

15 September 2016

**Inward FATS in Spain**  
Year 2014

**In 2014, affiliates of foreign companies invoiced a total of 464.304 million euros and employed 1,273,409 persons.**

**Affiliates of France (18.4%), the United States (13.6%) and Germany (13.2%) produced the highest turnovers**

**The activity branches for which affiliates obtained the highest turnovers were *Mining and quarrying industries, energy, water and waste management* (14.0%) and *Transport equipment* (12.7%)**

In 2014, 10,932 affiliates of foreign companies were accounted for in the sectors of *Industry, Trade* and other *Non-financial market services*.

The turnover generated by these affiliates stood at 464,304 million euros. Regarding the employment rate of affiliates, they employed 1,273,409 persons.

**Structure of the Inward FATS in Spain**

**Results by branch of activity<sup>1</sup>**

38.1% of affiliate companies researched in the survey belonged to the *Services* sector, 33.6% to the *Trade* sector and the remaining 28.3% to *Industry*.

**Main variables by activity sector**

Year 2014. (Main economic variables in million euros)

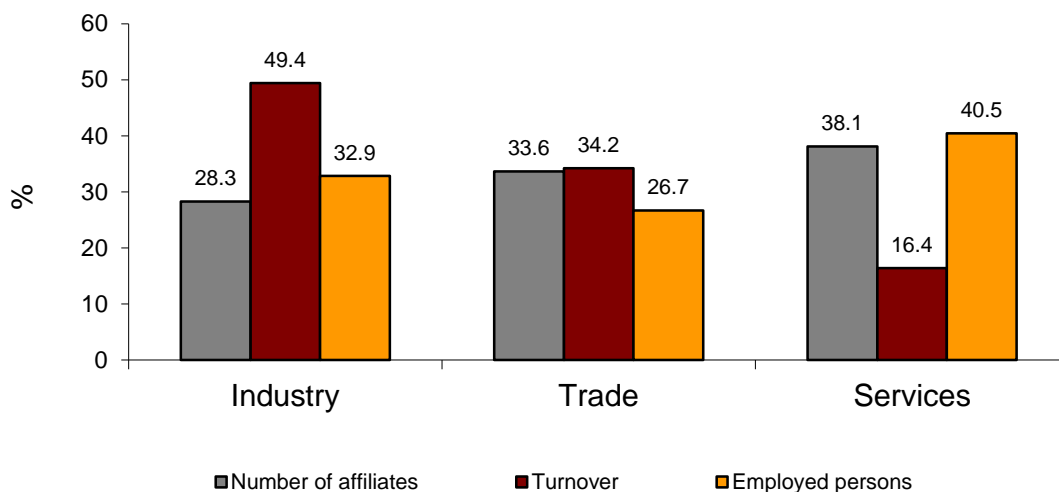
| Sector       | Affiliate companies | Employed persons | Turnover       |
|--------------|---------------------|------------------|----------------|
| Industry     | 3,090               | 418,315          | 229,371        |
| Trade        | 3,678               | 339,823          | 158,857        |
| Services     | 4,163               | 515,270          | 76,076         |
| <b>TOTAL</b> | <b>10,932</b>       | <b>1,273,409</b> | <b>464,304</b> |

<sup>1</sup> The companies studied were classified according to their main activity. Likewise, all of the study variables referring to the company were assigned to said activity.

*Industrial* affiliates generated 49.4% of the total turnover of affiliate companies, *Trade* affiliates recorded 34.2% and those of *Services* generated 16.4%.

For the employment distribution by activity sectors, *Services* affiliates registered the highest percentage of persons (40.5% of the total), followed by *Industry* (32.9%) and *Trade* (26.7%).

