

Cost structure of businesses 2000-2008



National Accounts

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Preface

Production is the main source of wealth in any society. Only through production is it possible to generate value added. Part of this value added on its turn is transformed into categories of income, like wages, taxes, dividends, etc., which is used by businesses and households for their own purposes. The analysis of production is therefore central in economic analysis and economic policy. One important way to analyze production is by looking at the cost structure of businesses. This gives insight on how the production process is organized and can be used as benchmark for the performance of individual businesses in our economy.

With the current publication “Cost structure of businesses: 2000 - 2008”, the Central Bureau of Statistics provide relevant yearly data on sales and expenses of businesses on Aruba. This information is given for the main industrial sectors of the economy of Aruba. By providing information on the cost structure of businesses on a regular basis, the Central Bureau of Statistics hopes to contribute to the well being of businesses on Aruba.

The publication “Cost structure of businesses: 2000 - 2008” is mainly a product of the department of National Accounts. A special thanks goes to mr. Harold R.T. Helder, Bac., who is internally responsible for this publication. A word of thanks goes to the data – suppliers and supporters who contributed in any way to this publication.

Introduction

Within the project of National Accounts of Aruba, the Central Bureau of Statistics started collecting necessary economic basic statistics, which were used as input to this system. Several of these basic data proved to be useful as a source of statistical information. In the case of information regarding cost structure in Aruba the Central Bureau of Statistics decided to release the data in the form of a yearly publication "Cost structure of businesses".

The main purpose of this publication is to provide information on industries that play a key role in the economy of Aruba and to help businesses make informed decisions. Note that this publication doesn't give a view of the economy of Aruba, it focuses more on the *sales* and *expenses* of certain industries.

The following industries are presented in this publication:

Industry	International Standard Industrial Classification (ISIC) Division
Manufacturing	15 through 37, except 17, 18, 19, 23, 27, 29, 30 and 32
Construction	45
Retail trade; except of motor vehicles and automotive fuel	52
Retail trade of motor vehicles	50, except 5050 retail sales of automotive fuel
Wholesale trade	51
Restaurants and bars	552
Transport, storage and communication	60, 63 and 64
Renting and business activities	71, 72 and 74
Recreational and sporting activities	92

For more details about ISIC see Annex 2.

The main tables in this publication are:

- Sales, cost of goods sold/direct manufacturing cost/direct costs and gross profit
- Sales and operating expenses
- Operating/personnel expenses
- Other expenses (selling, accommodation, transportation, general and depreciation)
- Distribution of operating expenses
- Number of companies

Data of 2000 through 2006 are final, while data of 2007 and 2008 are still provisional.

If you have any questions concerning this publication, call (297) 583-7433 ext. 243, fax (297) 5838057 or e-mail hhelder@cbs.aw.

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Highlights

In the selected tables below you can find a summary of *sales, sales growth, gross profit margin, operating margin* and *operating expenses* of the industries presented in this publication.

Sales

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	256.8	255.4	265.1	293.6	309.4	374.4	438.2	346.8	366.9
Construction	475.9	450.1	443.3	548.6	486.4	539.8	613.1	569.0	615.1
Retail trade	1,152.5	1,183.0	1,138.9	1,126.3	1,246.6	1,316.0	1,375.2	1,428.6	1,515.3
Retail trade of motor vehicles	228.4	186.3	198.0	207.4	218.9	239.9	257.8	266.3	257.9
Wholesale trade	796.4	783.0	745.5	719.3	698.4	704.6	728.2	864.7	836.0
Restaurants and bars	262.6	264.2	286.6	294.3	319.6	306.8	334.7	359.2	430.4
Transport, storage and communication	380.2	357.6	394.1	392.8	436.4	497.3	518.4	586.4	610.6
Renting and business activities	302.5	278.1	287.7	334.8	325.1	362.3	439.2	475.6	500.6
Recreational and sporting activities	272.5	295.5	333.2	346.9	310.5	304.8	289.5	317.9	362.8

Sales: growth figures

	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	-0.5%	3.8%	10.8%	5.4%	21.0%	17.0%	-20.9%	5.8%
Construction	-5.4%	-1.5%	23.8%	-11.3%	11.0%	13.6%	-7.2%	8.1%
Retail trade	2.6%	-3.7%	-1.1%	10.7%	5.6%	4.5%	3.9%	6.1%
Retail trade of motor vehicles	-18.4%	6.3%	4.7%	5.5%	9.6%	7.5%	3.3%	-3.2%
Wholesale trade	-1.7%	-4.8%	-3.5%	-2.9%	0.9%	3.3%	18.7%	-3.3%
Restaurants and bars	0.6%	8.5%	2.7%	8.6%	-4.0%	9.1%	7.3%	19.8%
Transport, storage and communication	-5.9%	10.2%	-0.3%	11.1%	14.0%	4.2%	13.1%	4.1%
Renting and business activities	-8.1%	3.5%	16.4%	-2.9%	11.4%	21.2%	8.3%	5.3%
Recreational and sporting activities	8.4%	12.8%	4.1%	-10.5%	-1.8%	-5.0%	9.8%	14.1%

Almost all industries had an increase in sales in 2008, with the exception of *retail trade of motor vehicles* and *wholesale trade*.

Industries with the highest growth of sales (percentage wise) in 2008 are: *Restaurants and bars, recreational and sporting activities, construction and retail trade*. Sales for these industries grew 19.8%, 14.1%, 8.1% and 6.1%, with a total amount Afl 71.2 million, Afl 44.9 million, Afl 46.1 million and Afl 86.7 million respectively. *Retail trade* is the industry with the highest sales in 2008, with a total amount of Afl 1,515.3 million.

Gross Profit Margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	41.9%	55.7%	59.8%	58.4%	49.2%	45.5%	46.1%	55.8%	59.1%
Construction	39.1%	42.1%	36.6%	38.8%	32.2%	32.7%	33.7%	42.6%	39.5%
Retail trade	30.2%	30.5%	32.3%	31.4%	30.1%	29.8%	30.1%	31.7%	31.9%
Retail trade of motor vehicles	25.4%	24.5%	25.9%	25.1%	24.9%	24.3%	21.8%	22.4%	23.3%
Wholesale trade	20.4%	19.0%	18.8%	19.2%	19.4%	19.4%	20.5%	20.1%	20.9%
Restaurants and bars	63.5%	64.3%	66.1%	66.0%	65.3%	65.1%	66.0%	63.9%	64.0%
Transport, storage and communication	83.1%	89.7%	82.0%	80.6%	81.0%	81.5%	74.6%	75.5%	76.0%
Renting and business activities	69.6%	78.0%	80.9%	79.3%	79.0%	77.9%	80.8%	79.3%	79.4%
Recreational and sporting activities	75.2%	74.3%	67.0%	74.8%	71.5%	72.7%	71.6%	73.8%	75.3%

Gross profit margin is defined as gross profit (sales minus cost of goods sold / direct manufacturing cost / cost of sales) divided by total sales. By comparing the gross profit margin one can see that *renting and business activities* is the industry with the highest margin, followed by the sector *transport, storage and communication* and *recreational and sporting activities*. Note that all these industries are mostly service oriented. Industries with lowest gross profit margin are: *wholesale trade, retail trade of motor vehicles* and *retail trade*.

Operating Margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	-2.9%	2.5%	-1.6%	2.2%	1.9%	1.6%	2.1%	3.6%	2.7%
Construction	2.2%	1.3%	-2.2%	3.4%	-3.0%	-1.2%	5.2%	4.9%	3.1%
Retail trade	2.2%	1.2%	1.6%	1.4%	2.4%	2.6%	3.0%	2.9%	3.6%
Retail trade of motor vehicles	3.6%	-0.7%	2.0%	2.5%	1.8%	2.1%	1.8%	1.0%	1.0%
Wholesale trade	2.7%	3.7%	3.3%	3.2%	3.1%	3.2%	4.1%	3.7%	3.9%
Restaurants and bars	6.2%	5.1%	6.8%	5.3%	6.2%	5.3%	6.0%	5.5%	5.6%
Transport, storage and communication	26.9%	22.3%	17.0%	19.4%	22.4%	24.2%	15.1%	15.4%	16.2%
Renting and business activities	-3.9%	-4.2%	-12.1%	-1.5%	-2.5%	1.2%	5.5%	6.6%	10.3%
Recreational and sporting activities	8.7%	7.9%	7.6%	12.7%	11.7%	10.1%	10.5%	10.7%	11.8%

Operating margin is defined as operating income (gross profit minus operating expenses) divided by total sales. *Transport, storage and communication* is the industry with the highest operating margin in 2008 with 16.2 percent. The next industry with the highest operating margin is *recreational and sporting activities*. Other industries with a positive operating margin in 2008 are: *manufacturing* 2.7%, *retail trade* 3.6%, *retail trade of motor vehicles* 1.0%, *wholesale trade* 3.9% and *restaurants and bars* 5.6%.

Operating Expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	114.9	136.1	162.9	164.9	146.3	164.5	193.0	180.9	206.9
Construction	175.5	183.3	171.9	194.3	171.1	182.5	175.1	214.2	223.8
Retail trade	323.1	346.8	350.3	337.5	345.9	357.7	373.2	411.8	430.0
Retail trade of motor vehicles	49.8	46.9	47.3	47.0	50.5	53.3	51.5	56.8	57.6
Wholesale trade	140.8	119.9	115.3	115.1	113.8	114.0	119.0	142.1	142.5
Restaurants and bars	150.6	156.3	170.1	178.6	188.7	183.4	200.8	209.7	251.3
Transport, storage and communication	213.7	241.1	256.2	240.5	256.0	284.5	308.5	352.7	365.3
Renting and business activities	222.5	228.7	267.6	270.3	265.0	278.1	330.9	346.0	346.3
Recreational and sporting activities	181.3	196.3	197.8	215.5	185.5	190.8	176.8	200.5	230.4

Operating expenses: growth figures

	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	18.5%	19.7%	1.2%	-11.3%	12.4%	17.3%	-6.3%	14.4%
Construction	4.4%	-6.2%	13.0%	-11.9%	6.7%	-4.1%	22.3%	4.5%
Retail trade	7.3%	1.0%	-3.7%	2.5%	3.4%	4.3%	10.3%	4.4%
Retail trade of motor vehicles	-5.8%	0.9%	-0.6%	7.4%	5.5%	-3.4%	10.3%	1.4%
Wholesale trade	-14.8%	-3.8%	-0.2%	-1.1%	0.2%	4.4%	19.4%	0.3%
Restaurants and bars	3.8%	8.8%	5.0%	5.7%	-2.8%	9.5%	4.4%	19.8%
Transport, storage and communication	12.8%	6.3%	-6.1%	6.4%	11.1%	8.4%	14.3%	3.6%
Renting and business activities	2.8%	17.0%	1.0%	-2.0%	4.9%	19.0%	4.6%	0.1%
Recreational and sporting activities	8.3%	0.8%	8.9%	-13.9%	2.9%	-7.3%	13.4%	14.9%

Operating expenses are all expenses associated with generating revenues, other than cost of goods sold, direct manufacturing costs and direct costs. Included are personnel expenses, selling expenses, accommodation expenses, transportation expenses, general expenses and depreciation. By comparing the operating expenses for the industries presented one can see that *retail trade*, *transport, storage and communication* and *renting and business activities* are the industries with the highest operating expenses in 2008. Operating expenses for these industries amounts to Afl 430.0 million, Afl 365.3 million and Afl 346.3 million respectively.

