

15 September 2016

Statistics on Affiliates of Spanish Companies Abroad
Year 2014

Affiliates of Spanish companies abroad generate turnover reaching 183,874 million euros, employing 656,606 persons in 2014

The countries where the affiliates of Spanish companies generate the greatest turnover were Brazil (12.6%), the United States (11.7%) and the United Kingdom (10.9%)

The branches of activity with the highest presence among Spanish affiliates abroad are *Manufacturing industry* (21.0% of turnover generated by affiliates) and *Information and communications* (20.3%)

In 2014, a total of 4,999 affiliates of Spanish companies abroad were observed in the *Industry, Construction, Trade and other non-financial market Services* sectors.

Turnover generated by these affiliates accounted for 183,874 million euros, employing 656,606 persons.

Results by branch of activity¹

The *Services* sector accounted for the highest percentage of Spanish affiliates abroad (33.5%), generated 31.9% of total turnover, and employed 38.5% of persons employed by the total affiliates.

Main variables by activity sector

Year 2014. (Main economic variables in million euros)

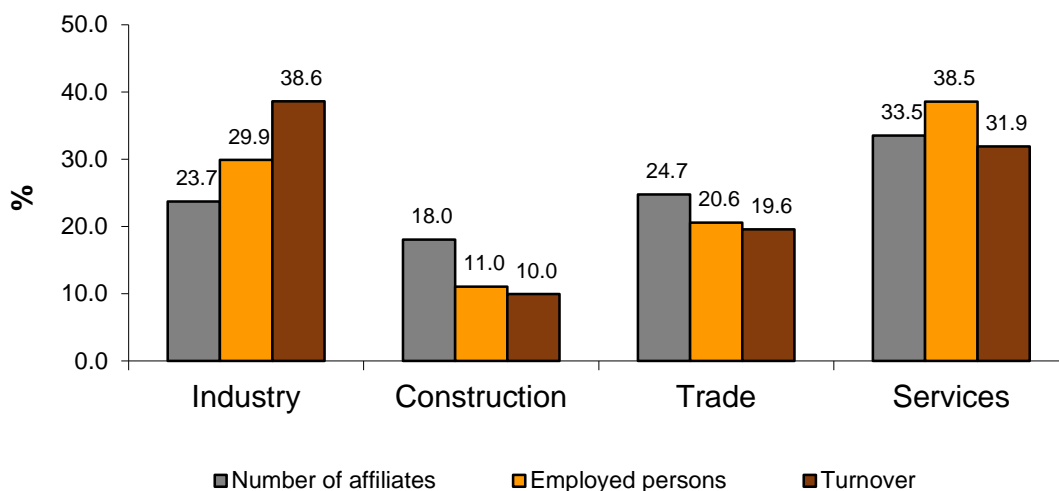
Sector	Affiliate companies	Employed persons	Turnover
Industry	1,186	196,214	70,990
Construction	901	72,386	18,297
Trade	1,237	134,941	35,980
Services	1,675	253,065	58,608
TOTAL	4,999	656,606	183,874

¹ The affiliates of Spanish companies abroad researched are classified according to their main activity. Likewise, all of the study variables referring to the affiliates are assigned to said activity

In turn, 23.7% of affiliates abroad performed their activity in the industry sector. These companies generated the highest percentage of turnover by sectors (38.6%) and employed 29.9% of the personnel.

Lastly, *Trade* and *Construction* (with 24.7% and 18.0% of the number of affiliates) produced 19.6% and 10.0% of turnover, and provided employment for 20.6% y al 11.0% of the total, respectively.

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



Results by branch of activity

On analysing the number of affiliates for each of the 16 branches of activity presented in these statistics, it was observed that the branches with the highest number of affiliates were those activities corresponding to *Sale and repair of motor vehicles and motorcycles and wholesale trade* (19.3%) the *Manufacturing industry* (which accounted for 17.6% of the total affiliates).

From the employment perspective, *Manufacturing industry* was the branch of activity that created the most employment (23.8% of the total). Following these were, *Retail trade, except for motor vehicles and motorcycles* (15.5%) and *Information and communications* (13.3%).

Regarding turnover, the branches contributing with the highest percentage to the total were *Manufacturing industry* (21.0%), *Information and communications* (20.3%) and *Electricity, gas, steam and air conditioning supply* (15.4%).

The branches with the smallest contribution were *Real Estate Activities* (0.5%), *Construction of buildings* (0.7%) and *Extractive industries* (1.1%).