**Main variables by activity sector. Year 2014 (in percentage)**



**Other variables by activity sector**

Year 2014. (in million euros)

|   | Industry | Trade   | Services | Total   |
|---|----------|---------|----------|---------|
| Production value                                  | 207,239  | 37,221  | 52,744   | 297,204 |
| Added value at factor cost                        | 41,841   | 18,828  | 28,680   | 89,349  |
| Purchases and work carried out by other companies | 163,661  | 126,394 | 32,408   | 322,463 |
| Personnel costs                                   | 21,890   | 13,288  | 19,230   | 54,409  |
| External services                                 | 28,164   | 17,269  | 17,465   | 62,898  |
| Gross investment in material fixed assets         | 7,299    | 1,831   | 4,886    | 14,016  |
| Total Operating Income                            | 234,721  | 162,219 | 79,098   | 476,038 |
| Total Operating Costs                             | 224,894  | 159,644 | 82,893   | 467,431 |
| Total sales outside Spain                         | 94,220   | 18,309  | 15,638   | 128,167 |

## Results by branch of activity

On analysing the number of affiliate companies for each of the 26 branches of activity of which information is offered in the survey, it was observed that the branches with the highest number of foreign affiliate companies were the two activities corresponding to *Wholesale trade* (which accounted for 24.3% of the total number of affiliates) and *Professional, scientific and technical activities* (with 12.0% of the total).

### Main results by branch of activity

Year 2014

| Branch of activity  | Affiliates |       | Employees |       | Turnover  |       |
|---|------------|-------|-----------|-------|-----------|-------|
|   | Number     | %     | Number    | %     | Million € | %     |
| <b>Industry</b>   | 3,090      | 28.3  | 418,315   | 32.9  | 229,371   | 49.4  |
| Mining and quarrying industries, energy, water and waste  | 1,223      | 11.2  | 28,627    | 2.2   | 64,940    | 14.0  |
| Food, beverages and tobacco                               | 221        | 2.0   | 47,051    | 3.7   | 22,018    | 4.7   |
| Textile, manufacture, leather and footwear                | 50         | 0.5   | 4,880     | 0.4   | 953       | 0.2   |
| Wood and cork, paper and graphic arts                     | 120        | 1.1   | 15,719    | 1.2   | 5,032     | 1.1   |
| Chemical and pharmaceutical industry                      | 287        | 2.6   | 47,800    | 3.8   | 28,178    | 6.1   |
| Rubber and plastic products                               | 187        | 1.7   | 32,614    | 2.6   | 8,741     | 1.9   |
| Various non-metallic ore products                         | 116        | 1.1   | 15,494    | 1.2   | 4,226     | 0.9   |
| Metallurgy and manufacture of metallic products           | 217        | 2.0   | 36,432    | 2.9   | 18,349    | 4.0   |
| Electrical, electronic and optical material and equipment | 129        | 1.2   | 30,208    | 2.4   | 9,323     | 2.0   |
| Mechanical machinery and equipment                        | 192        | 1.8   | 21,230    | 1.7   | 5,879     | 1.3   |
| Transport equipment                                       | 216        | 2.0   | 123,382   | 9.7   | 59,167    | 12.7  |
| Various manufacturing industries                          | 133        | 1.2   | 14,879    | 1.2   | 2,565     | 0.6   |
| <b>Trade</b>  | 3,678      | 33.6  | 339,823   | 26.7  | 158,857   | 34.2  |
| Sale and repair of motor vehicles and motorcycles         | 199        | 1.8   | 17,747    | 1.4   | 18,615    | 4.0   |
| Commission trade  | 440        | 4.0   | 9,915     | 0.8   | 1,368     | 0.3   |
| Wholesale of agrarian, food and household products        | 1,113      | 10.2  | 70,849    | 5.6   | 46,092    | 9.9   |
| Wholesale of machinery, equipment and others              | 1,543      | 14.1  | 57,624    | 4.5   | 56,052    | 12.1  |
| Retail trade food, fuel and equipment for ICT             | 112        | 1.0   | 100,159   | 7.9   | 24,923    | 5.4   |
| Publishing, cinema, radio, television and communications  | 272        | 2.5   | 83,528    | 6.6   | 11,808    | 2.5   |
| <b>Services</b>   | 4,163      | 38.1  | 515,270   | 40.5  | 76,076    | 16.4  |
| Transport   | 169        | 1.5   | 24,627    | 1.9   | 5,709     | 1.2   |
| Storage and activities connected to transport             | 381        | 3.5   | 34,780    | 2.7   | 7,470     | 1.6   |
| Accommodation   | 214        | 2.0   | 72,091    | 5.7   | 3,714     | 0.8   |
| Other retail trade  | 316        | 2.9   | 30,529    | 2.4   | 17,145    | 3.7   |
| Computer activities                                       | 469        | 4.3   | 62,069    | 4.9   | 7,987     | 1.7   |
| Real estate activities                                    | 717        | 6.6   | 3,856     | 0.3   | 2,500     | 0.5   |
| Professional, scientific and technical activities         | 1,307      | 12.0  | 75,035    | 5.9   | 16,055    | 3.5   |
| Administrative and support service activities             | 591        | 5.4   | 212,283   | 16.7  | 15,496    | 3.3   |
| <b>TOTAL</b>  | 10,932     | 100.0 | 1,273,409 | 100.0 | 464,304   | 100.0 |

