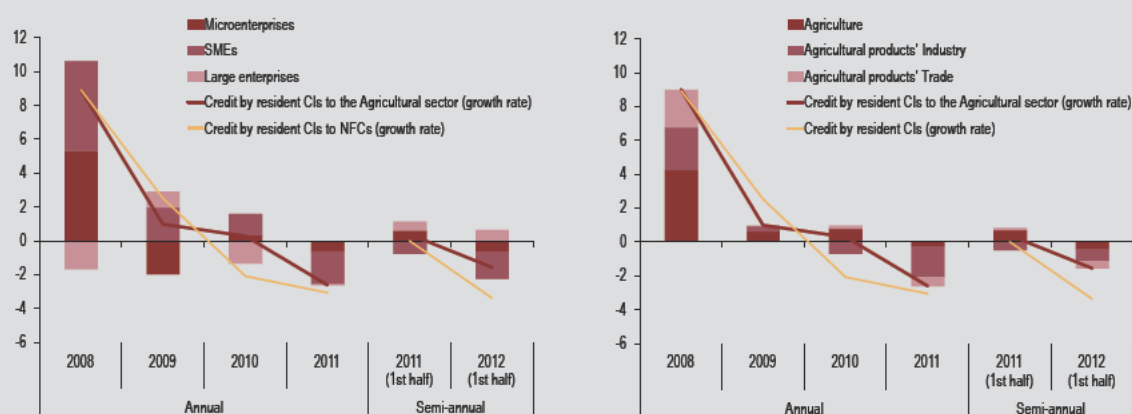
BOX 2 - LOANS FROM RESIDENT CREDIT INSTITUTIONS – CHARACTERISATION BASED ON THE CENTRAL CREDIT REGISTER²¹

Loans obtained from credit institutions (CI) were one of the *Agricultural Sector's* main financial debt components (62%). Based on information available in Banco de Portugal's Central Credit Register, this Box presents an analysis of the component related to loans from CI²² resident in Portugal. In 2011 68% of the sector's enterprises had loans from resident CI.

Credit granted to the *Agricultural Sector* has followed, in general, the trend observed for the NFCs aggregate in Portugal. Credit to the sector, however, only started to decline in 2011, whereas in the Portuguese enterprise's aggregate it had already declined in 2010 (Chart 2.1). At the end of the first half of 2012 loans obtained by enterprises in the *Agricultural Sector* from resident CI had declined by 2% from 2011. This evolution followed an annual decrease of 3% at the end of 2011.

Chart 2.1

EVOLUTION OF CREDIT FROM RESIDENT CREDIT INSTITUTIONS | Growth rate (%) and contributions (p.p.) – values at end of period



By enterprise size, in spite of a credit retrenchment in all classes, the main contribution to the variation registered in 2011 in this sector was given by SMEs, with an annual rate of change of -3%. In the first half of 2012, while the amounts of bank loans to microenterprises and SMEs continued to decline, large enterprises reversed the trend and their credit increased 5% from the end of 2011.

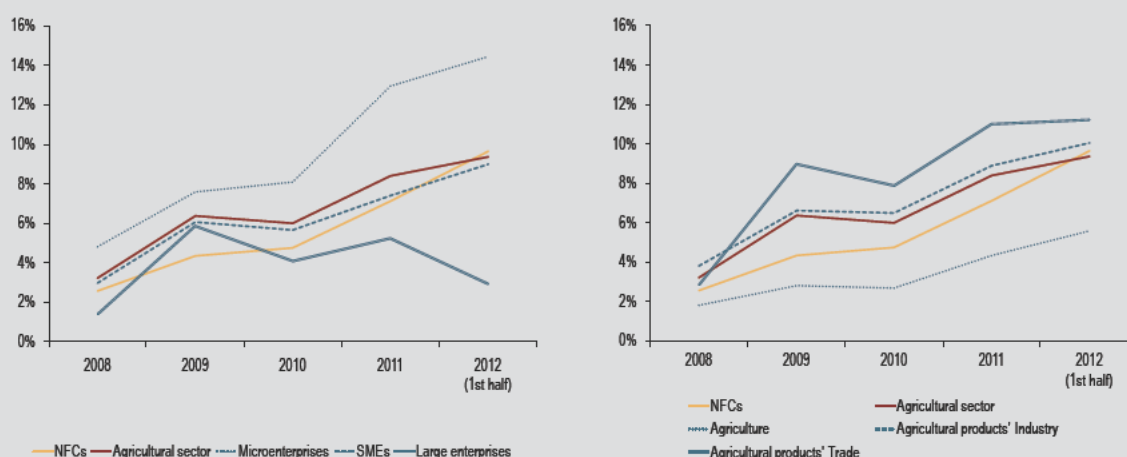
By economic activity segment, all activities have contributed negatively to *Agricultural Sector's* loans' evolution. *Agricultural products' Industry* had the largest credit contraction (3%) at the end of 2011, compared with the end of 2010, which, allied with the fact that this activity aggregated around half the loans granted to the *Agricultural Sector* at the end of 2011, made it responsible for 72% of the decline in credit to the sector. At the end of the first half of 2012, loans maintained their decreasing trend in all economic activity segments, and their contribution to the aggregate development of the *Agricultural Sector* was more balanced.