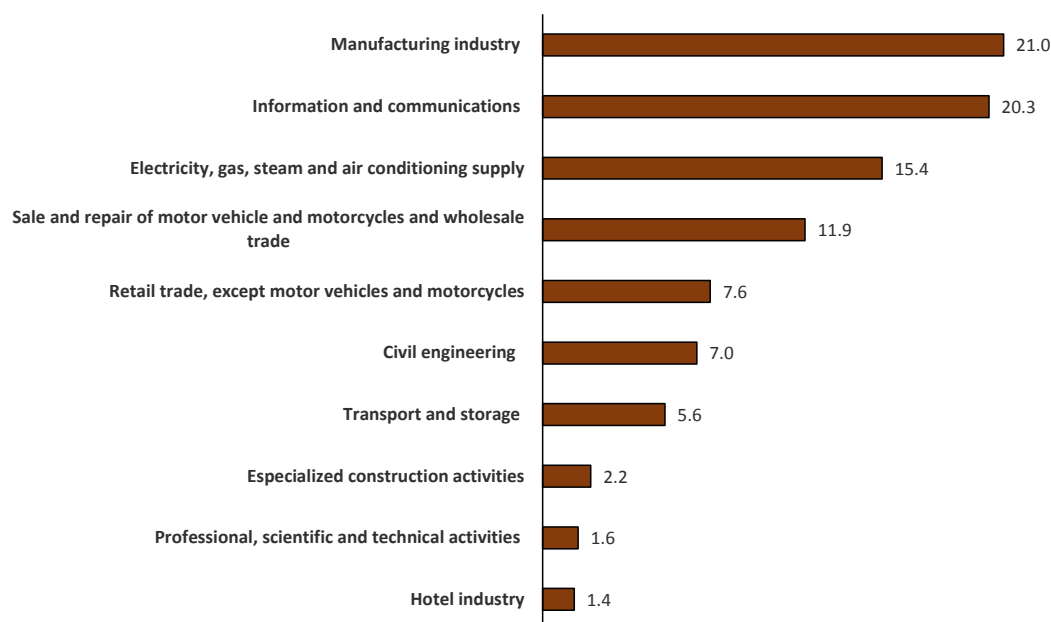
Main results by branch of activity

Year 2014

Branch of activity	Affiliates		Employed persons		Turnover	
	Number	%	Number	%	Million €	%
Industry	1,186	23.7	196,214	29.9	70,990	38.6
Extractive industries	38	0.8	2,349	0.4	1,934	1.1
Manufacturing industries	878	17.6	156,570	23.8	38,547	21.0
Electricity, gas, steam and air conditioning supply	172	3.4	22,777	3.5	28,380	15.4
Water supply; sewerage, waste management and remediation activities	98	2.0	14,518	2.2	2,128	1.2
Construction	901	18.0	72,386	11.0	18,297	10.0
Building construction	269	5.4	3,649	0.6	1,376	0.7
Civil engineering	350	7.0	39,296	6.0	12,890	7.0
Specialized construction activities	282	5.6	29,441	4.5	4,032	2.2
Trade	1,237	24.7	134,941	20.6	35,980	19.6
Sale and repair of motor vehicle and motorcycles and wholesale trade	963	19.3	33,121	5.0	21,955	11.9
Retail trade, except motor vehicles and motorcycles	274	5.5	101,820	15.5	14,025	7.6
Services	1,675	33.5	253,065	38.5	58,608	31.9
Transport and storage	139	2.8	39,345	6.0	10,226	5.6
Hotel industry	249	5.0	29,510	4.5	2,643	1.4
Information and communications	413	8.3	87,203	13.3	37,319	20.3
Real estate activities	315	6.3	910	0.1	855	0.5
Professional, scientific and technical activities	270	5.4	16,612	2.5	2,977	1.6
Administrative and support service activities	166	3.3	66,609	10.1	2,200	1.2
Other service activities	123	2.5	12,876	2.0	2,388	1.3
TOTAL	4,999	100.0	656,606	100.0	183,874	100.0

Main branches of activity by turnover generated by the affiliates abroad.