From the employment perspective, the branches of activity with the most employed personnel were *Administrative and support service activities* (16.7%), *Transport equipment* (9.7%) and *Retail trade of food, fuel and equipment for ICT* (7.9%).

Regarding turnover, the branches that contributed the greatest percentage to the total were *Mining and quarrying industries, energy, water and waste* (14.0%) *Transport equipment* (12.7%) and *Wholesale of agrarian, food and household products* (12.1%).

In turn, the branches with the lowest contribution were *Textile, manufacture, leather and footwear* (0.2%), *Trade intermediaries* (0.3%) and *Real estate activities* (0.5%).

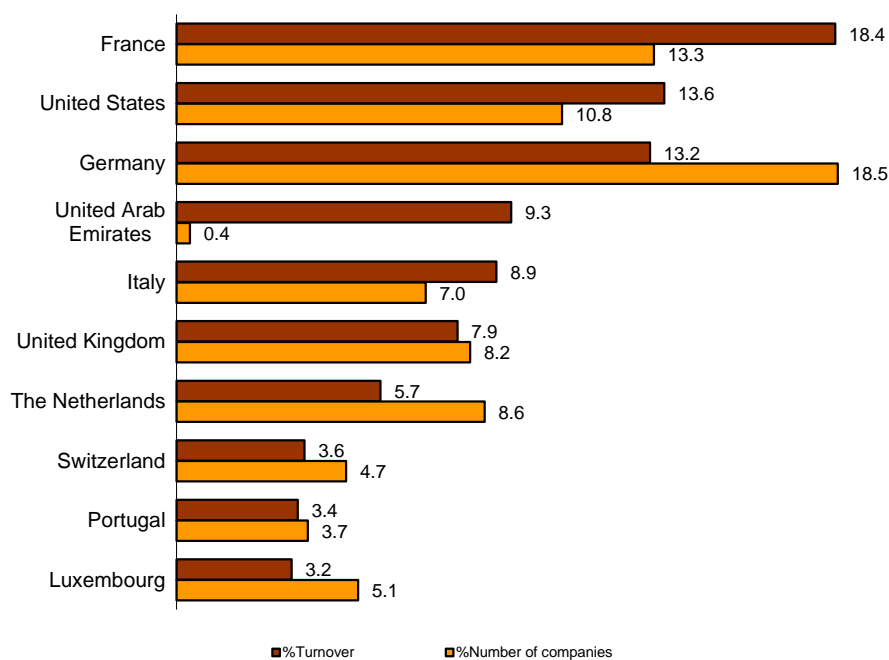
### Results by country of the parent company

In 2014, the countries whose affiliates generated the greatest turnover were France (18.4%), the United States (13.6%) and Germany (13.2%).