²¹ The Central Credit Register is a database managed by Banco de Portugal, which gathers information provided by participating entities (credit-granting resident institutions) regarding credit granted. For further information, please refer to Supplement 1|2005 to Banco de Portugal's Statistical Bulletin, *A New Source for Monetary and Financial Statistics: the Central Credit Register*.

²² These include banks, savings banks and mutual agricultural credit banks (generically called 'banks' in this Study), as well as factoring enterprises, credit-purchase financing companies and leasing companies. Over 95% of credit granted by resident CI to NFCs in 2011 came from banks.

Chart 2.2

NON-PERFORMING LOANS RATIOS (at end of period)



Concerning non-performing indicators, at the end of the first half of 2012, *Agricultural Sector's* non-performing loans ratio²³ (9%) was below the one registered by NFCs (10%) for the first time in the period under review (Chart 2.2).

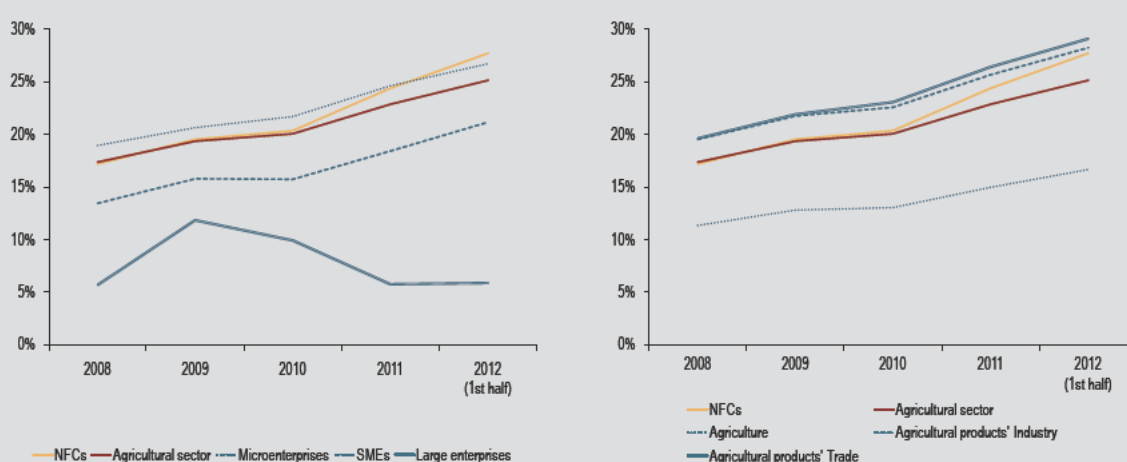
This was due to the behaviour of large enterprises, where the non-performing loans ratio declined considerably. In effect, at the end of the first half of 2012, the ratio dropped to 3%, compared with 5% at the end of 2011 and 6% at the end of 2009.

By economic activity segment, at the end of first half of 2012, the non-performing loans ratios in *Agricultural products' Trade* and *Agricultural products' Industry* were 11% and 10% respectively, while in Agriculture this ratio was below 6%. Compared with the end of 2011, *Agricultural products' Industry* and *Agriculture* had the worst deterioration (1 p.p. increase each).

A quarter of the enterprises receiving loans from resident CI contributed to *Agricultural Sector's* non-performing loans ratio at the end of the first half of 2012, which compares with 23% at the end of 2011 and 17% at the end of 2008 (Chart 2.3). In NFCs as a whole, this share was 28% at the end of the first half of 2012 and 24% at the end of 2011.

Chart 2.3

NON-PERFORMING ENTERPRISES (at end of period)



²³The non-performing loans ratio is based on information on credit granted by resident CI in the Central Credit Register of Banco de Portugal, by calculating the ratio of the amount of credit overdue to total credit obtained. Credit is deemed to be overdue when the respective repayments are not paid on the due payment dates. Credit customers may be in default as regards the principal and/or interest and other expenditure. In the case of principal this is deemed to have taken place once the maximum period of 30 days after maturity has elapsed without settlement; and in the case of interest and other expenses, once the due date for settlement has passed.

Microenterprise class was the segment with the highest percentage of enterprises in default (27% at the end of the first half of 2012), while large enterprises were at the other end of the spectrum (6%). It should be noted that the percentage of enterprises with non-performing loans in microenterprises and SMEs has been growing, whereas in large enterprises, by contrast, it has been declining since 2009, when it had reached 12%.

By economic activity segment, 29% of the enterprises in *Agricultural products' Trade* and 28% of the enterprises in *Agricultural products' Industry* had non-performing loans at the end of the first half of 2012. Regarding *Agriculture*, that percentage was of 17%. The trend of this ratio has been similar in the different activities, but in the 2010-2012 period its growth was smaller than in the NFCs aggregate.

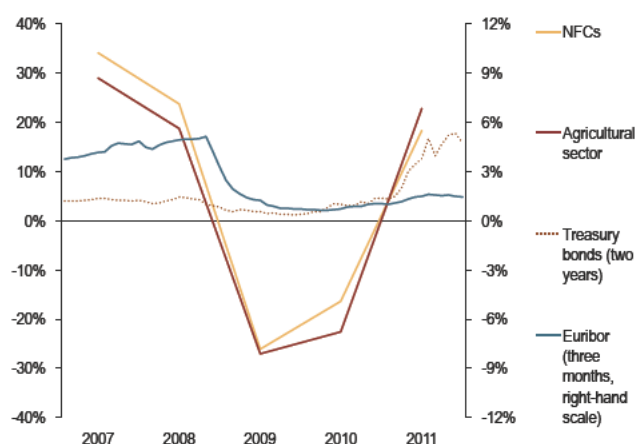
3.3.2 Financial costs and solvency

In 2011 enterprise financing costs reflected the effects of the sovereign debt crisis in the euro area, and interests paid increased by 23% in the *Agricultural Sector*, compared with 18% in the NFCs aggregate (Chart 16).