Year 2014 (in percentage)



Results by country of the affiliate

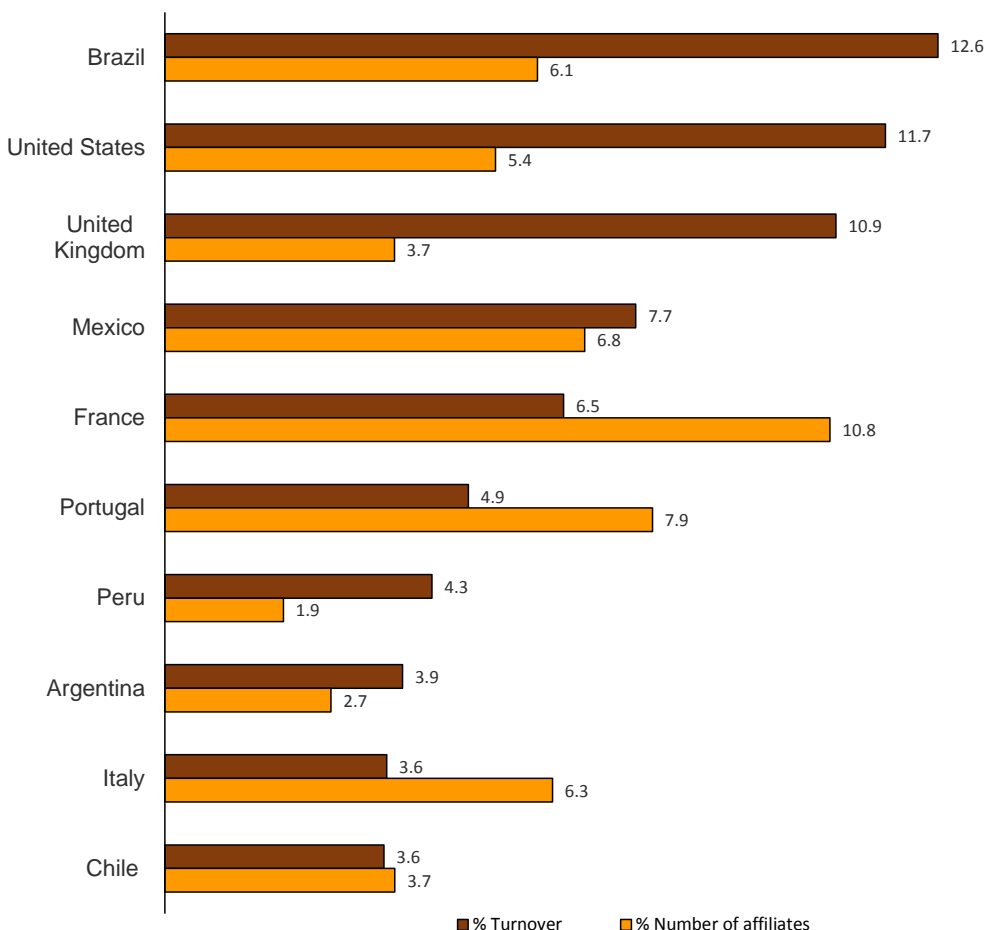
The countries in which the affiliates of Spanish companies abroad generated the greatest turnover in 2014 were Brazil (12.6%), United States (11.7%) and United Kingdom (10.9%).

In turn, the countries in which the highest number of affiliates was located were France (10.8%), Portugal (7.9%) and Mexico (6.8%).

With regard to the number of persons employed, Brazil was worth noting with 9.8%, followed by Mexico (8.1%) and France (6.4%).

10 main countries accounted for 69.7% of the turnover generated by these affiliates, 55.4% of the total number of affiliates of Spanish companies abroad, and 60.5% of employed persons by these affiliates.

Main countries by turnover and number of affiliates of Spanish companies abroad. Year 2014

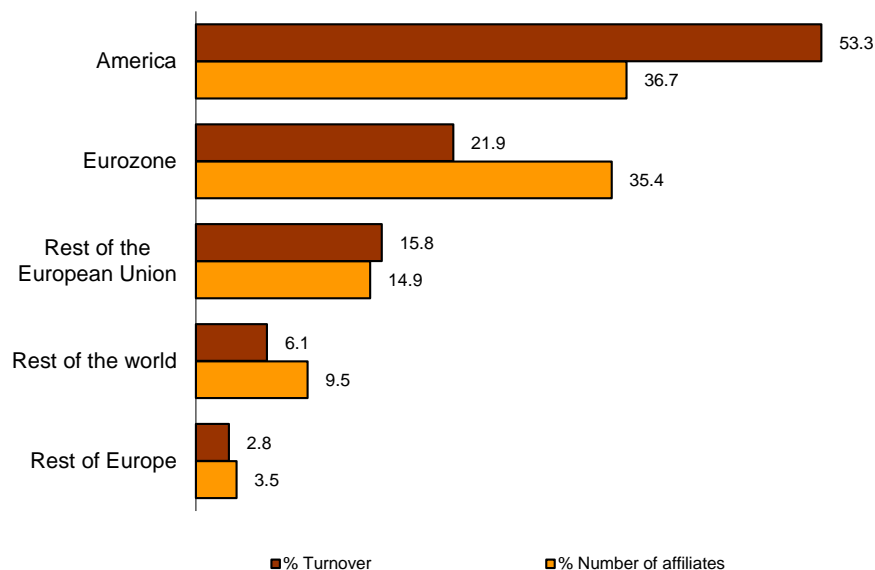


Results by geographical area of the affiliate

In 2014, most affiliates of Spanish companies abroad were located in America (36.7%) and in the Eurozone of the European Union (35.4%).