Distribution of operating expenses 2008

	Personnel	Selling	Accommodation	Transportation	General	Depreciation
Manufacturing	57.4%	3.4%	5.8%	1.7%	19.4%	12.2%
Construction	70.2%	2.2%	2.6%	3.2%	17.3%	4.4%
Retail trade	48.9%	8.0%	18.8%	1.4%	16.0%	6.8%
Retail trade of motor vehicles	48.8%	8.6%	11.8%	3.4%	17.1%	10.2%
Wholesale trade	53.3%	9.4%	9.6%	3.9%	17.7%	6.2%
Restaurants and bars	49.1%	7.4%	19.5%	1.1%	17.3%	5.5%
Transport, storage and communication	40.8%	2.5%	9.5%	4.1%	20.6%	22.6%
Renting and business activities	60.0%	4.3%	5.6%	4.6%	14.1%	11.3%
Recreational and sporting activities	37.3%	5.9%	9.0%	1.5%	38.1%	8.2%

Operating Income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Manufacturing	-7.4	6.2	-4.4	6.5	6.0	5.9	9.2	12.6	9.8
Construction	10.4	6.1	-9.8	18.7	-14.4	-6.3	31.7	28.1	19.3
Retail trade	25.1	14.1	18.1	15.8	29.8	34.1	40.8	40.7	54.0
Retail trade of motor vehicles	8.2	-1.2	3.9	5.1	4.0	5.1	4.6	2.7	2.6
Wholesale trade	21.3	28.7	24.6	23.3	22.0	22.4	30.0	31.9	32.6
Restaurants and bars	16.2	13.6	19.4	15.7	19.9	16.4	20.0	19.9	24.3
Transport, storage and communication	102.4	79.6	67.1	76.3	97.7	120.6	78.3	90.3	98.8
Renting and business activities	-11.9	-11.8	-34.9	-4.8	-8.1	4.3	24.0	31.3	51.3
Recreational and sporting activities	23.8	23.4	25.3	44.0	36.5	30.8	30.5	34.0	43.0

Operating income is defined as revenue less cost of goods sold/cost of sales/direct costs and related operating expenses that are applied to the day-to-day operating activities of the company. By comparing the operating income for the industries presented one can see that *transport, storage and communication* is the industry with the highest operating income in 2008. *Retail trade* is the industry with the next highest operating income, with *renting and business activities* and *recreational and sporting activities* following.

1. Manufacturing

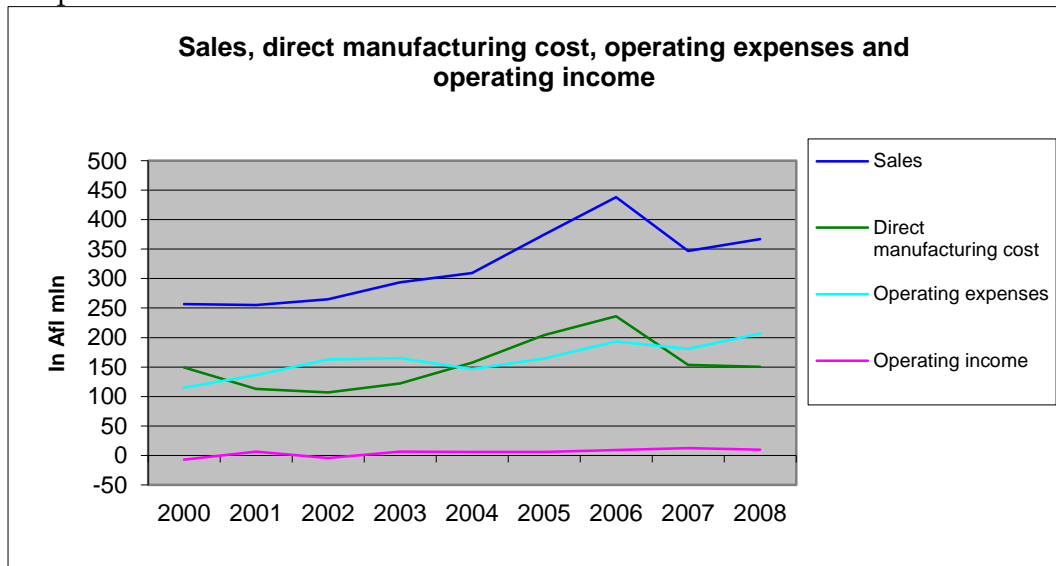
The manufacturing industry represents enterprises engaged in the physical or chemical transformation of materials or components into new products. A few examples of enterprises falling in this category are division: 15 *Manufacture of food products and beverages*, 20 *Manufacture of wood and of products of wood and cork*, 22 *Publishing, printing and reproduction of recorded media*, 24 *Manufacture of chemicals and chemical products*, 28 *Manufacture of fabricated metal products*, 35 *Manufacture of other transport equipment*, 36 *Manufacture of furniture, etc.*

In table 1.1 sales, direct manufacturing cost, gross profit, operating expenses and operating income are shown.

1.1 Sales, direct manufacturing cost, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	256.8	255.4	265.1	293.6	309.4	374.4	438.2	346.8	366.9
Direct manufacturing cost	149.3	113.1	106.6	122.2	157.1	204.1	236.1	153.3	150.2
Gross profit	107.5	142.3	158.5	171.4	152.3	170.3	202.1	193.5	216.7
Operating expenses	114.9	136.1	162.9	164.9	146.3	164.5	193.0	180.9	206.9
Operating income	-7.4	6.2	-4.4	6.5	6.0	5.8	9.1	12.6	9.8

Graph 1A



Sales of the manufacturing industry increased 6 percent in 2008, with Afl 20.1 million. The main reason lies in the increase of sales of division 28 *Manufacture of fabricated metal products*. On the other hand operating income decreased with Afl 2.8 million.

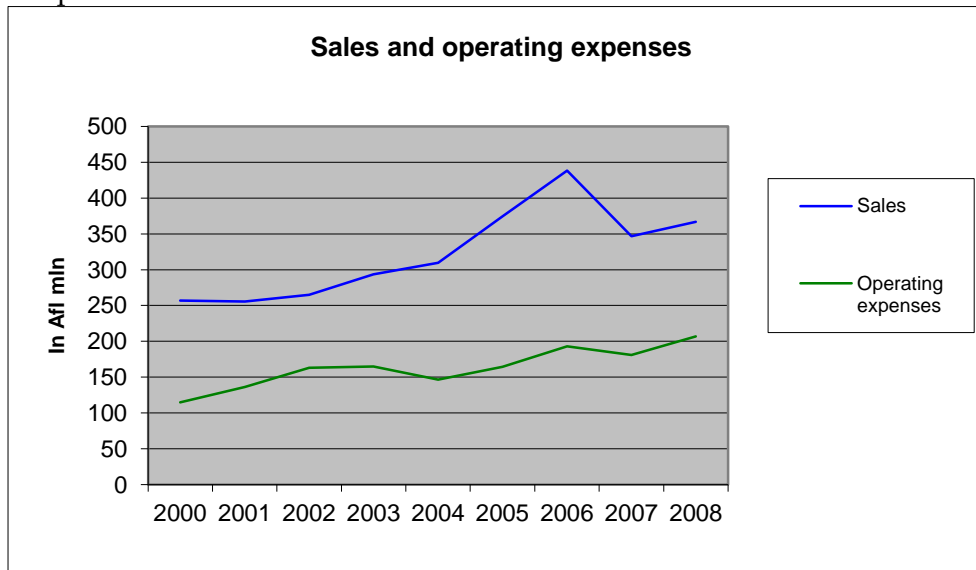
1.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	41.9%	55.7%	59.8%	58.4%	49.2%	45.5%	46.1%	55.8%	59.1%

1.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	256.8	255.4	265.1	293.6	309.4	374.4	438.2	346.8	366.9
Operating expenses	114.9	136.1	162.9	164.9	146.3	164.5	193.0	180.9	206.9

Graph 1B



Operating expenses of the manufacturing industry totaled Afl 206.9 million in 2008. This is equivalent to 56.4% percent of the Afl 366.9 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 47.3%, 43.9%, 44.0% and 52.2% of sales.

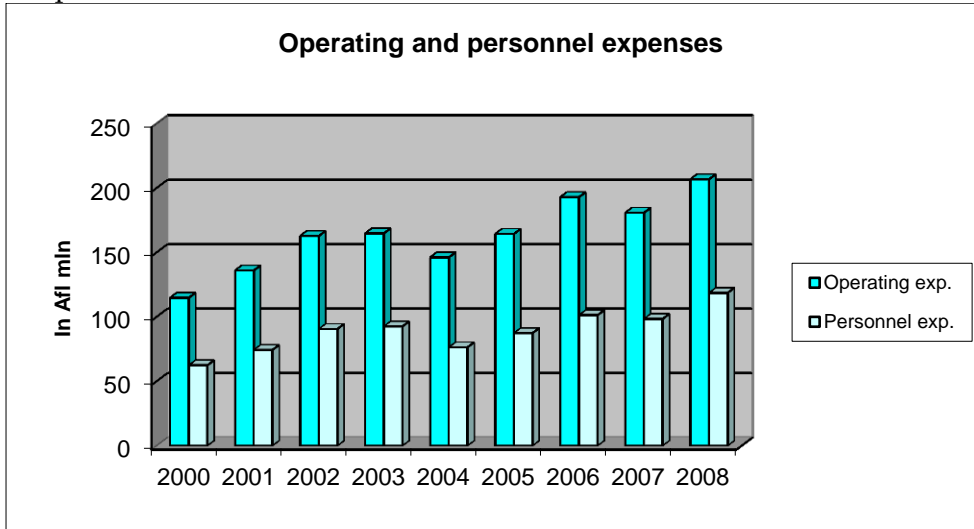
In 2008 operating expenses increased by 14.4 percent. For 2004 through 2007 operating expenses grew respectively -11.3%, 12.4%, 17.3% and -6.3% in comparison to the year before.

Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

1.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	114.9	136.1	162.9	164.9	146.3	164.5	193.0	180.9	206.9
Personnel expenses	62.5	74.4	90.7	92.7	76.5	87.5	101.4	98.5	118.7

Graph 1C



Personnel expenses of the manufacturing industry made up 57.4 percent of operating expenses in 2008. For 2004 through 2008 personnel expenses were respectively 52.3%, 53.2%, 52.6% and 54.4% of operating expenses.