The rise in interests paid in the sector was particularly notorious in large enterprises (44%) and SMEs (19%), but in microenterprises it reached only 1%. By economic activity segment, the worsening in interests paid was broadly based. Nevertheless, the highest growth occurred in *Agricultural products' Trade* (43%) and the lowest in *Agriculture* (11%).

Chart 16

INTERESTS PAID | Annual growth rate and market interest rates



Interests paid grew 23% in the *Agricultural Sector* and 18% in the NFC aggregate ...

... which was particularly noteworthy in large enterprises (44%) and SMEs (19%)

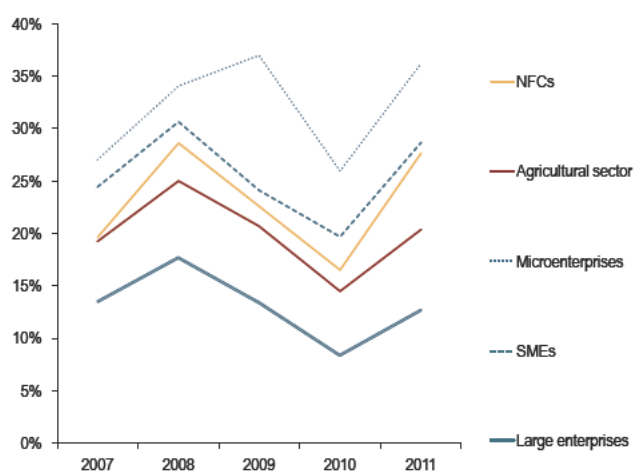
Over the whole period under review, financial pressure was smaller on the *Agricultural Sector* than on the NFCs aggregate (Chart 17). In 2011 approximately 20% of EBITDA generated by the sector was used for interest payments, while in the NFCs aggregate that percentage was 28%. This reflects an 11 p.p. increase from 2010 in the NFCs aggregate, and of only 6 p.p. in the *Agricultural Sector*. The smaller decline in EBITDA in the sector under review contributed to that difference.

By size class, microenterprises revealed the highest financial pressure in the *Agricultural Sector*, where interests paid in 2011 consumed 36% of the respective EBITDA (26% in 2010). This was due not only to the increase in interests paid, but especially to the deterioration in EBITDA in this set of enterprises. Large enterprises, in turn, had the highest percentage of interests covered by EBITDA during the whole period under review (13% in 2011), standing even below the sector's average (20%) and the NFCs aggregate (28%).

Financial pressure was smaller on the *Agricultural sector* (20%) than on the NFC aggregate (28%), and increased 6 p.p. from 2010 (11 p.p. in NFCs as a whole)

Chart 17

WEIGHT OF INTERESTS IN EBITDA



By economic activity segment, only in *Agricultural products' Industry* was the financial pressure level lower than in the *Agricultural Sector* as a whole (18%, compared with 20%). In *Agriculture* and *Agricultural products' Trade* financial pressure reached 31% and 23% respectively, increasing in both cases 10 p.p. from 2010 (4 p.p. in *Agricultural products' Industry*).

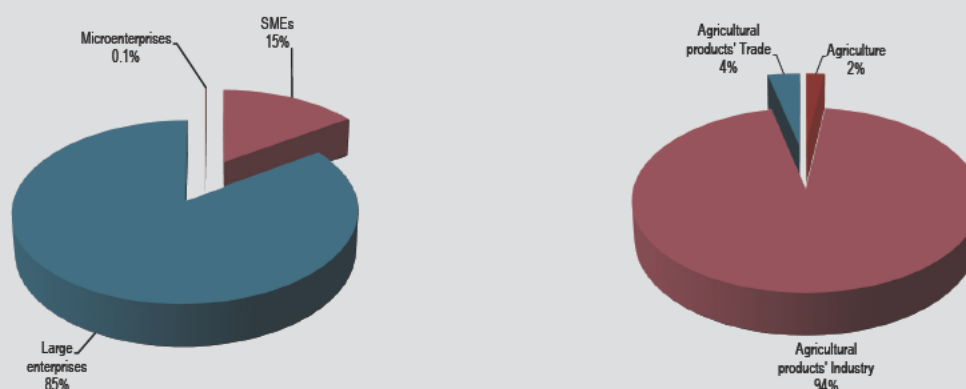
BOX 3 - CREDIT OBTAINED THROUGH DEBT SECURITIES ISSUES – CHARACTERISATION BASED ON THE SECURITIES STATISTICS INTEGRATED SYSTEM²⁴

Financing obtained through debt securities issues in the *Agricultural Sector* represented 16% of its financial debt and 76% of its total liabilities in 2011, compared with 11% and 6% respectively in the NFCs aggregate. Based on information available at Banco de Portugal's Securities Statistics Integrated System this Box offers a brief description of this source of funding, with a focus on the most recent information for the first half of 2012.