In turn, the countries that contributed the highest number of companies were Germany (with 18.5% of the total), France (13.3%) and the United States (10.8%).

It is worth mentioning that the 10 main countries accounted for 80.2% of the total number of affiliates, overall reaching 87.3% of the total turnover of affiliate companies.

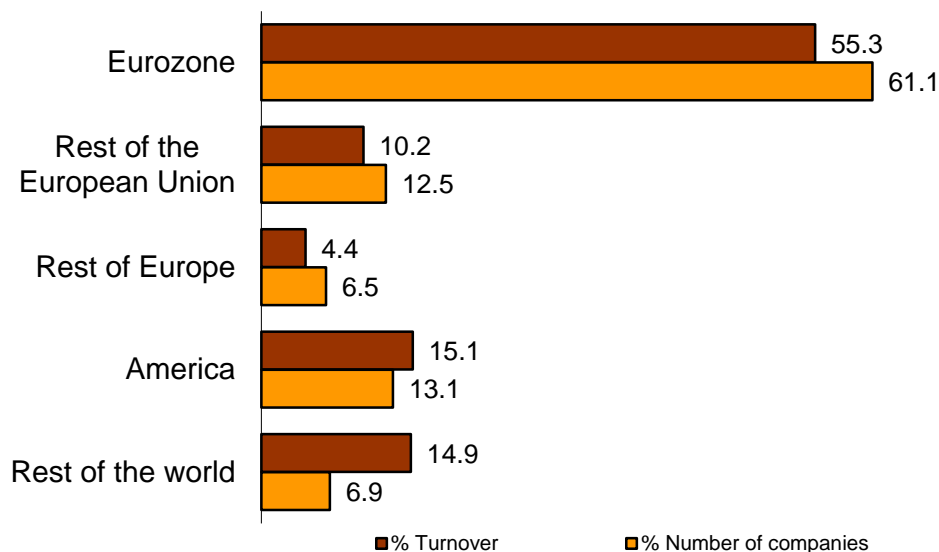
**Main countries by turnover and number of affiliates. Year 2014**



### Results by geographical area of the parent company

Most companies which controlled affiliates in Spain were settled in the Eurozone (61.1%). The turnover generated by these affiliates was 55.3%.

#### Distribution by geographical area of the parent company. Year 2014



By economic sector, in the Eurozone there were 68.2% of the foreign companies that controlled *Industrial* affiliates, 62.1% of those that controlled affiliates in the *Trade* sector and 54.9% of those corresponding to the rest of the *Services* sector. These affiliates generated 58.4%, 54.7% and 47.6% of the turnover in *Industry*, *Trade* and *Services*, respectively.

#### Number of affiliates of foreign companies by geographic area and sector

Year 2014

| Geographic area            | Industry     |              | Trade        |              | Services     |              | Total         |              |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
|                            | Number       | %            | Number       | %            | Number       | %            | Number        | %            |
| Eurozone                   | 2,107        | 68.2         | 2,285        | 62.1         | 2,285        | 54.9         | 6,677         | 61.1         |
| Rest of the European Union | 235          | 7.6          | 397          | 10.8         | 730          | 17.5         | 1,362         | 12.5         |
| The rest of Europe         | 153          | 4.9          | 248          | 6.7          | 305          | 7.3          | 706           | 6.5          |
| America                    | 300          | 9.7          | 478          | 13.0         | 660          | 15.8         | 1,437         | 13.1         |
| The rest of the world      | 296          | 9.6          | 271          | 7.4          | 183          | 4.4          | 750           | 6.9          |
| <b>TOTAL</b>               | <b>3,090</b> | <b>100.0</b> | <b>3,678</b> | <b>100.0</b> | <b>4,163</b> | <b>100.0</b> | <b>10,932</b> | <b>100.0</b> |

