

19 October 2009

**Services Sector Inward FATS.
Year 2007**

Foreign affiliates produce 16.7% of Services sector turnover and employ 9.0% of the total employees

The presence of foreign affiliate companies is greatest in the Information Technologies sector

In the year 2007, 0.2% of the companies operating in the sectors Trade, Tourism, Transport, Information Technologies, Real Estate and Rental Activities and Business Services were affiliates of foreign companies. The turnover produced by these affiliates represented 16.7% of the total.

Regarding employment, of the 8.7 million workers who worked in the Services sector during the year 2007, 9.0% were hired by companies under foreign control. These employees obtained 13.8% of the total remuneration for the sector.

Main results by control type

Economic variables in millions of euros. Year 2007

Variable	Total	Foreign Control	Foreign Control /Total (%)
Number of companies	2,027,162	4,846	0.2
Turnover	1,251,707	209,483	16.7
Production value	563,802	78,838	14.0
Added value at factor cost	317,795	42,694	13.4
Personnel costs	171,964	23,738	13.8
Personnel employed (annual average)	8,721,514	787,669	9.0

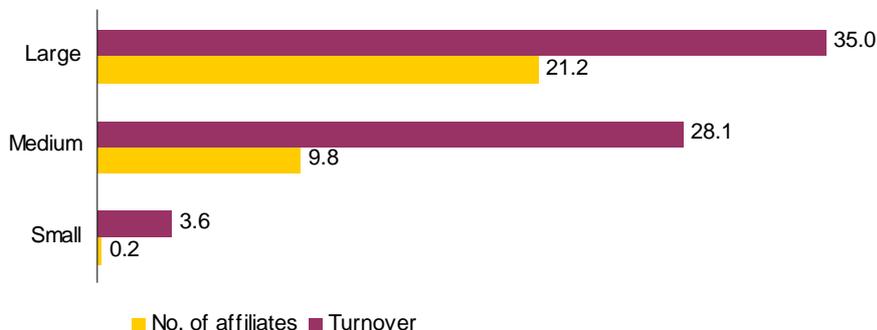
One in five large companies is a foreign affiliate

21.2% of large companies (with more than 249 employees) were foreign affiliates and their turnover accounted for 35.0% of total turnover produced by said companies of the Services sector in the year 2007.

These percentages decreased for smaller companies. Thus, for medium-sized companies (50 to 249 employees), 9.8% of the companies were under foreign control in 2007, and their turnover represented 28.1% of the total.

In small companies (fewer than 50 employees), the representation of foreign affiliates was 0.2%, and the turnover was 3.6% of the total.

Participation by number of companies and turnover of the affiliates of foreign companies by size (%)

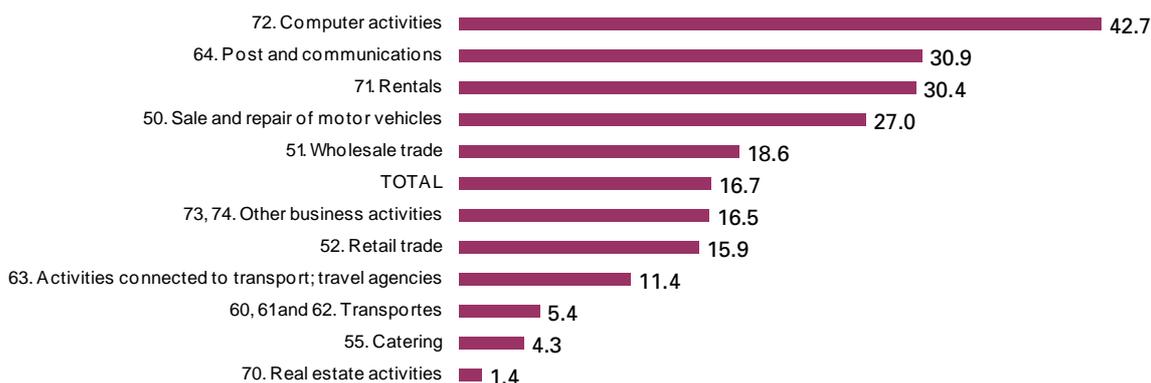


Foreign affiliates account for 42.7% of total turnover in Computer Activities

In the analysis by economic activity, worth noting was that, in the year 2007, 42.7% of total turnover of Computer Activities companies corresponded to foreign affiliates. This percentage reached 30.9% in telecommunications companies.