1.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
24.3%	29.1%	34.2%	31.6%	24.7%	23.4%	23.1%	28.4%	32.4%

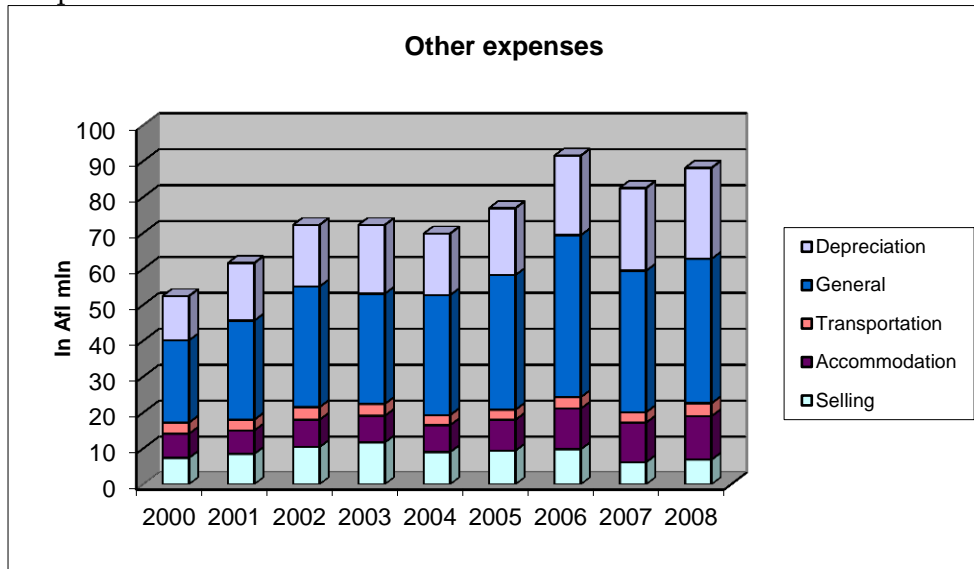
In table 1.6 the amount of other expenses are shown. These consists of the following categories:

- selling expenses: advertisement, promotion, representation, travel & lodging
- accommodation expenses: rent, maintenance, water, electricity, insurance
- transportation expenses: gasoline, insurance, road/ license plate tax
- general expenses: telephone, freight & import duties, office supplies, accounting & legal fees, repair & maintenance equipment, etc.

1.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling expenses	7.4	8.5	10.4	11.7	9.0	9.4	9.8	6.2	6.9
Accommodation expenses	6.7	6.5	7.6	7.4	7.5	8.6	11.3	11.0	12.1
Transportation expenses	3.1	3.0	3.5	3.3	2.8	2.8	3.2	2.9	3.6
General expenses	22.9	27.6	33.6	30.7	33.4	37.5	45.1	39.4	40.2
Depreciation	12.3	16.0	17.1	19.1	17.1	18.6	22.1	23.0	25.3
Total	52.4	61.6	72.2	72.2	69.8	76.9	91.5	82.5	88.1

Graph 1D



As can be observed from graph 1D, general expenses stands out in comparison to the other expenses. Depreciation is the next highest expense, while accommodation and selling expenses are quite equal. Transportation is the category with the lowest expense.

In the next table the share of each expense-category in the operating expenses of the manufacturing industry is shown.

1.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	54.3%	54.7%	55.7%	56.2%	52.3%	53.2%	52.6%	54.4%	57.4%
Selling expenses	6.5%	6.3%	6.4%	7.1%	6.2%	5.7%	5.1%	3.4%	3.4%
Accommodation expenses	5.8%	4.7%	4.7%	4.5%	5.1%	5.2%	5.9%	6.1%	5.8%
Transportation expenses	2.7%	2.2%	2.1%	2.0%	1.9%	1.7%	1.7%	1.6%	1.7%
General expenses	19.9%	20.3%	20.6%	18.6%	22.8%	22.8%	23.4%	21.8%	19.4%
Depreciation	10.7%	11.8%	10.5%	11.6%	11.7%	11.3%	11.4%	12.7%	12.2%
	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 1E

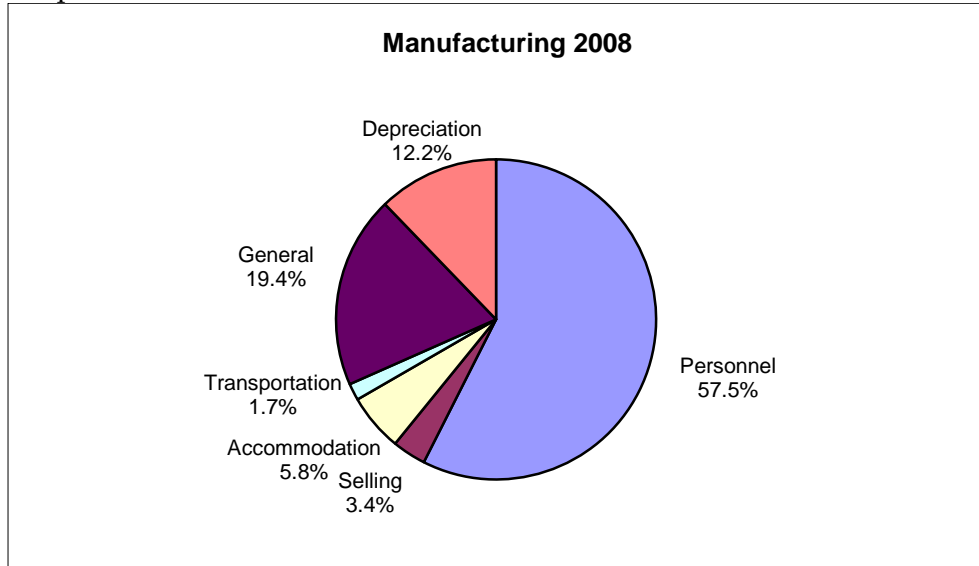
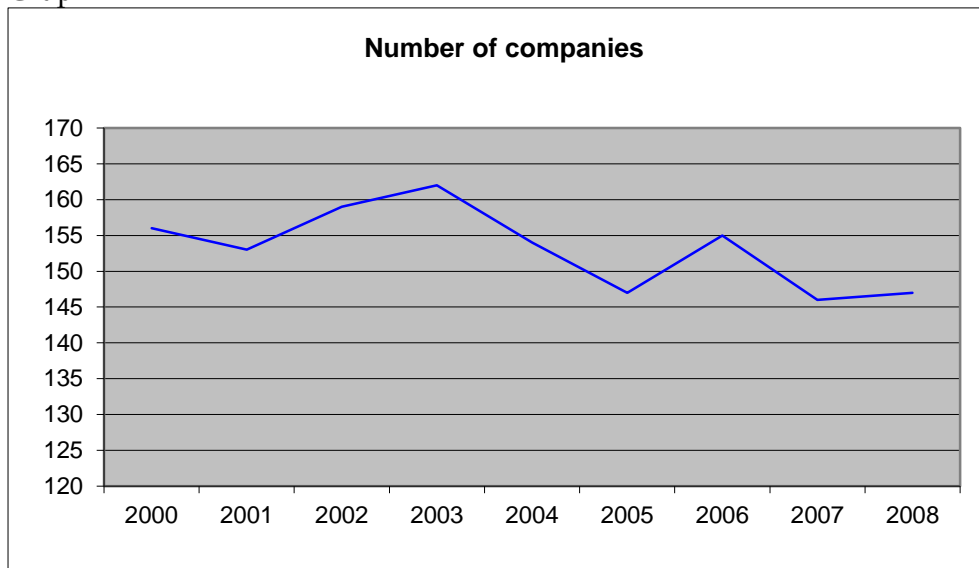


Table 1.8 represents the number of companies of the manufacturing industry. A *company* in this table is defined as an organization with at least one employee on its payroll.

1.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
156	153	159	162	154	147	155	146	147

Graph 1F



1.9 Distribution number of companies 2008

Division	Description	# Companies	In %
28	Manufacture of fabricated metal products	35	24%
15	Manufacture of food products and beverages	35	24%
22	Publishing, printing and reproduction of recorded media	21	14%
20	Manufacture of wood and of products of wood and cork	15	10%
24	Manufacture of chemicals and chemical products	9	6%
35	Manufacture of other transport equipment	9	6%
36	Manufacture of furniture	6	4%
26	Manufacture of other non-metallic mineral products	5	3%
33	Manufacture of medical, precision and optical instruments	4	3%
31	Manufacture of electrical machinery and apparatus	2	1%
37	Recycling	2	1%
25	Manufacture of rubber and plastic products	1	1%
16	Manufacture of tobacco products	1	1%
21	Manufacture of pulp paper and paper products	1	1%
34	Manufacture of motor vehicles, trailers and semi-trailers	1	1%
		147	100%

2. Construction

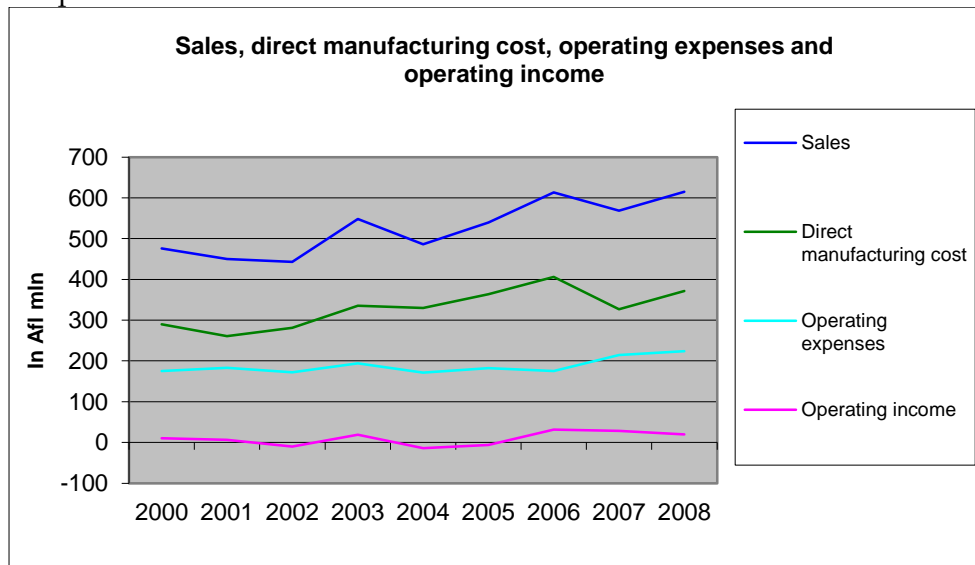
Construction as an industry refers to all activities that revolve around construction. A few examples of enterprises falling into this category are ISIC: 4510 site preparation, 4520 building of complete constructions or parts thereof, 4530 building installation, 4540 building completion and 4550 renting of construction or demolition equipment with operator.

In table 2.1 sales, direct manufacturing cost, gross profit, operating expenses and operating income are shown.

2.1 Sales, direct manufacturing cost, gross profit, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	475.9	450.1	443.3	548.6	486.4	539.8	613.1	569.0	615.1
Direct manufacturing cost	290.0	260.7	281.2	335.6	329.7	363.5	406.4	326.7	371.9
Gross profit	185.9	189.4	162.1	213.0	156.7	176.3	206.7	242.3	243.2
Operating expenses	175.5	183.3	171.9	194.3	171.1	182.5	175.1	214.2	223.8
Operating income	10.4	6.1	-9.8	18.7	-14.4	-6.2	31.6	28.1	19.4

Graph 2A



Sales of the construction industry totaled Afl 615.1 million in 2008. In comparison to 2007, sales increased 8.1 percent, with Afl 46.1 million. Although sales increased in comparison to the year before, the operating income decreased with Afl 8.7 million.