### Turnover of affiliates of foreign companies by geographic area and sector

Year 2014

| Geographic area            | Industry       |              | Trade          |              | Services      |              | Total          |              |
|----------------------------|----------------|--------------|----------------|--------------|---------------|--------------|----------------|--------------|
|                            | Millions €     | %            | Millions €     | %            | Millions €    | %            | Millions €     | %            |
| Eurozone                   | 133,866        | 58.4         | 86,881         | 54.7         | 36,226        | 47.6         | 256,972        | 55.3         |
| Rest of the European Union | 11,782         | 5.1          | 13,855         | 8.7          | 21,699        | 28.5         | 47,335         | 10.2         |
| The rest of Europe         | 8,928          | 3.9          | 7,981          | 5.0          | 3,532         | 4.6          | 20,442         | 4.4          |
| America                    | 39,717         | 17.3         | 18,614         | 11.7         | 11,895        | 15.6         | 70,226         | 15.1         |
| The rest of the world      | 35,079         | 15.3         | 31,527         | 19.8         | 2,724         | 3.6          | 69,330         | 14.9         |
| <b>TOTAL</b>               | <b>229,371</b> | <b>100.0</b> | <b>158,857</b> | <b>100.0</b> | <b>76,076</b> | <b>100.0</b> | <b>464,304</b> | <b>100.0</b> |

### Representation of the foreign affiliates within the Spanish economy

The affiliates of foreign companies settled in Spain within the *Industrial, Trade and Non-financial services* sector recorded 0.6% of the total companies within those sectors in 2014.

The turnover and employment generated by those companies resulted in 28.7% and 13.3% of the total, respectively.

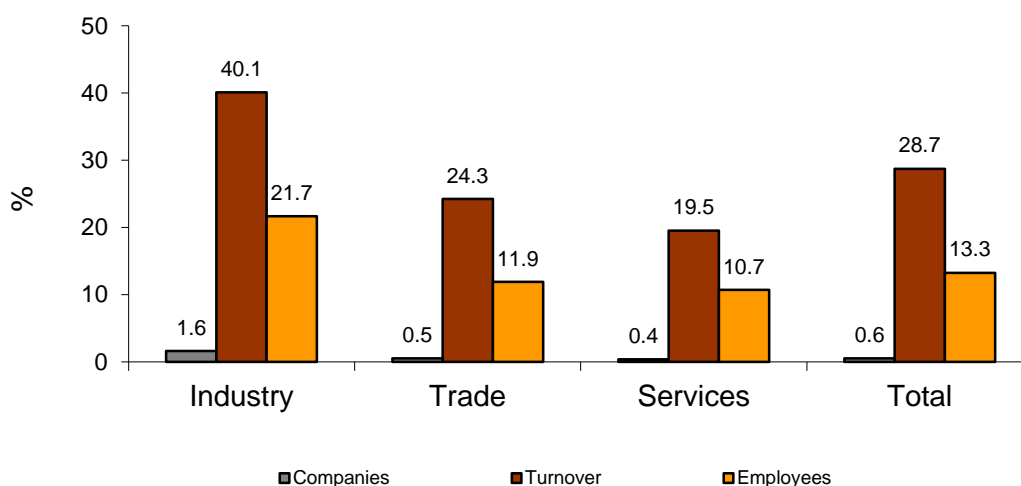
### Results by activity sector

Within the *Industrial* sector, 1.6% of the companies were affiliates of foreign companies. As it refers to *Trade*, the percentage was 0.5% and to *Services*, the percentage was 0.4%.

Regarding turnover, *Industrial, Trade and Services* affiliates generated 40.1%, 24.3% and 19.5%, respectively, of the total turnover generated by the companies within each of them.

In turn, 21.7% persons employed in *Industry* worked in affiliates of foreign companies in 2014. *Trade* and *Services* recorded a percentage of 11.9% and 10.7%, respectively.