The total amount of debt securities financing obtained by enterprises in the *Agricultural Sector* reached EUR 2 billion at the end of June 2012, a decline of 1% from the end of 2011 and of 8% from the end of 2010. This was mainly due to large enterprises (negative variation of 6% from the end of 2010), which in June 2012 accounted for 85% of securities issued by the sector (Chart 3.1) By economic activity segment, credit through debt securities was almost exclusively obtained by *Agricultural products' Industry* (94% at the end of the first half of 2012).

Chart 3.1

DEBT SECURITIES ISSUES (position at the end of the first half of 2012)



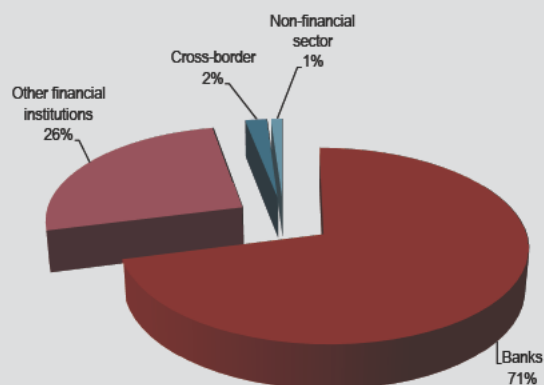
In what concerns securities' maturity in the *Agricultural Sector*, their distribution was rather balanced, although short-term issues stood out slightly (52%). Nevertheless, in lower size classes (microenterprises and SMEs), shorter maturities were prominent, with short term dominating broadly the whole stock of debt securities issued by these size classes at the end of the first half of 2012. Considering the economic activity segments which compose the *Agricultural Sector*, at the end of the first half of 2012, there was a clear preference for short-term issues in *Agriculture* (94%) and *Agricultural products' Trade* (100%), while in *Agricultural products' Industry* the breakdown by maturity was balanced.

The analysis of debt securities holders, which offers an insight into which sectors granted financing to *Agricultural Sector* enterprises through this means, reveals that, at the end of June 2012, 71% of the securities issued by *Agricultural Sector* enterprises were held by the resident banking system, while other financial institutions held a percentage of 26% (Chart 3.2).

²⁴ The Securities Statistics Integrated System is an information system managed by Banco de Portugal relating to securities issues and portfolios, on a 'security-by-security' and 'investor-by-investor' basis. For further information, please refer to Supplement 2/2008 to Banco de Portugal's Statistical Bulletin, *Securities Statistics: Integrated System Features and Main Results*.

Chart 3.2

DEBT SECURITIES HOLDERS (structure at the end of the first half of 2012)



In the 2007-2010 period, the resident banking system raised its exposure to debt securities issued by enterprises in the *Agricultural Sector*, and held up to 75% of the debt securities issued by these enterprises at the end of 2010 (43% in 2007). Since 2010, there has been an increase in relevance in other financial institutions (24% in 2010).

3.3.3 Trade credit financing

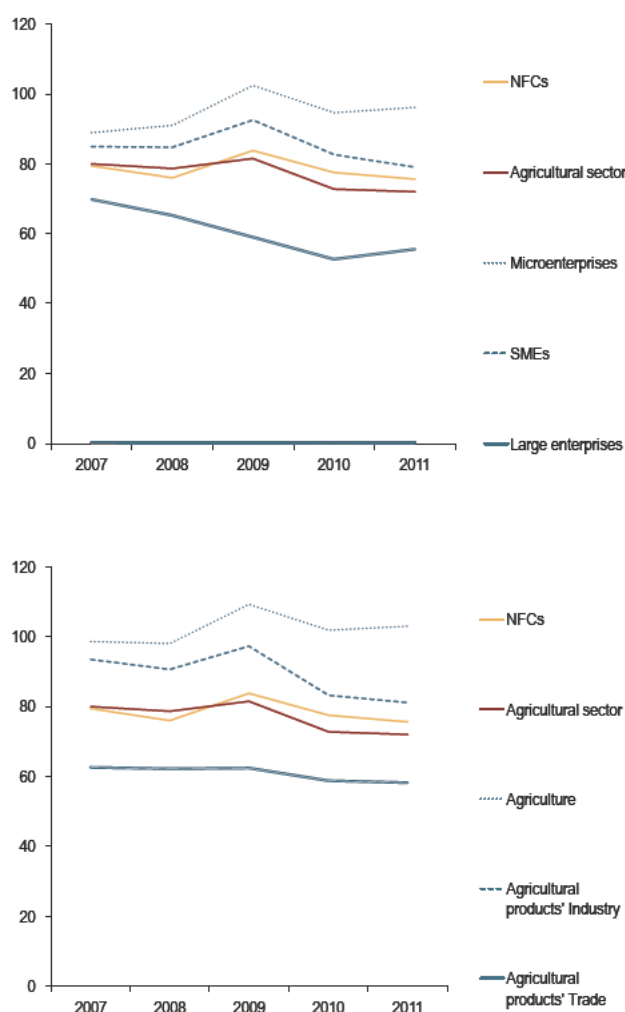
Trade credit financing in the *Agricultural Sector* increased by 3% in 2011, representing 25% of liabilities in the sector (23% in 2010). In NFCs as a whole, trade credit represented 17% of the liabilities and contracted by 5% in 2011.