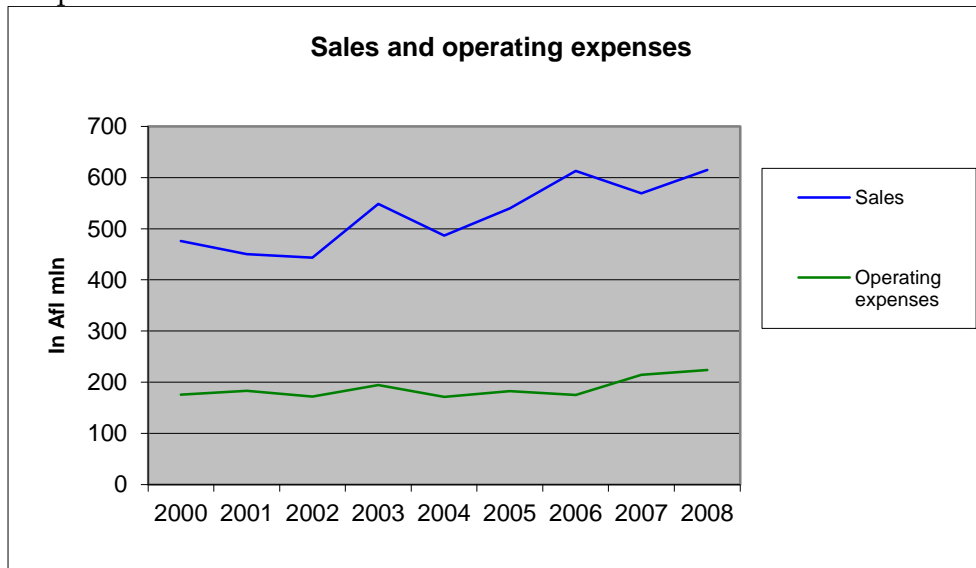
2.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	39.1%	42.1%	36.6%	38.8%	32.2%	32.7%	33.7%	42.6%	39.5%

2.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	475.9	450.1	443.3	548.6	486.4	539.8	613.1	569.0	615.1
Operating expenses	175.5	183.3	171.9	194.3	171.1	182.5	175.1	214.2	223.8

Graph 2B



Operating expenses of the construction industry totaled Afl 223.8 million in 2008. This is equivalent to 36.4 percent of the Afl 615.1 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 35.2%, 33.8%, 28.6% and 37.6% of sales.

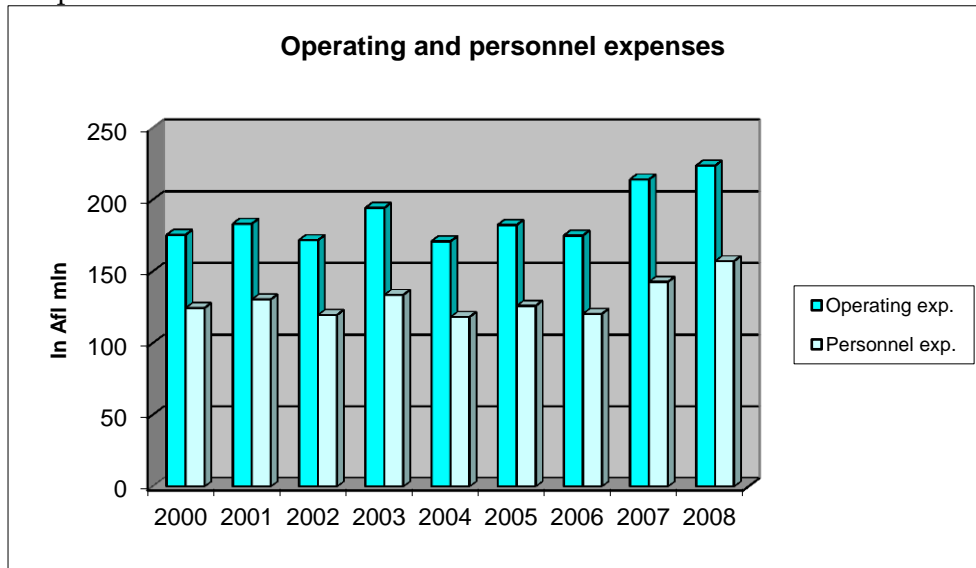
In 2008 operating expenses grew 4.5 percent. For 2004 through 2007 operating expenses grew respectively -11.9%, 6.7%, -4.1% and 22.4% in comparison to the previous year.

Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

2.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	175.5	183.3	171.9	194.3	171.1	182.5	175.1	214.2	223.8
Personnel expenses	124.5	130.5	119.7	133.7	118.3	126.1	120.4	142.8	157.2

Graph 2C



Personnel expenses of the construction industry made up 70.2 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 69.1%, 69.1%, 68.8% and 66.6% of operating expenses.

2.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
26.2%	29.0%	27.0%	24.4%	24.3%	23.4%	19.6%	25.1%	25.6%

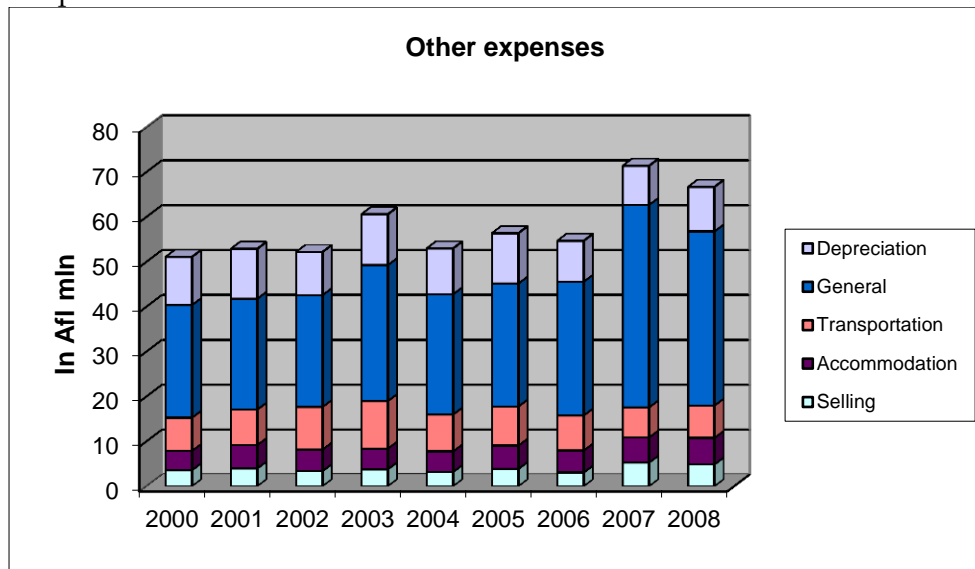
In table 2.6 other expenses are shown. The following expenses are included:

- selling expenses: advertisement, travel & lodging, representation
- accommodation expenses: rent, insurance, maintenance, water, electricity, security
- transportation expenses: gasoline, license plate tax, insurance, maintenance, rentals
- general expenses: telephone, office supplies, accounting & legal fees, general repair & maintenance, rental equipment, etc.

2.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling expenses	3.6	4.0	3.4	3.8	3.2	3.9	3.1	5.3	4.9
Accommodation expenses	4.3	5.2	4.8	4.6	4.6	5.2	4.9	5.6	5.9
Transportation expenses	7.4	7.9	9.5	10.6	8.2	8.7	7.8	6.7	7.2
General expenses	25.1	24.7	24.9	30.3	26.8	27.4	29.8	45.1	38.8
Depreciation	10.7	11.1	9.6	11.3	10.2	11.2	9.1	8.7	9.9
Total	51.1	52.9	52.2	60.6	53.0	56.4	54.7	71.4	66.7

Graph 2D



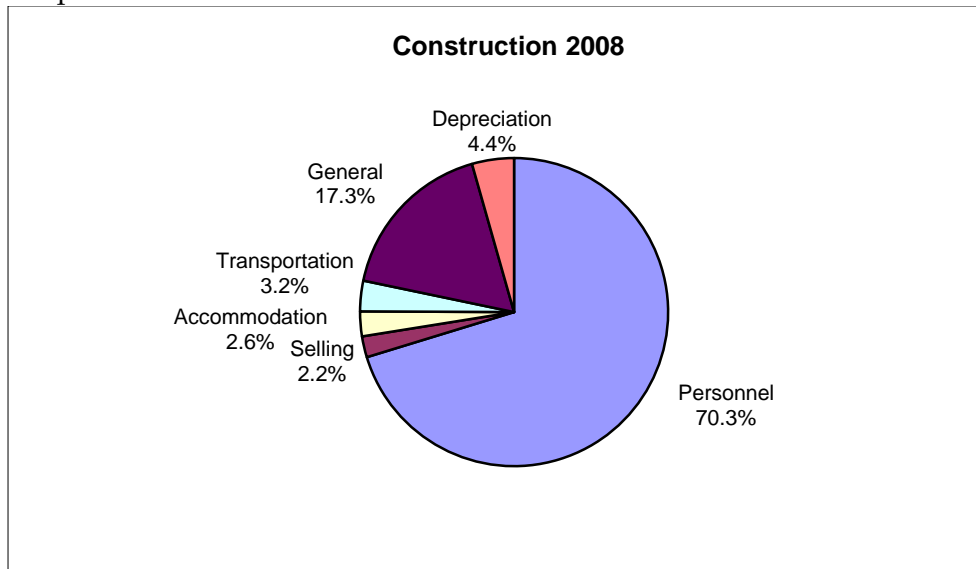
As can be observed from graph 2D general expenses stand out in comparison to the other expenses. Depreciation is the next highest expense, with transportation following. Selling and accommodation are quite equal.

In table 2.7 the share of each expense-category in the operating expenses of the construction industry is shown.

2.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	70.9%	71.2%	69.6%	68.8%	69.1%	69.1%	68.8%	66.6%	70.2%
Selling expenses	2.1%	2.2%	2.0%	1.9%	1.8%	2.1%	1.8%	2.5%	2.2%
Accommodation expenses	2.4%	2.8%	2.8%	2.4%	2.7%	2.8%	2.8%	2.6%	2.6%
Transportation expenses	4.2%	4.3%	5.5%	5.4%	4.8%	4.8%	4.4%	3.1%	3.2%
General expenses	14.3%	13.5%	14.5%	15.6%	15.6%	15.0%	17.0%	21.0%	17.3%
Depreciation	6.1%	6.0%	5.6%	5.8%	5.9%	6.1%	5.2%	4.1%	4.4%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 2E

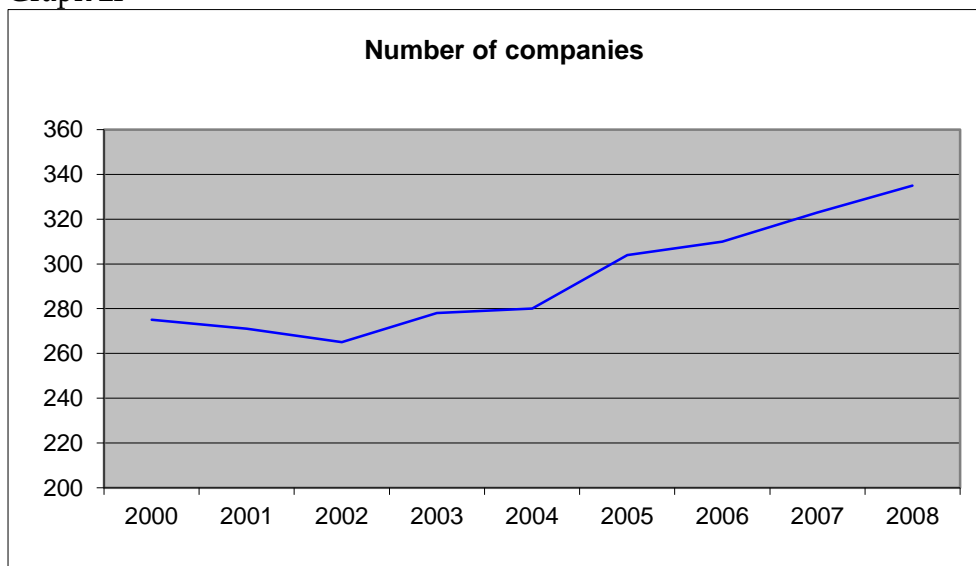


In table 2.8 the number of companies of the construction industry is presented.