Considering turnover to be the reference variable, the affiliates of Spanish companies in America accounted for 53.3% of total turnover of the affiliates in 2014. In turn, the affiliates located in the Eurozone generated more than 21.9%.

Distribution by geographical area of the affiliate. Year 2014



In *Industry*, *Construction* and *Services*, the affiliates of Spanish companies had greater implantation in America, with 32.9%, 51.1%, and 45.0%, respectively.

In *Trade*, the affiliates were more concentrated in the Eurozone, with 51.3%.

Regarding the turnover generated in each sector, the highest percentages were generated by the affiliates in America (48.6% in *Industry*, 67.1% in *Construction* and 67.3% in *Services*) and in the Eurozone (43.0% in *Trade*).

Turnover of affiliates of Spanish companies abroad, by geographical area and sector. Year 2014

Geographical area	Industry		Construction		Trade		Services	
	Million €	%	Million €	%	Million €	%	Million €	%
Eurozone	15,059	21.2	755	4.1	15,455	43.0	9,091	15.5
Rest of the European Union	12,810	18.0	4,059	22.2	2,932	8.1	9,342	15.9
Rest of Europe	2,313	3.3	21	0.1	2,617	7.3	223	0.4
America	34,495	48.6	12,271	67.1	11,834	32.9	39,458	67.3
Rest of the world	6,313	8.9	1,192	6.5	3,143	8.7	494	0.8
TOTAL	70,990	100.0	18,297	100.0	35,980	100.0	58,608	100.0

Methodological note

The Statistics on Affiliates of Spanish Companies Abroad (Outward FATS) provides information regarding three of the main economic variables of the affiliates of Spanish companies operating abroad in the following sectors: Industry, Construction, Trade and the remainder of the Non-financial market services.

The target population of study of these statistics includes those affiliates of Spanish companies located abroad, and whose main activity is included in sections B to E (Industry), F (Construction), G (Trade) and H to S (Services), except K (Financial and insurance activities) and O (Public Administration) of National Classification of Economic Activities 2009 (CNAE-2009). Compiling these statistics complies with, within this scope of action, Regulation (EC) no.716/2007 of the European Parliament and of the Council, of 20 June 2007, as per the community statistics regarding the structure and activity of foreign affiliates.

According to the Recommendations regarding Statistics on Affiliates compiled by the Statistical Offices of the European Union (Eurostat), with the collaboration of the different Member States, that company located outside Spain, and which is *controlled* ultimately by an institutional unit or parent company located in Spain, is considered to be an affiliate of a Spanish company abroad. For these purposes, *control* is understood to be the ability to establish the general policy of a company, via the designation, as necessary, of adequate directors. The most common case by far is that the investor in the foreign affiliate is a legal entity (parent). In this sense, in order to be a parent company, it is not enough for a company located in Spain to directly or indirectly control more than half of the shareholders' vote, or more than half of the shares of the affiliate abroad, or to exercise a minority control (less than 50%, but greater than that of any other owner); but rather, the Spanish parent company must also be free from control, according to the defined terms, of another business unit located abroad. That is to say, it must be the highest-level institutional unit with ownership over the Spanish affiliate abroad.

These statistics provide information on three variables: the number of affiliates, persons employed therein, and turnover of the affiliates abroad, broken down by both activity and size, and country or geographical area of the affiliate.

The results of these statistics are compiled using the administrative information from the *Investment Register (Direct Spanish Investment Abroad-Position)* of the Ministry of Economy and Competitiveness as a basis. This Ministry supplies the primary data to the INE, pursuant to a Partnership Agreement signed by the two institutions. This data has been supplemented with information from the European Register of Groups, in order to adapt it to the requirements set out in the Community Regulation.

The Statistics on Affiliates of Spanish Companies Abroad (Outward FATS) complements the information, which within the scope of economic globalisation statistics, provides the Statistics on Affiliates of Foreign Companies in Spain (Inward FATS).