**Relation between the data of affiliates and total companies within the sector. Year 2014 (percentage)**

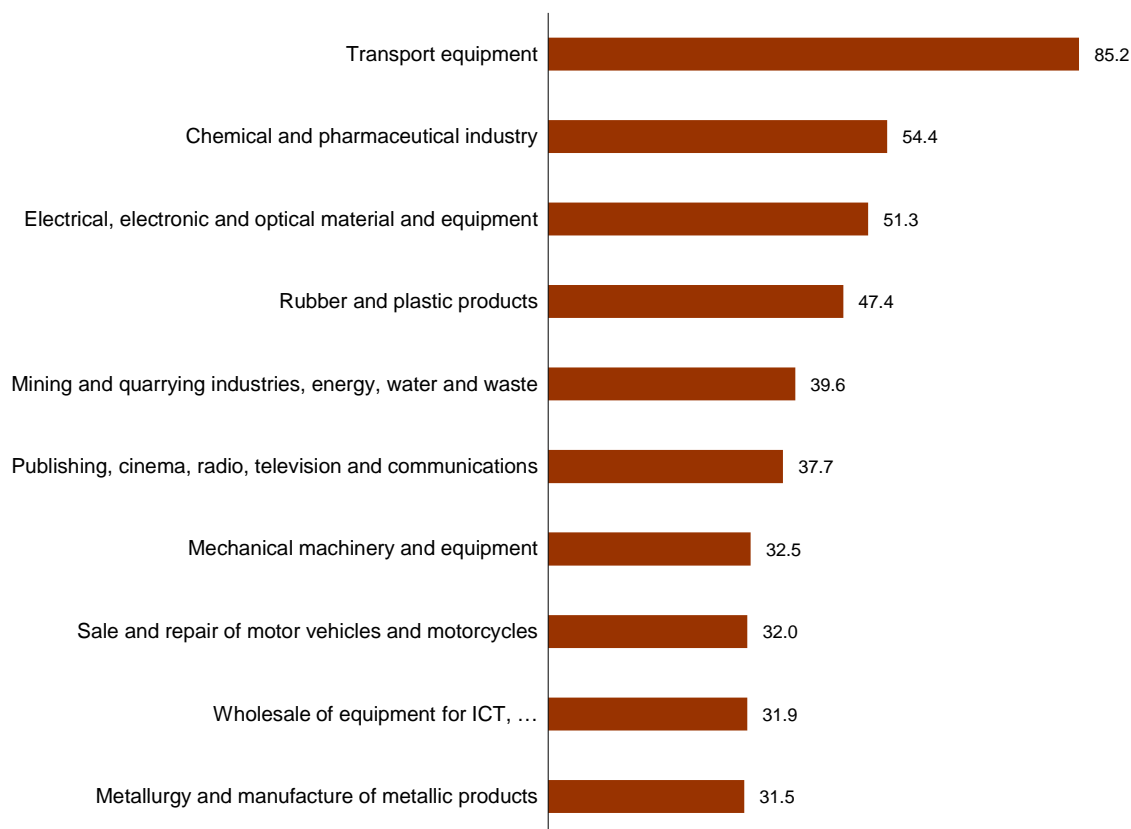


### Results by branch of activity

Regarding the weight of affiliates of foreign companies by branch of activity, it is worth noting *Transport equipment*, in which 85.2% of the total turnover was generated by affiliate companies.

The following branches with a considerable weight regarding affiliates were *Chemical and pharmaceutical industry*; *Electrical, electronic and optical material and equipment* and *Rubber and plastic products*. Those companies contributed by 54.4%, 51.3% and 47.4%, respectively, to the total turnover generated within each branch of activity.

### Main branches of activity by turnover generated by the affiliates, as compared with the total of each branch. Year 2014 (percentage)



In turn, the branches of activity that registered a lower contribution to the affiliate companies were *Accommodation*, *Textile, manufacture, leather and footwear* and *Transport*, all them registering a turnover of the affiliates below 10% of the total.

## Results by value of sales outside Spain

42.3% of the sales outside Spain in the sectors of Industry, Trade and Services was conducted by affiliate companies.