The average days sales and payable outstanding declined in 2011 in both the *Agricultural Sector* and the NFCs aggregate. *Agricultural Sector's* average days sales outstanding of the *Agricultural Sector* stood at 72 days (1 day less than in 2010) and average days payable outstanding at 70 days (less than 1 day decline). These maturities were shorter than in total NFCs by 4 and 14 days respectively, in both days sales outstanding and days payable outstanding (Charts 18 and 19).

Trade credits represented 25% of liabilities in the *Agricultural sector*. Average days payable and sales outstanding in the sector declined in 2011.

Chart 18

DAYS SALES OUTSTANDING | Days



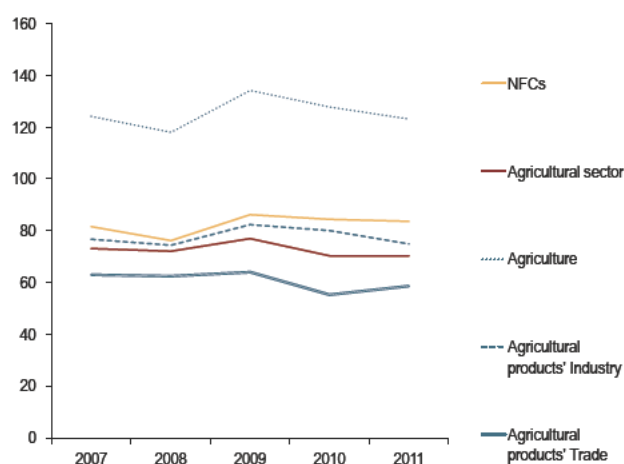
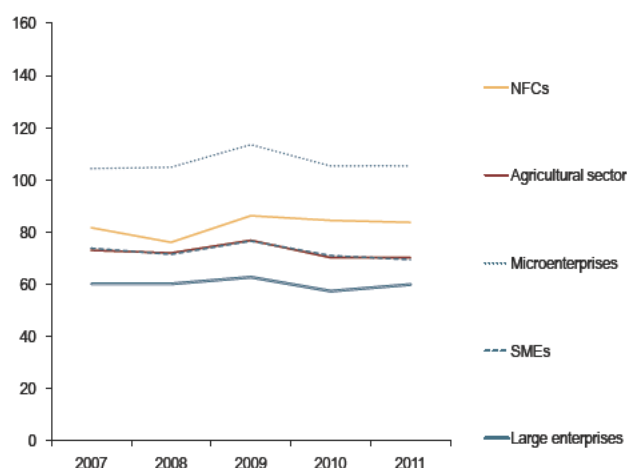
Microenterprises in the *Agricultural Sector* maintained the highest average days sales outstanding (96 days in 2011), followed by SMEs (79 days, but 4 days lower than in 2010). Large enterprises of the sector had the next lowest average days sales outstanding (56 days in 2011). In what concerns average days payable outstanding, large enterprises maintained the lowest value (60 days in 2011, 57 days in 2010).

SMEs was the single class where average days payable outstanding were lower than average days sales outstanding

In 2011 average days payable outstanding in SMEs and microenterprises reached 105 days and 69 days respectively (similarly to 2010 in what regards microenterprises, but 2 days lower in SMEs). Nonetheless, in the *Agricultural Sector* SMEs stood out since they were the single size class with lower average days payable outstanding than the respective average days sales outstanding.

Chart 19

DAYS PAYABLE OUTSTANDING | Days



By economic activity segment, only *Agriculture* had a significant differential, with payments being made, on average, 20 days after sales were received

By economic activity segment, *Agriculture* had the highest average days sales outstanding (103 days in 2011), and *Agricultural products' Trade* had the lowest (58 days in 2011). Average days sales outstanding of *Agricultural products' Industry* reached 81 days in 2011. In what relates to average days payable outstanding, *Agriculture* and *Agricultural products' Industry*, when compared with the *Agricultural Sector* as a whole, showed higher values in 2011 (123 days and 75 days respectively in 2011, compared with 128 days and 80 days in 2010). There was however a significant differential between both periods in *Agriculture*, where days payable fell on average 20 days after days sales. Average days payable outstanding in *Agricultural products' Trade* was 59 days.

Days sales and payable outstanding indicators shed light on the time delay of receivables and payables in enterprises' trade credit. However, in order to evaluate whether enterprises finance themselves through this type of credit, a net indicator of trade credit financing was calculated.