2.9 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
273	270	264	278	277	296	310	323	335

Graph 2F



2.9 Distribution number of companies 2008

ISIC	Description	# Companies	In percentage
4520	Building of complete constructions or parts thereof	233	70%
4530	Building installation	77	23%
4540	Building completion	14	4%
4510	Site preparation	8	2%
4550	Renting of construction or demolition equipment with operator	3	1%
		<u>335</u>	<u>100%</u>

3. Retail trade

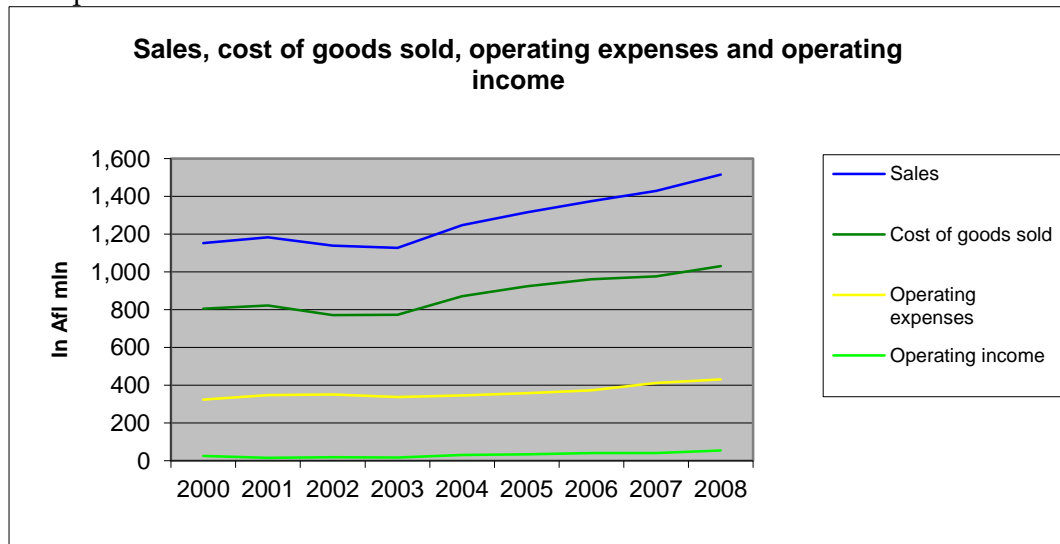
Companies representing this division are retailers. Some examples of retailers in this division are: 5211 retail sale in non-specialized stores with food, beverages or tobacco predominating, 5231 retail sale of pharmaceutical and medical goods, cosmetic and toilet articles, 5232 retail sale of textiles, clothing, footwear and leather goods, 5233 retail sale of household appliances, articles and equipment, 5234 retail sale of hardware, paint and glass and 5238 Other retail sale in specialized stores.

In table 3.1 sales, cost of goods sold, gross profit, operating expenses and operating income are shown.

3.1 Sales, cost of goods sold, gross profit, operating expenses and operating income

In AfI mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	1,152.5	1,183.0	1,138.9	1,126.3	1,246.6	1,316.0	1,375.2	1,428.6	1,515.3
Cost of goods sold	804.3	822.1	770.5	773.0	870.9	924.1	961.2	976.0	1031.2
Gross profit	348.2	360.9	368.4	353.3	375.7	391.9	414.0	452.6	484.1
Operating expenses	323.1	346.8	350.3	337.5	345.9	357.7	373.2	411.8	430.0
Operating income	25.1	14.1	18.1	15.8	29.8	34.2	40.8	40.8	54.1

Graph 3A



Sales of the retail trade industry increased by 6.1% in 2008. For 2004 through 2007 sales increased respectively 10.7%, 5.6%, 4.5% and 3.9% in comparison to the previous year.

Cost of goods sold totaled 1,031.2 million in 2008. This represents a growth of 5.7% in comparison to the previous year. For 2004 through 2007 cost of goods sold grew respectively 12.7%, 6.1%, 4.0% and 1.5% in comparison to the previous year.

Gross profit increased in 2008 by 7.0 percent in comparison to the previous year. For 2004 through 2007 gross profit increased respectively 6.4%, 4.3%, 5.6% and 9.3% in comparison to the previous year.

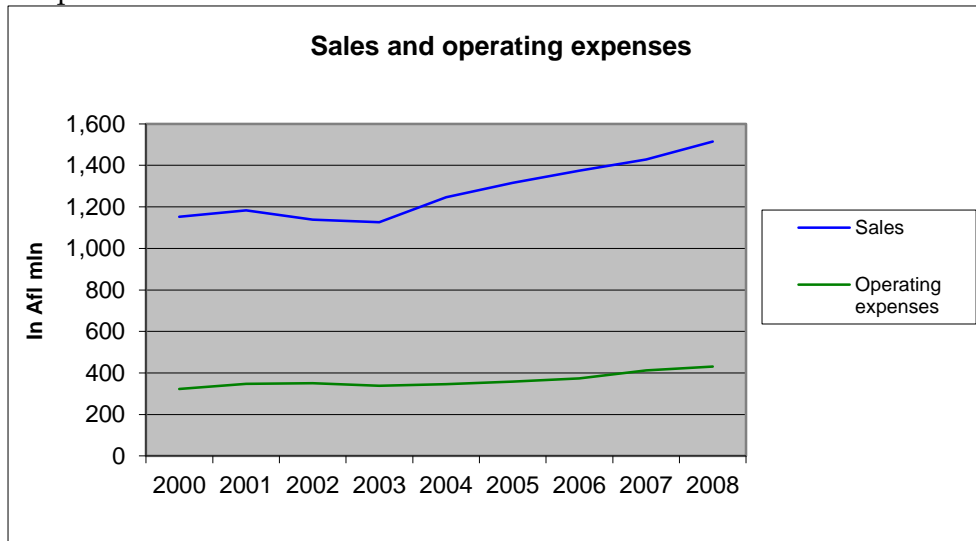
3.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	30.2%	30.5%	32.3%	31.4%	30.1%	29.8%	30.1%	31.7%	31.9%

3.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	1,152.5	1,183.0	1,138.9	1,126.3	1,246.6	1,316.0	1,375.2	1,428.6	1,515.3
Operating expenses	323.1	346.8	350.3	337.5	345.9	357.7	373.2	411.8	430.0

Graph 3B



Operating expenses of the retail trade industry totaled Afl 430.0 million in 2008. This is equivalent to 28.4 percent of the Afl 1,515.3 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 27.7%, 27.2%, 27.1% and 28.8% of sales.

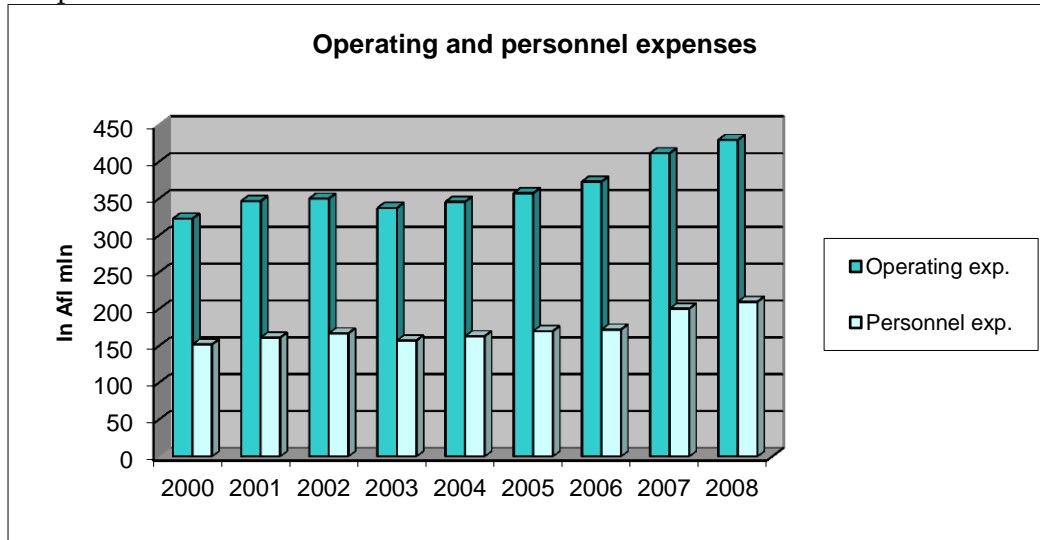
In 2008 operating expenses grew 4.4 percent. For 2004 through 2007 operating expenses grew respectively 2.5%, 3.4%, 4.3% and 10.4% in comparison to the previous year.

Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

3.4 Operating/ personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	323.1	346.8	350.3	337.5	345.9	357.7	373.2	411.8	430.0
Personnel expenses	152.3	161.5	167.3	157.6	163.4	170.3	172.5	200.8	210.2

Graph 3C



Personnel expenses of the retail trade industry made up 48.9 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 47.2%, 47.6%, 46.2% and 48.7% of operating expenses.

3.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
13.2%	13.6%	14.7%	14.0%	13.1%	12.9%	12.5%	14.1%	13.9%

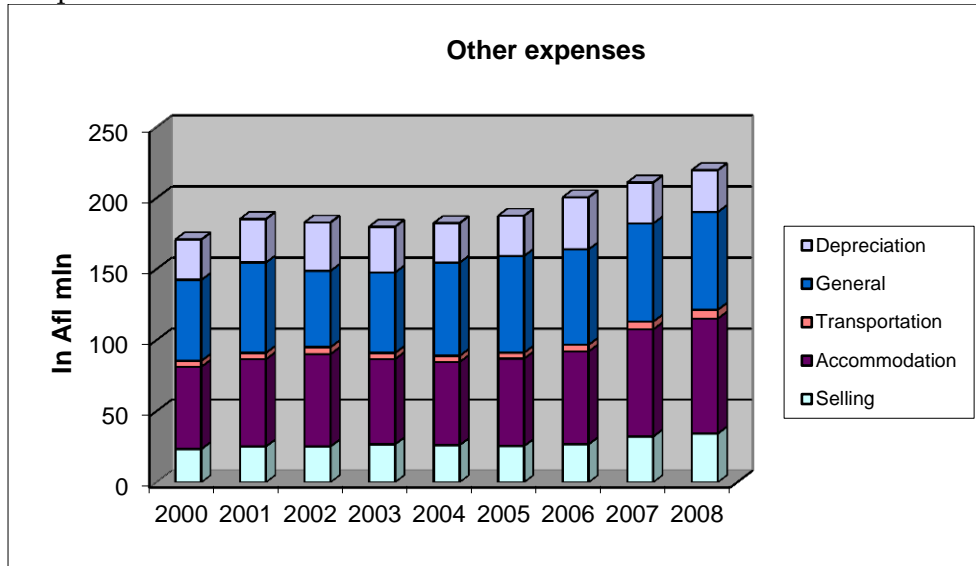
In table 3.6 other expenses are shown. Other expenses consist of the following categories:

- selling expenses: advertisement, travel & lodging, representation, packing material
- accommodation expenses: rent, insurance, maintenance, electricity, security
- transportation expenses: gasoline, car insurance, repair & maintenance
- general expenses: telephone, freight & import duties, office supplies, accounting & legal fees, maintenance equipment, credit card commissions, etc.