In the *Industry* sector, affiliate companies generated 55.4% of the exports, while in Trade and Services, the percentages were 25.0% and 26.2%, respectively.

By branch of activity, *Transport equipment* (89.5%), *Chemical and pharmaceutical industry* (60.6%) and *Electrical, electronic and optical material and equipment* (57.2%) accumulated the highest percentages of foreign sales made by affiliate companies.

## Sales outside Spain by branch of activity

Year 2014

| Branch of activity  | Affiliates of foreign companies |  |
|---|---------------------------------|--|
|   | Million €                       | % of the total sales outside Spain by branch |
| <b>Industry</b>   | 94,220                          | 55.4   |
| Mining and quarrying industries, energy, water and waste  | 7,583                           | 53.6   |
| Food, beverages and tobacco                               | 4,710                           | 23.4   |
| Textile, manufacture, leather and footwear                | 552                             | 13.0   |
| Wood and cork, paper and graphic arts                     | 1,876                           | 35.1   |
| Chemical and pharmaceutical industry                      | 13,809                          | 60.6   |
| Rubber and plastic products                               | 3,798                           | 56.8   |
| Various non-metallic ore products                         | 1,301                           | 26.8   |
| Metallurgy and manufacture of metallic products           | 9,680                           | 40.8   |
| Electrical, electronic and optical material and equipment | 5,253                           | 57.2   |
| Mechanical machinery and equipment                        | 3,610                           | 37.5   |
| Transport equipment                                       | 41,190                          | 89.5   |
| Various manufacturing industries                          | 857                             | 26.0   |
| <b>Trade</b>  | 18,309                          | 25.0   |
| Sale and repair of motor vehicles and motorcycles         | 1,073                           | 34.5   |
| Commission trade  | 543                             | 49.8   |
| Wholesale of agrarian, food and household products        | 5,508                           | 15.9   |
| Wholesale of machinery, equipment and others              | 10,134                          | 35.1   |
| Retail trade food, fuel and equipment for ICT             | 577                             | 53.2   |
| Publishing, cinema, radio, television and communications  | 474                             | 10.8   |
| <b>Services</b>   | 15,638                          | 26.2   |
| Transport   | 1,766                           | 15.7   |
| Storage and activities connected to transport             | 2,572                           | 36.1   |
| Accommodation   | 473                             | 9.5  |
| Other retail trade  | 1,688                           | 40.9   |
| Computer activities                                       | 1,410                           | 18.3   |
| Real estate activities                                    | 56                              | 10.0   |
| Professional, scientific and technical activities         | 4,465                           | 29.5   |
| Administrative and support service activities             | 3,207                           | 36.5   |
| <b>TOTAL</b>  | 128,167                         | 42.3   |



## Results by parent company country

In terms of added value, it was observed that the affiliates of French companies contributed the most to the total generated by foreign affiliates, with 4.4% of the added value generated by affiliates settled in Spain in all sectors analysed. The French affiliates were also those which contributed the most to the total added value in *Trade* (5.7%) and the rest of *Services* (3.1%) sectors.

Regarding the main countries investing in each sector by branch of activity, according to the percentage of added value that generated their affiliates on the total of the branch of activity, worth noting Germany, that generated 22.9% in *Transport equipment*; the United States, 21.1% in *Commission trade* and France, 20.7% in *Rubber and plastic products*.