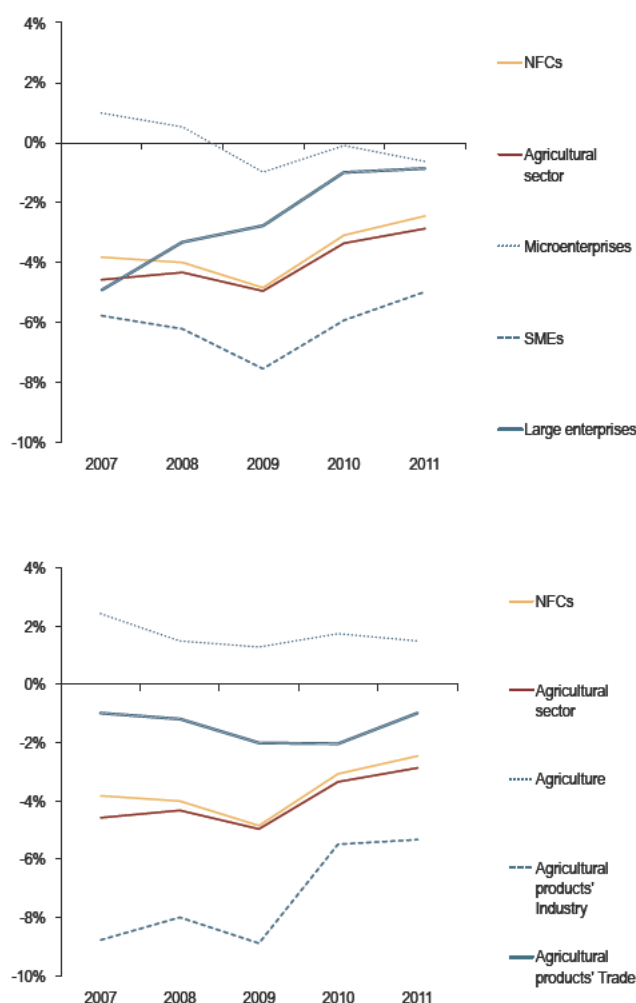
For the purpose of this Study, the calculated indicator compares the differential between accounts payable and accounts receivable versus turnover (Chart 20). A positive value in this indicator implies accounts payable are higher than the accounts receivable, i.e. the enterprise is being financed through its suppliers; a negative value indicates that accounts receivable are higher than the accounts payable and thus the enterprise is financing its clients.

Therefore, based on the net indicator, it can be concluded that the *Agricultural Sector* could not be financed through trade credit, such as NFCs as a whole in Portugal. In 2011 net financing through trade credit, as a percentage of turnover, corresponded to -3% in the *Agricultural Sector* (-2% in NFCs). The size classes with the less negative values were microenterprises and large enterprises in the sector (-1% in 2011 for both classes). By economic activity segment, only *Agriculture* systematically had a situation of actual financing through trade credit (equivalent to 1% of turnover in 2011). At the other end was *Agricultural products' Industry*, with net financing as a percentage of turnover of -5%. Nevertheless, in recent years, all aggregates in the *Agricultural Sector*, except microenterprises, have shown a favourable evolution of their in the net trade credit financing indicator.

In net terms, the *Agricultural Sector* could not be financed through trade credits, with the exception of the *Agriculture* segment

Chart 20

NET TRADE CREDIT FINANCING | As a % of turnover



Note: Net trade credit financing was calculated through the differential between the accounts payable and the accounts receivable (accounts payable minus accounts receivable).

Annex

MAIN INDICATORS OF THE AGRICULTURAL SECTOR (2011)

	Characterisation of the sector		Activity		Financing				Profitability	
	Turnover held by large enterprises	Turnover held by 10% of the largest enterprises	Growth rates		Growth rates		Net trade credit financing (% of turnover)	Weight of interests paid in EBITDA	Loans obtained from resident CI (June 2012)	
			Turnover	EBITDA	Capital ratio	Trade credits	Bank loans		% of non-performing enterprises	Non-performing loans ratio
NFCs	45%	89%	-5%	-29%	33%	-5%	-8%	-2%	28%	10%
Agricultural sector	39%	88%	1%	-13%	37%	3%	-7%	-3%	20%	9%
Agriculture	6%	73%	1%	-27%	38%	1%	-5%	1%	31%	6%
Agricultural products' Industry	47%	89%	5%	-9%	41%	3%	-5%	-5%	18%	10%
Agricultural products' Trade	34%	84%	-2%	-14%	29%	4%	-14%	-1%	23%	11%
										8%

Weight of the Agricultural sector				
Number of enterprises		Turnover		Number of employees
2001	2011	2001	2011	2011
8%	8%	14%	13%	10%
NFCs				9%

METHODOLOGICAL SUMMARY

Capital ratio: Ratio between equity and total assets.

EBITDA (Earnings before interest, taxes, depreciation and amortisation): The new accounting standard (SNC - *Sistema de Normalização Contabilística* - Accounting Normalisation System) ended the concept of extraordinary expenses and revenues, and also stopped allowing unambiguous identification of financial components. Thus the decision was taken to use the EBITDA definition as under the Accounting Normalisation System, adjusting the data reported under the old standard (POC - *Plano Oficial de Contabilidade* - Official Chart of Accounts) where possible, for the 2006-2009 period.

Quartile distribution: In order to calculate quartiles, the enterprise values for the indicator under analysis are considered in ascending order. The first quartile corresponds to the value of the enterprise in the position corresponding to 25% of the ordered sample (i.e. where 25% of enterprises show a lower value for that indicator and 75% a higher value). The second quartile (or median) corresponds to 50%, i.e. the indicator value for this enterprise divides the breakdown into two halves, where one half of the enterprises show a higher value and the other half a lower value. The third quartile corresponds to the 75% position of the ordered sample (75% of enterprises show a lower value for that indicator, and only 25% show a higher value). The interquartile range (obtained as the difference between the third and first quartiles) provides an indication of distribution dispersion. For further details on the calculation of these statistical measures, please refer to the Central Balance Sheet Study | 6, December 2011 – *New Enterprise and Sector Tables: Adjustment to the Accounting Standards System*.

Return on equity: Ratio between net income for the year and equity. As both items (numerator and denominator) may be positive or negative, at individual level, the indicator is only calculated in situations where equity is positive.