3.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling	23.5	25.3	25.3	26.8	26.2	25.6	26.9	32.3	34.4
Accommodation	57.9	61.4	65.0	60.0	58.5	61.6	65.3	75.4	80.9
Transportation	4.2	4.5	4.9	4.3	4.4	4.1	4.7	5.5	6.2
General	57.0	63.6	53.7	56.7	65.6	68.1	67.2	69.1	68.8
Depreciation	28.3	30.5	34.0	32.1	27.7	28.2	36.5	28.7	29.4
Total	170.9	185.3	182.9	179.9	182.4	187.6	200.6	211.0	219.7

Graph 3D



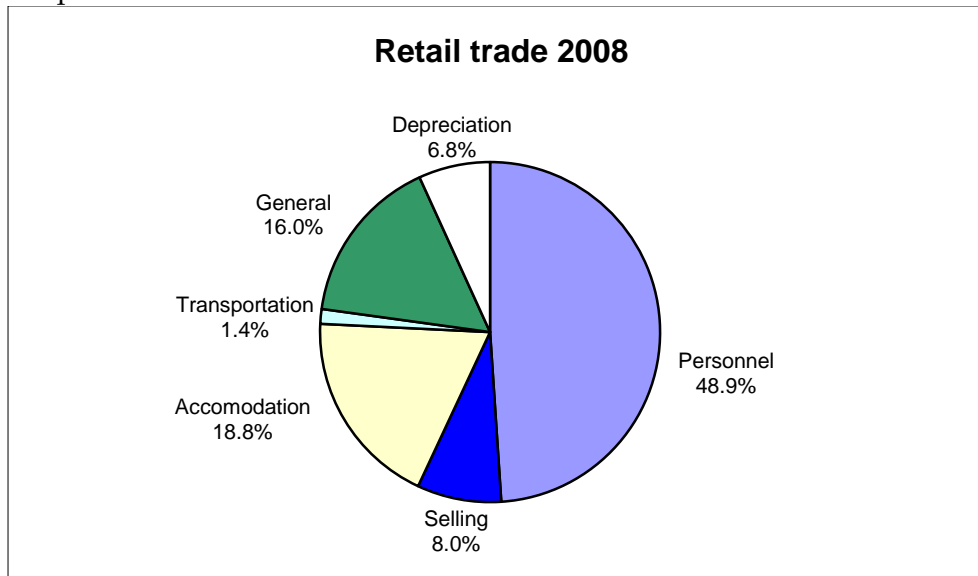
As can be observed from graph 3D accommodation and general expenses stand out in comparison to the other expenses. Selling and depreciation are the next highest expenses, while transportation is the category with the lowest expense.

In the next table the share of each expense-category of the retail trade industry is shown.

3.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	47.1%	46.6%	47.8%	46.7%	47.2%	47.6%	46.2%	48.7%	48.9%
Selling expenses	7.3%	7.3%	7.2%	8.0%	7.6%	7.1%	7.2%	7.9%	8.0%
Accommodation expenses	17.9%	17.7%	18.6%	17.8%	16.9%	17.2%	17.5%	18.3%	18.8%
Transportation expenses	1.3%	1.3%	1.4%	1.3%	1.3%	1.1%	1.3%	1.3%	1.4%
General expenses	17.6%	18.3%	15.3%	16.8%	19.0%	19.0%	18.0%	16.8%	16.0%
Depreciation	8.8%	8.8%	9.7%	9.5%	8.0%	7.9%	9.8%	7.0%	6.8%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 3E

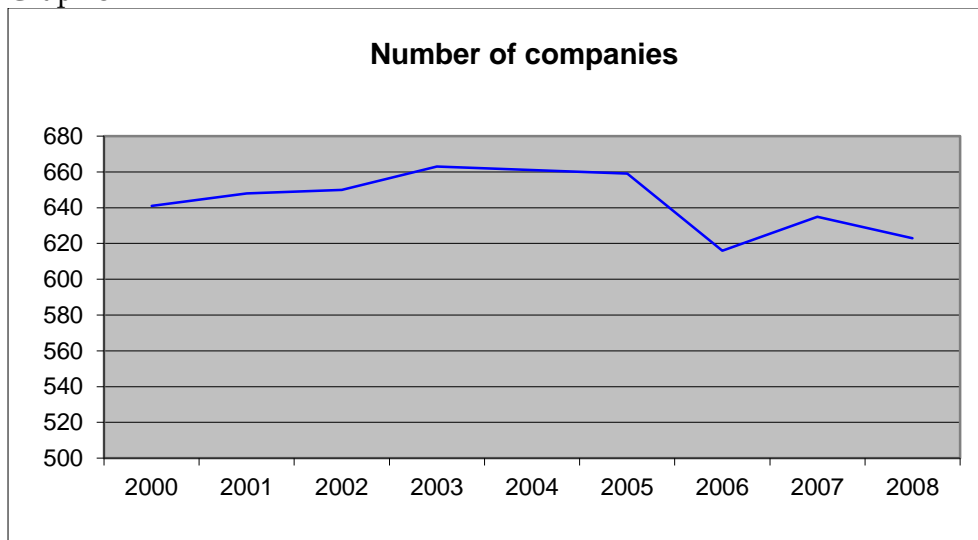


In table 3.8 the number of companies of the retail trade industry is presented.

3.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
641	648	650	663	661	659	616	635	623

Graph 3F



3.9 Distribution of companies 2008

ISIC	Description	# of companies	In %
5238	Other retail sale in specialized stores	198	31.8%
5232	Retail sale of textiles, clothing, footwear and leather goods	172	27.6%
5211	Retail sale in non-specialized stores with food, beverages or tobacco predominating	99	15.9%
5233	Retail sale of household appliances, articles and equipment	57	9.1%
5231	Retail sale of pharmaceutical and medical goods, cosmetic and toilet articles	34	5.5%
5234	Retail sale of hardware, paint and glass	26	4.2%
5260	Repair of personal and household goods	12	1.9%
5235	Retail sale of books, office supplies and equipment, magazines and stationery	8	1.3%
5225	Retail sale of beverages not consumed on the spot and of tobacco products	4	0.6%
5219	Other retail sale in non-specialized stores	2	0.3%
5222	Retail sale of fresh fruit and vegetables	2	0.3%
5224	Retail sale of sugar confectionery	2	0.3%
5221	Retail sale of meat and meat products	2	0.3%
5259	Other non-store retail sale	2	0.3%
5229	Retail sale of food, beverages and tobacco in other specialized stores	2	0.3%
5223	Retail sale of fish and other seafood and products thereof	1	0.2%
		623	100%

4. Retail trade of motor vehicles

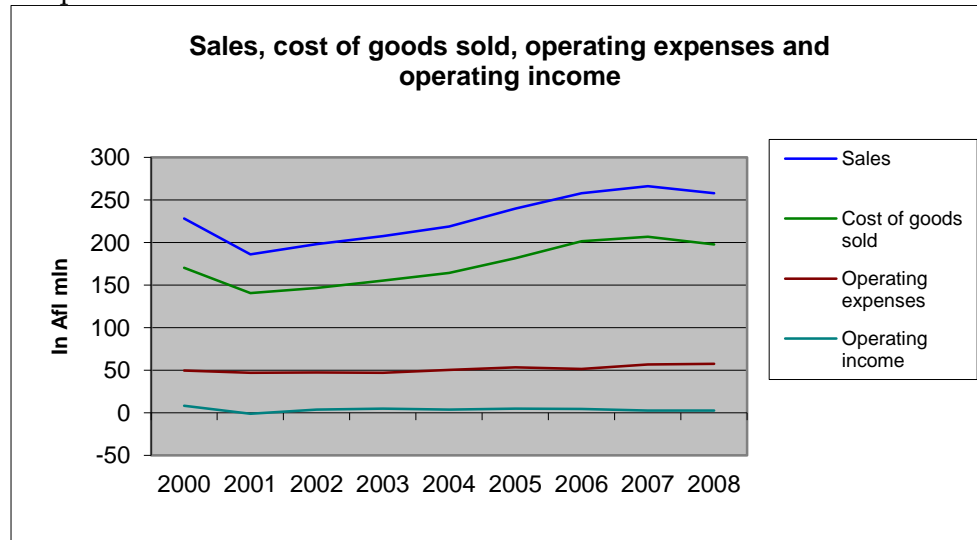
This division includes ISIC: 5010 sale of motorvehicles, 5020 maintenance and repair of motorvehicles, 5030 sale of motorvehicle parts and accessories and 5040 sale, maintenance and repair of motorcycles.

In table 4.1 sales, cost of goods sold, gross profit, operating expenses and operating income are shown.

4.1 Sales, cost of goods sold, gross profit, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	228.4	186.3	198.0	207.4	218.9	239.9	257.8	266.3	257.9
Cost of goods sold	170.4	140.6	146.8	155.3	164.4	181.5	201.7	206.7	197.7
Gross profit	58.0	45.7	51.2	52.1	54.5	58.4	56.1	59.6	60.2
Operating expenses	49.8	46.9	47.3	47.0	50.5	53.3	51.5	56.8	57.6
Operating income	8.2	-1.2	3.9	5.1	4.0	5.1	4.6	2.8	2.6

Graph 4A



In 2008 sales decreased by 3.2% while cost of goods sold decreased by 4.4%. For 2004 through 2007 sales grew respectively 5.6%, 9.6%, 7.5% and 3.3% while cost of goods sold grew respectively 5.9%, 10.4%, 11.2% and 2.5% in comparison to the previous year.

Gross profit gained slightly in 2008 with 1.0%. For 2004 through 2007 gross profit grew/fell respectively 4.6%, 7.1%, -3.9% and 6.2%.

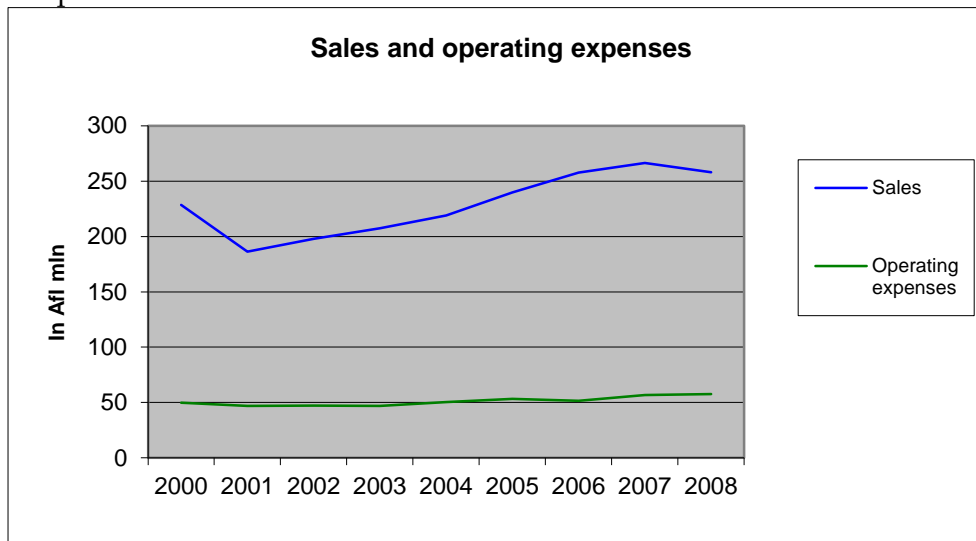
4.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	25.4%	24.5%	25.9%	25.1%	24.9%	24.3%	21.8%	22.4%	23.3%