In turn, the foreign affiliates of the companies in Real Estate Activities, Accommodation and Transport had the least impact, with percentages of 1.4%, 4.3% and 5.4%, respectively, over the total turnover produced.

Turnover produced by the affiliates of foreign companies on the companies total, by economic activity (in %)



Companies in the euro zone are the ones contributing most to the total turnover

The affiliates of European companies produced 80.2% of the total turnover of foreign affiliates in Spain during the year 2007.

Among the European affiliates, those from euro zone countries accounted for 62.9% of total invoicing, those from countries from the rest of the European Union, 14.7%, and the rest of Europe, 2.9%.

In turn, affiliates of American companies accounted for 13.3%, those from Asia, 5.9%, and those from the rest of the world, 0.6%.

France is the main country investing in the Spanish Services sector

Turnover of affiliates of French companies accounted for 26.9% of total turnover by foreign affiliates in Spain in the Services sector. By activity, these affiliates had the greatest significance in those of Retail trade and Rentals.

Affiliates of German companies accounted for 14.6% of turnover, being of particular note in the Sale and repair of motor vehicles and in Activities connected to transport; travel agencies. The United States was the country in third place in terms of turnover produced by its affiliates in Spain, with 12.3% of the total.

Ranking of investing countries by turnover produced by their affiliates

Activities	First		Second		Third	
	Country	%	Country	%	Country	%
TOTAL	France	26.9	Germany	14.6	United States of America	12.3
50. Sale and repair of motor vehicles	Germany	40.4	France	27.1	Italy	10.7
51. Wholesale trade	United States of America	19.1	France	11.6	Netherlands	11.0
52. Retail trade	France	69.3	Germany	12.6	Luxembourg	5.3
55. Catering	United Kingdom	28.0	France	23.5	Netherlands	15.3
60, 61 and 62. Transportes	Sweden	39.6	Germany	18.7	United Kingdom	14.0
63. Activities connected to transport; travel agencies	Germany	27.3	France	15.3	United States of America	11.9
64. Post and communications	United Kingdom	56.2	France	31.5	Netherlands	3.8
70. Real estate activities	Netherlands	40.7	United States of America	25.1	France	11.2
71. Rentals	France	33.3	United States of America	17.8	Netherlands	17.3
72. Computer activities	Luxembourg	29.2	United States of America	27.4	Bermuda	12.7
73, 74. Other business activities	United States of America	23.0	United Kingdom	18.0	France	17.6

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Methodological note

The Services Sector Inward Foreign Affiliates Statistics provides information on the affiliates of foreign companies that operate in the non-financial market services sector. The scope of this survey includes those affiliates dedicated to Trade, Tourism, Transport, Information Technologies, Real Estate and Rental Activities and Business Services. This survey complies, in this area, with EC Regulation no. 716/2007 of the European Parliament and Council of 20 June 2007, regarding community statistics on the structure and activity of foreign affiliates.

Affiliates of foreign companies are considered to be those companies resident in Spain that are controlled by a non-resident institutional unit. Control is understood to be the capacity to determine the general policy of a company: one unit controls another when it possesses, directly or indirectly, more than one half of the vote of the shareholders or more than one half of the shares.

These statistics allow for ascertaining the specific characteristics of the foreign affiliates, by activity, size and geographical breakdown of the final owner. The final owner of a foreign affiliate is considered to be the institutional unit that, rising through the chain of command of said affiliate, is not controlled by any other unit.

These results will facilitate the monitoring of the effectiveness of the domestic market and the progressive integration of the economies within the context of the so-called globalisation process. They may also be useful in the preparation of policies regarding economy, jurisdiction, business, research, technical development and employment within the framework of the liberalisation process.

To favour this analysis, comparative results are offered for these companies, under foreign control, and for the rest of the companies resident in Spain, under national control.