Sector of economic activity: The enterprises classified in Sections O – *Public administration and defence; Compulsory social security*, T – *Activities of households as employers; Undifferentiated goods- and services-producing activities of households for own use* and U – *Activities of extraterritorial organisations and bodies* in CAE-Rev.3, were excluded from this analysis as they do not fall within the NFC institutional sector. Also excluded were enterprises in Section K – *Financial and insurance activities* which groups together non-financial holding enterprises (with the SGPS denomination) not involved in subsidiary management, which, despite still belonging to the NFC sector (as regulated under ESA 95), were not analysed in this *Study* due to their very specific characteristics that set them apart from other NFCs.

For the purpose of this *Study*, the definition of *Agricultural Sector* includes the enterprises in Divisions 01 – *Agriculture, hunting and related service activities* and 02 – *Forestry and logging* of CAE-Rev.3 (generally referred to as *Agriculture*), the enterprises related to *Agricultural products' Industry* (enterprises associated with Section C – *Manufacturing* of CAE-Rev.3 which are directly related to *Agriculture*) and *Agricultural products' Trade* (enterprises performing activities related to Section G – *Wholesale and retail trade; repair of motor vehicles and motorcycles* of CAE-Rev.3 which are directly related to *Agriculture*).

Size of enterprise: enterprises were grouped into three classes: microenterprises, small and medium-sized enterprises (SMEs) and large enterprises. The criteria for this classification were taken from the European Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises. According to this Recommendation, microenterprises are defined as enterprises which employ fewer than ten persons and whose annual turnover and/or balance sheet total does not exceed EUR 2 million. For the purpose of this *Study*, small and medium-sized enterprises (SMEs) exclude microenterprises, employ fewer than 250 people and have an annual turnover between EUR 2 million and EUR 50 million and/or an annual balance sheet total between EUR 2 million and EUR 43 million. Large enterprises are any enterprises which are not classified above.

Table A1 presents additional details at the level of the subclasses, classes, groups and divisions which compose the *Agricultural Sector* under review in this *Study*.

Table A1 (to be continued)

COMPOSITION OF THE AGRICULTURAL SECTOR		
Economic activity segment	CAE (Rev.3)	Name
Agriculture	01	Crop and animal production, hunting and related service activities
	02	Forestry and logging
Agricultural products' Industry	101	Processing and preserving of meat and production of meat products
	103	Processing and preserving of fruit and vegetables
	104	Manufacture of vegetable and animal oils and fats
	1051	Operation of dairies and cheese making
	106	Manufacture of grain mill products, starches and starch products
	107	Manufacture of bakery and farinaceous products
	108	Manufacture of other food products
	10911	Manufacture of premixes
	10912	Manufacture of prepared feeds for farm animals (except for fish farming)
	1092	Manufacture of prepared pet foods
	1101	Distilling, rectifying and blending of spirits
	1102	Manufacture of wine from grape
	1103	Manufacture of cider and other fruit wines
	1104	Manufacture of other non-distilled fermented beverages
	1105	Manufacture of beer
	1106	Manufacture of malt
	11072	Manufacture of soft drinks and other non-alcoholic beverages
	12	Manufacture of tobacco products
	131	Preparation and spinning of textile fibres
	132	Weaving of textiles
	151	Tanning and dressing of leather; manufacture of luggage, handbags and the like, saddlery and harness
	16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
	171	Manufacture of pulp, paper and paperboard
	1721	Manufacture of corrugated paper and paperboard and of containers of paper and paperboard
	1722	Manufacture of household and sanitary goods and of toilet requisites
	1723	Manufacture of paper stationery
	1729	Manufacture of other articles of paper and paperboard
	20141	Manufacture of resinoids and its derivatives

Table A1 (continued)

COMPOSITION OF THE AGRICULTURAL SECTOR		
Economic activity segment	CAE (Rev. 3)	Name
Agricultural products' Trade	4611	Agents involved in the sale of agricultural raw materials, live animals, textile raw materials and semi-finished goods
	46212	Wholesale of unmanufactured tobacco
	46213	Wholesale of cork in rough
	46214	Wholesale of grains, seeds, oleaginous fruits and other agricultural raw materials
	4622	Wholesale of flowers and plants
	4623	Wholesale of live animals
	4624	Wholesale of hides, skins and leather
	4631	Wholesale of fruit and vegetables
	4632	Wholesale of meat and meat products
	4633	Wholesale of dairy produce, eggs and edible oils and fats
	4634	Wholesale of beverages
	4635	Wholesale of tobacco products
	4636	Wholesale of sugar and chocolate and sugar confectionery
	4637	Wholesale of coffee, tea, cocoa and spices
	46382	Wholesale of other food products, n.e.c..
	4639	Non-specialised wholesale of food, beverages and tobacco
	4721	Retail sale of fruit and vegetables in specialised stores
	47761	Retail sale of flowers, plants, seeds and fertilizers in specialised stores



REFERENCES

[1] **Banco de Portugal (2005)**, *A New Source for Monetary and Financial Statistics: the Central Credit Register*, Supplement 1/2005 to the Statistical Bulletin, April 2005.

<http://www.bportugal.pt/en-US/Estatisticas/PublicacoesEstatisticas/Tumbnails%20List%20Template/sup-be-1-2005-en.pdf>

[2] **Banco de Portugal (2005)**, *Statistics on Non-Financial Corporations from the Central Balance Sheet Database*, Supplement 5/2005 to the Statistical Bulletin, December 2005.