4.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	228.4	186.3	198.0	207.4	218.9	239.9	257.8	266.3	257.9
Operating expenses	49.8	46.9	47.3	47.0	50.5	53.3	51.5	56.8	57.6

Graph 4B

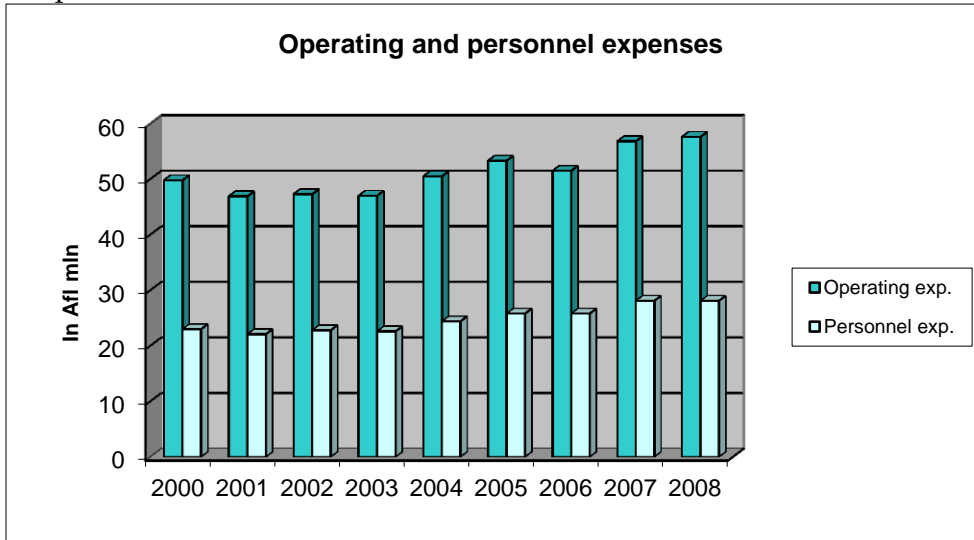


Operating expenses for this industry totaled Afl 57.6 million in 2008. This is equivalent to 22.3 percent of the Afl 257.9 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 23.1%, 22.2%, 20.0% and 21.3% of sales. Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

4.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	49.8	46.9	47.3	47.0	50.5	53.3	51.5	56.8	57.6
Personnel expenses	23.0	22.1	22.8	22.6	24.4	25.8	25.8	28.1	28.1

Graph 4C



Personnel expenses for this industry made up 48.8 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 48.3%, 48.5%, 50.1% and 49.3% of operating expenses.

4.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
10.1%	11.9%	11.5%	10.9%	11.1%	10.8%	10.0%	10.5%	10.9%

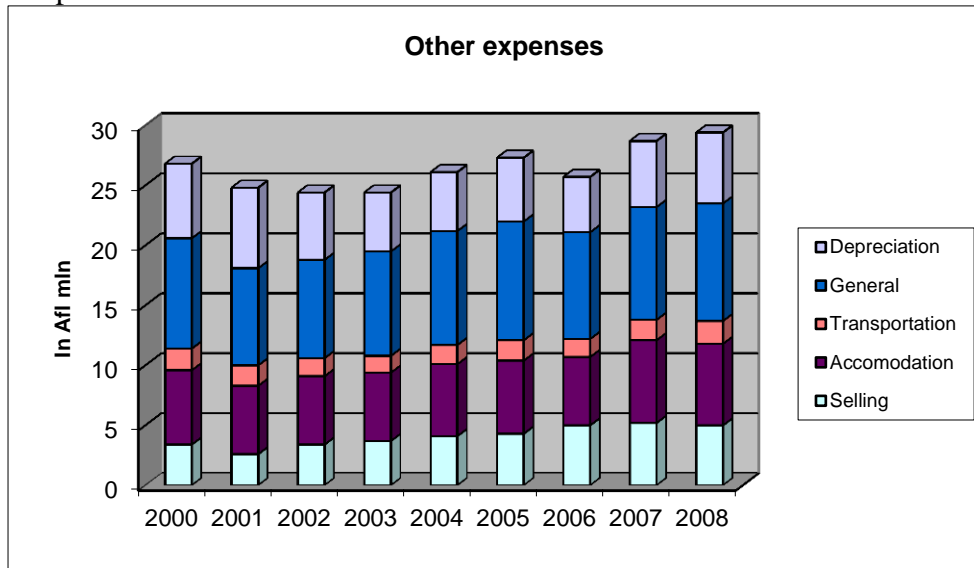
In table 4.6 other expenses are shown. The following categories of expenses are included:

- selling expenses: advertisement, promotion, travel & lodging
- accommodation expenses: rent, maintenance, water, electricity, security
- transportation expenses: repair & maintenance, car insurance, gasoline
- general expenses: telephone, office supplies, accounting & legal fees

4.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling expenses	3.4	2.6	3.4	3.7	4.1	4.3	5.0	5.2	5.0
Accommodation expenses	6.2	5.7	5.7	5.7	6.0	6.1	5.7	6.9	6.8
Transportation expenses	1.8	1.7	1.5	1.4	1.6	1.7	1.5	1.7	1.9
General expenses	9.2	8.1	8.2	8.7	9.5	9.9	8.9	9.4	9.8
Depreciation	6.2	6.7	5.6	4.9	4.9	5.3	4.6	5.5	5.9
Total	26.8	24.8	24.4	24.4	26.1	27.3	25.7	28.7	29.4

Graph 4D



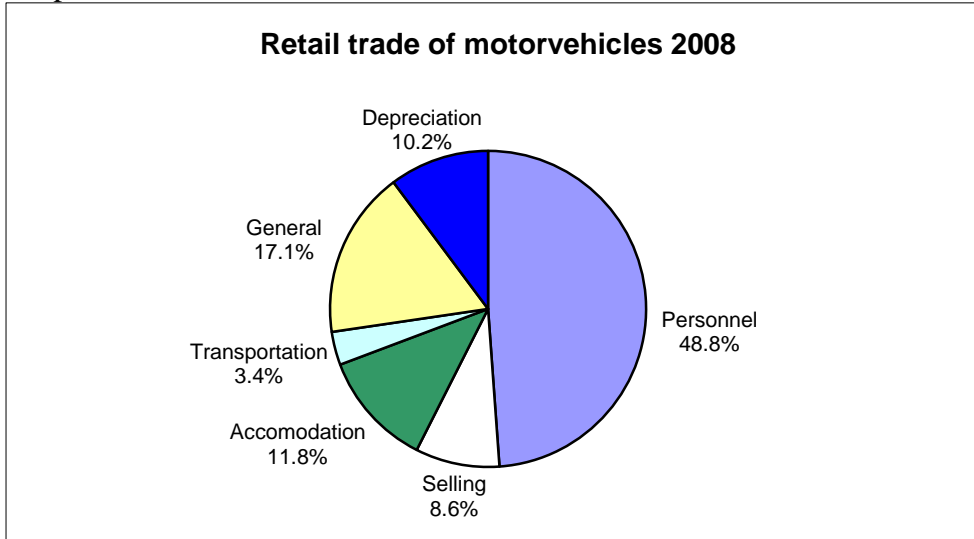
As can be observed from graph 4D accommodation and general expenses stand out in comparison to the other expenses. Depreciation is the next highest expense, followed by selling expenses. Transportation is the category with the lowest expense.

In table 4.7 the share of each expense-category in the industry retail trade of motor vehicles and automotive fuel is shown.

4.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	46.2%	47.2%	48.3%	48.1%	48.3%	48.5%	50.1%	49.3%	48.8%
Selling expenses	6.8%	5.5%	7.3%	7.9%	8.1%	8.2%	9.7%	9.2%	8.6%
Accommodation expenses	12.4%	12.2%	12.0%	12.0%	11.8%	11.5%	11.0%	12.2%	11.8%
Transportation expenses	3.6%	3.6%	3.3%	2.9%	3.2%	3.2%	2.9%	3.0%	3.4%
General expenses	18.5%	17.2%	17.3%	18.5%	18.9%	18.6%	17.4%	16.6%	17.1%
Depreciation	12.5%	14.3%	11.9%	10.4%	9.7%	9.9%	8.9%	9.7%	10.2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 4E

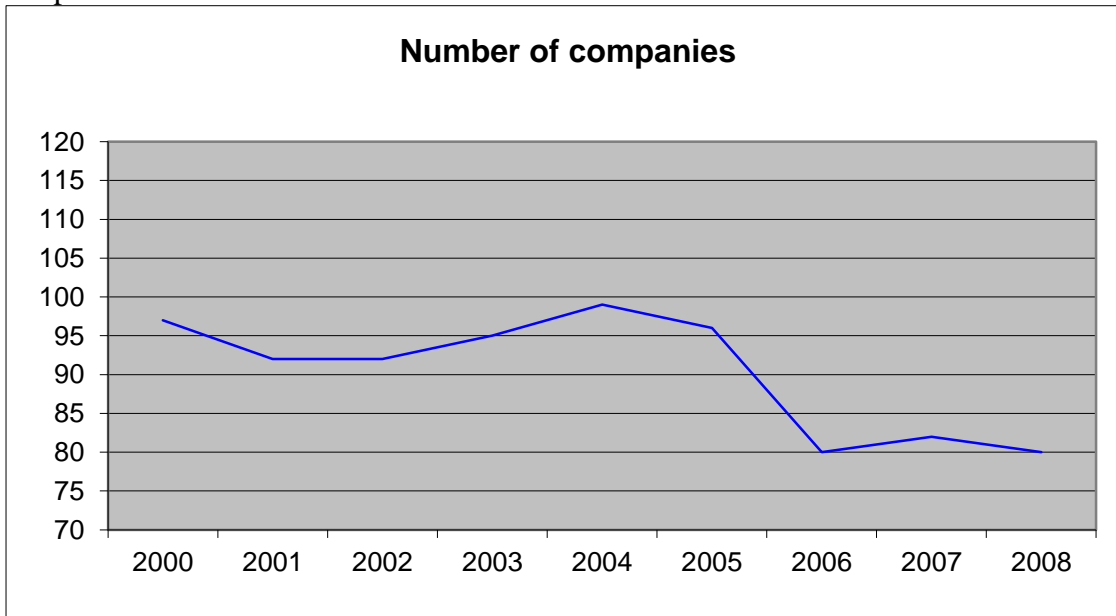


In table 4.8 the number of companies for retail trade of motor vehicles and automotive fuel is shown.