## Main investing countries by branch of activity

Year 2014. (According to the value generated by their affiliates)

| Branch of activity  | Country           | % the value added in each branch |
|---|-------------------|----------------------------------|
| <b>Industry</b>   | The United States | 5.5                              |
| Mining and quarrying industries, energy, water and waste  | Italy             | 16.1                             |
| Food, beverages and tobacco                               | France            | 3.6                              |
| Textile, manufacture, leather and footwear                | France            | 2.3                              |
| Wood and cork, paper and graphic arts                     | Sweden            | 2.7                              |
| Chemical and pharmaceutical industry                      | The United States | 15.9                             |
| Rubber and plastic products                               | France            | 20.7                             |
| Various non-metallic ore products                         | France            | 7.5                              |
| Metallurgy and manufacture of metallic products           | The United States | 5.8                              |
| Electrical, electronic and optical material and equipment | Germany           | 12.5                             |
| Mechanical machinery and equipment                        | The United States | 6.9                              |
| Transport equipment                                       | Germany           | 22.9                             |
| Various manufacturing industries                          | Germany           | 3.8                              |
| <b>Trade</b>  | France            | 5.7                              |
| Sale and repair of motor vehicles and motorcycles         | Germany           | 5.7                              |
| Commission trade  | The United States | 21.1                             |
| Wholesale of agrarian, food and household products        | The United States | 6.2                              |
| Wholesale of machinery, equipment and others              | The United States | 5.2                              |
| Retail trade food, fuel and equipment for ICT             | France            | 11.7                             |
| Other retail trade  | France            | 5.7                              |
| <b>Services</b>   | France            | 3.1                              |
| Transport   | United Kingdom    | 2.6                              |
| Storage and activities connected to transport             | Germany           | 2.6                              |
| Accommodation   | United Kingdom    | 1.7                              |
| Publishing, cinema, radio, television and communications  | United Kingdom    | 13.7                             |
| Computer activities                                       | The United States | 7.9                              |
| Real estate activities                                    | France            | 3.1                              |
| Professional, scientific and technical activities         | The United States | 3.3                              |
| Administrative and support service activities             | The Netherlands   | 4.4                              |
| <b>TOTAL</b>  | France            | 4.4                              |

## Methodological note

The Services Sector Inward Foreign Affiliates Statistics (Inward FATS) offers information regarding the main economic variables of the affiliates of foreign companies that operate in the sectors of industry, trade and the rest of the non-financial market services. The scope of this survey includes those affiliate companies whose main activity is included in sections B to E, G to J and L to N of the National Classification of Economic Activities in force (CNAE-09). This survey fulfils, in this area, (EC) Regulation no. 716/2007 of the European Parliament and of the Council, of 20 June 2007, regarding the community statistics on the structure and activity of foreign affiliates.

Affiliates of foreign companies are considered to be those companies located in Spain that are controlled by a non-resident institutional unit or company. To this end, control is understood to be the ability to determine the general policy of the company. One unit controls another, when it directly or indirectly possesses more than half of the shareholders' vote, or more than half of the shares; nevertheless, at times, this ability to control may be made effective through a minority control, that is, without the need to possess half of the shares or of the votes (for example, if the percentage, even below 50%, is greater than that of any other owner). In accordance with the methodology established by the European regulation on affiliates statistics, the criterion applied in this survey to determine the company that controls each affiliate is that of the final owner. The final owner of a foreign affiliate is considered to be that institutional unit or company that, proceeding hierarchically upwards along the chain of control of said affiliate, exercises control over itself, not being controlled, in turn, by any other unit.

This statistical operation provides information regarding the main variables, broken down both by the activity, size or Autonomous Community of the affiliate company, and by the country or geographical area of the parent company (final owner).

In order to enrich the dissemination of this survey and favour the comparative analysis of the results thereof, we also present, aside from the specific data regarding affiliates provided by the survey, additional data regarding the percentage represented by the results of the affiliate companies, as compared with the total companies. This additional data has been obtained from the corresponding structural surveys of each sector: The Industrial Companies Survey, whose object of study is the group of industrial companies with one or more paid employed persons, the Annual Trade Survey and the Annual Services Survey, orientated towards the research of those companies whose main activity belongs to the areas of trade and of non-financial market services, respectively.

The Services Sector Inward Foreign Affiliates Statistics (Inward FATS) completes the information provided by the Outward Foreign Affiliates Statistics (Onward FATS) in the area of the statistics on the economic globalization.