<http://www.bportugal.pt/en-US/Estatisticas/PublicacoesEstatisticas/Tumbnails%20List%20Template/sup-be-5-2005-en.pdf>

[3] **Banco de Portugal (2008)**, *Simplified reporting: Inclusion of Simplified Corporate Information in the Statistics on Non-Financial Corporations from the Central Balance Sheet Database*, Supplement 1/2008 to the Statistical Bulletin, May 2008.

<http://www.bportugal.pt/en-US/Estatisticas/PublicacoesEstatisticas/Tumbnails%20List%20Template/sup-be-1-2008-en.pdf>

[4] **Banco de Portugal (2008)**, *Securities Statistics: Integrated System Features and Main Results*, Supplement 2/2008 to the Statistical Bulletin, June 2008.

<http://www.bportugal.pt/en-US/Estatisticas/PublicacoesEstatisticas/Tumbnails%20List%20Template/Sup-be-2-2008-en.pdf>

[5] **Banco de Portugal (2010)**, *Structure and dynamics of non-financial corporations in Portugal*, Central Balance Sheet Studies | 2, December 2010.

<http://www.bportugal.pt/en-US/ServicosaoPublico/CentraldeBalancos/Publicacoes/Tumbnails%20List%20Template/Structure%20and%20dynamics%20of%20non-financial%20corporations%20in%20Portugal.pdf>

[6] **Banco de Portugal (2010)**, *Sectoral analysis of non-financial corporations in Portugal*, Central Balance Sheet Studies | 3, December 2011.

http://www.bportugal.pt/pt-PT/ServicosaoPublico/CentraldeBalancos/Publicacoes/Biblioteca%20de%20Tumbnails/Estudos%20da%20CB%203_2011.pdf

[7] **Banco de Portugal (2011)**, *New Enterprise and Sector Tables: Adjustment to the Accounting Standards System*, Central Balance Sheet Studies | 6, December 2011.

http://www.bportugal.pt/pt-PT/ServicosaoPublico/CentraldeBalancos/Publicacoes/Biblioteca%20de%20Tumbnails/Estudos%20da%20CB%206_2011.pdf

[8] **Banco de Portugal (2012)**, *Sectoral analysis of non-financial corporations in Portugal 2011/2012*, Central Balance Sheet Studies | 8, November 2012.

http://www.bportugal.pt/pt-PT/ServicosaoPublico/CentraldeBalancos/Publicacoes/Biblioteca%20de%20Tumbnails/Estudos%20da%20CB%208_2012.pdf

[9] **Banco de Portugal (2012)**, *Financial Stability Report*, November 2012.

<http://www.bportugal.pt/en-US/EstudosEconomicos/Publicacoes/RelatorioEstabilidadeFinanceira/Pages/RelatoriodeEstabilidadeFinanceira.aspx>

[10] **Banco de Portugal (2012)**, *Annual Report – The Portuguese economy in 2011*, May 2012.

<http://www.bportugal.pt/en-US/EstudosEconomicos/Publicacoes/RelatorioAnual/Pages/RelatorioAnual.aspx>

[11] **Banco de Portugal (2012)**, *Economic Bulletin – Autumn |2012*, October 2012.

<http://www.bportugal.pt/en-US/EstudosEconomicos/Publicacoes/BoletimEconomico/BEAnteriores/Pages/default.aspx>

[12] Decree-Law No 381/2007 of 14 November 2007. (Only Portuguese-language version available)

<http://digestoconvidados.dre.pt/digesto/pdf/LEX/250/225091.PDF>

[13] Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (2003/361/EC).

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:124:0036:0041:en:PDF>

[14] Council Regulation (EC) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996R2223:EN:HTML>

[15] Treaty on the Functioning of the European Union, Official Journal of the European Union C 83/62

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:115:0047:0199:en:PDF>

CENTRAL BALANCE SHEET STUDIES

1 | ENTERPRISE AND SECTOR TABLES, November 2010

2 | STRUCTURE AND DYNAMICS OF NON-FINANCIAL CORPORATIONS IN PORTUGAL, December 2010

3 | SECTORAL ANALYSIS OF NON-FINANCIAL CORPORATIONS IN PORTUGAL, September 2011

4 | SECTORAL ANALYSIS OF MANUFACTURE OF FOOD PRODUCTS, November 2011

5 | SECTORAL ANALYSIS OF ACCOMMODATION AND FOOD SERVICE ACTIVITIES, November 2011

6 | NEW ENTERPRISE AND SECTOR TABLES: ADJUSTMENT TO THE ACCOUNTING STANDARDS SYSTEM,
December 2011

7 | SECTORAL ANALYSIS OF NON-FINANCIAL CORPORATIONS IN PORTUGAL 2010/2011, April 2012

8 | SECTORAL ANALYSIS OF NON-FINANCIAL CORPORATIONS IN PORTUGAL 2011/2012, November 2012

9 | SECTORAL ANALYSIS OF TEXTILES AND CLOTHING INDUSTRY, November 2012

10 | SECTORAL ANALYSIS OF FOOTWEAR INDUSTRY, November 2012

11 | ANALYSIS OF THE AGRICULTURAL SECTOR, December 2012