4.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
97	92	92	95	99	96	80	82	80

Graph 4F



4.9 Distribution of companies 2008

ISIC	Description	# Companies	In percentage
5020	Maintenance and repair of motorvehicles	49	61%
5030	Sale of motorvehicle parts and accessories	17	21%
5010	Sale of motorvehicles	11	14%
5040	Sale, maintenance and repair of motorcycles	3	4%
		<hr/>	
		80	100%

5. Wholesale trade

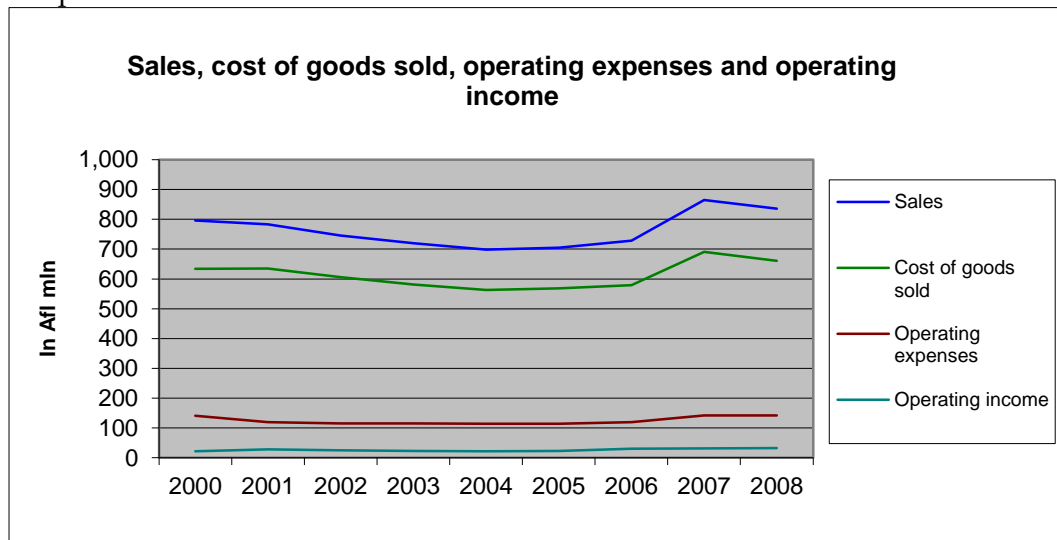
The industry wholesale trade represents all wholesalers on the island, including wholesalers operating in the free zone. Some examples of wholesalers in this division are: 5122 Wholesale of food, beverages, tobacco and household goods, 5131 Wholesale of textiles, clothing and footwear and 5139 wholesale of other household goods.

In table 5.1 sales, cost of goods sold, gross profit, operating expenses and operating income are shown.

5.1 Sales, cost of goods sold and gross profit

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	796.4	783.0	745.5	719.3	698.4	704.6	728.2	864.7	836.0
Cost of goods sold	634.3	634.4	605.6	580.9	562.6	568.2	579.2	690.7	660.9
Gross profit	162.1	148.6	139.9	138.4	135.8	136.4	149.0	174.0	175.1
Operating expenses	140.8	119.9	115.3	115.1	113.8	114.0	119.0	142.1	142.5
Operating income	21.3	28.7	24.6	23.3	22.0	22.4	30.0	31.9	32.6

Graph 5A



For 2008 sales decreased 3.3% in comparison to the previous year. For 2004 through 2007 sales grew/fell respectively -2.9%, 0.9%, 3.4% and 18.7% in comparison to the previous year.

From 2004 till 2008 cost of goods sold decreased/increased -3.1%, 1.0%, 1.9%, 19.3% and -4.3% while gross profit decreased/increased -1.8%, 0.4%, 9.3%, 16.8% and 0.6% in comparison to the previous year.

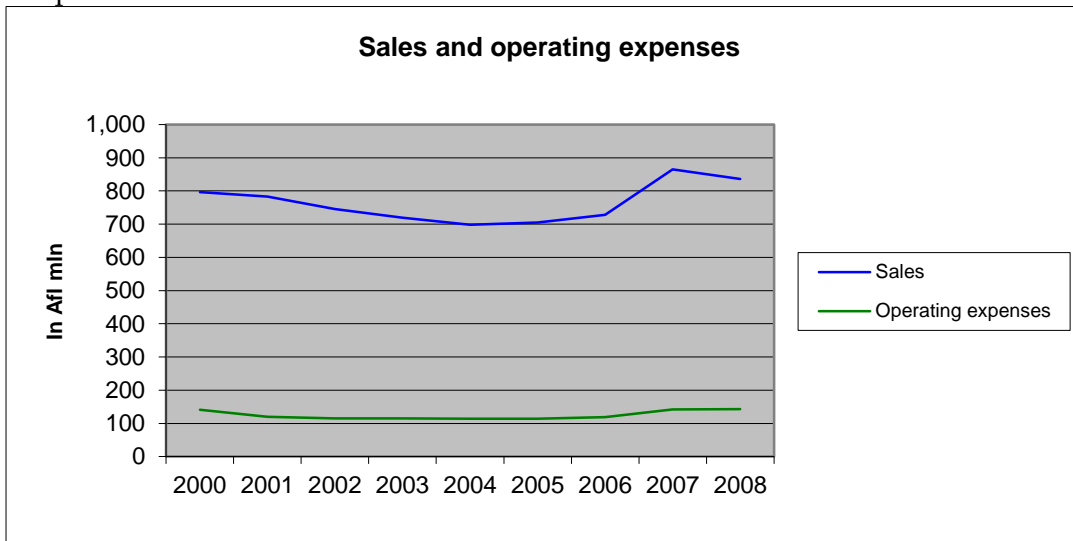
5.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	20.4%	19.0%	18.8%	19.2%	19.4%	19.4%	20.5%	20.1%	20.9%

5.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	796.4	783.0	745.5	719.3	698.4	704.6	728.2	864.7	836.0
Operating expenses	140.8	119.9	115.3	115.1	113.8	114.0	119.0	142.1	142.5

Graph 5B



Operating expenses of the wholesale industry totaled Afl 142.5 million in 2008. This is equivalent to 17.0% percent of the Afl 836.0 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 16.3%, 16.2%, 16.3% and 16.4% of sales.

In 2008 operating expenses increased by 0.3 percent. For 2004 through 2007 operating expenses grew/fell respectively -1.0%, 0.1%, 4.5% and 19.4% in comparison to the year before.

Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

5.4 Operating/ personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	140.8	119.9	115.3	115.1	113.8	114.0	119.0	142.1	142.5
Personnel expenses	68.0	59.3	57.1	61.4	59.0	58.9	61.3	77.5	75.9

Graph 5C



Personnel expenses of the wholesale industry made up 51.7 percent of operating expenses in 2005. For 2001 through 2004 personnel expenses were respectively 49.5%, 49.5%, 53.4% and 51.8% of operating expenses.

5.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
8.5%	7.6%	7.7%	8.5%	8.5%	8.4%	8.4%	9.0%	9.1%

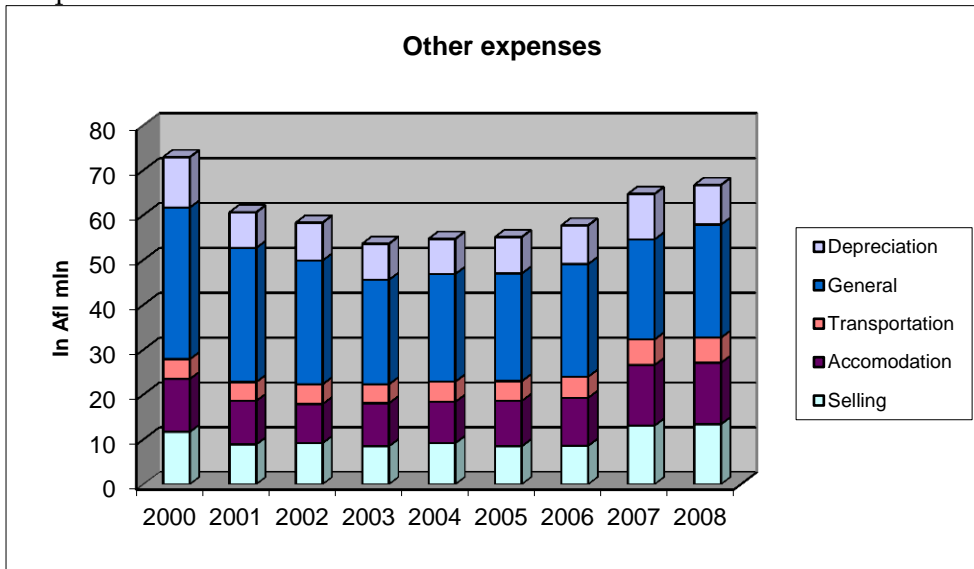
In table 5.6 other expenses are shown. The following categories of expenses are included:

- selling expenses: advertisement, travel & lodging, representation
- accommodation expenses: rent, maintenance, water, electricity, security
- transportation expenses: gasoline, car insurance, repair & maintenance
- general expenses: telephone, freight & import duties, office supplies, accounting & legal fees, repair & maintenance equipment

5.6 Other expenses

In AfI mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling	11.7	8.9	9.2	8.5	9.2	8.5	8.6	13.1	13.4
Accommodation	11.8	9.7	8.7	9.6	9.2	10.1	10.7	13.5	13.7
Transportation	4.4	4.2	4.4	4.2	4.5	4.4	4.7	5.7	5.6
General	33.8	29.9	27.6	23.3	24.0	24.0	25.1	22.3	25.2
Depreciation	11.2	7.9	8.4	8.0	7.8	8.1	8.6	10.1	8.8
Total	72.9	60.6	58.3	53.6	54.7	55.1	57.7	64.7	66.7

Graph 5D



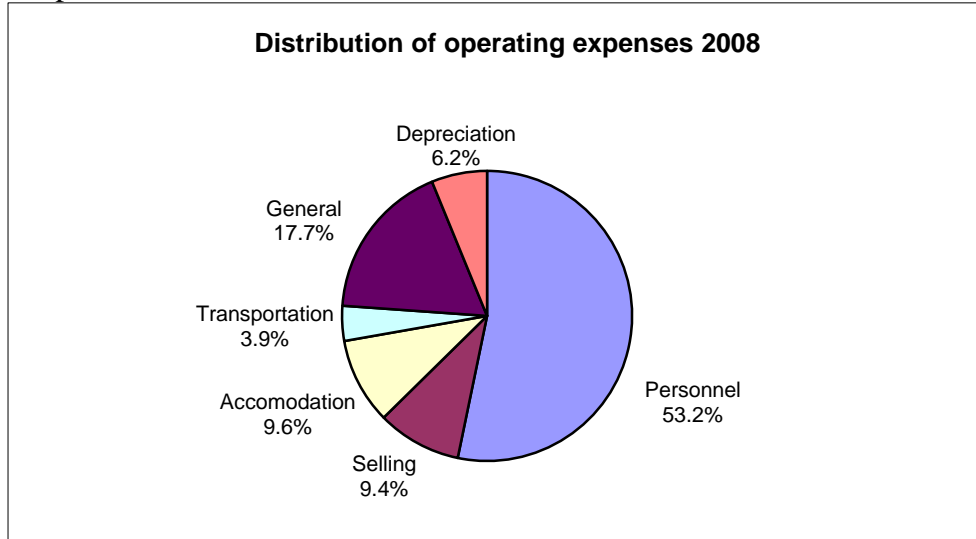
As can be observed from graph 5D general expenses stand out in comparison to the other expenses. Selling and accommodation are the next highest expense, followed by depreciation expenses. Transportation expenses is the category with the lowest expense.

In table 5.7 the share of each expense-category for the wholesale industry is shown.

5.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	48.3%	49.5%	49.5%	53.4%	51.8%	51.7%	51.5%	54.6%	53.3%
Selling expenses	8.3%	7.4%	8.0%	7.4%	8.1%	7.4%	7.2%	9.2%	9.4%
Accommodation expenses	8.4%	8.1%	7.5%	8.3%	8.1%	8.8%	9.0%	9.5%	9.6%
Transportation expenses	3.1%	3.5%	3.8%	3.6%	3.9%	3.9%	4.0%	4.0%	3.9%
General expenses	24.0%	24.9%	23.9%	20.3%	21.1%	21.0%	21.1%	15.7%	17.7%
Depreciation	7.9%	6.6%	7.3%	7.0%	6.9%	7.1%	7.2%	7.1%	6.2%
	100%	100%	100%	100%	100%	100%	100%	100%	100%

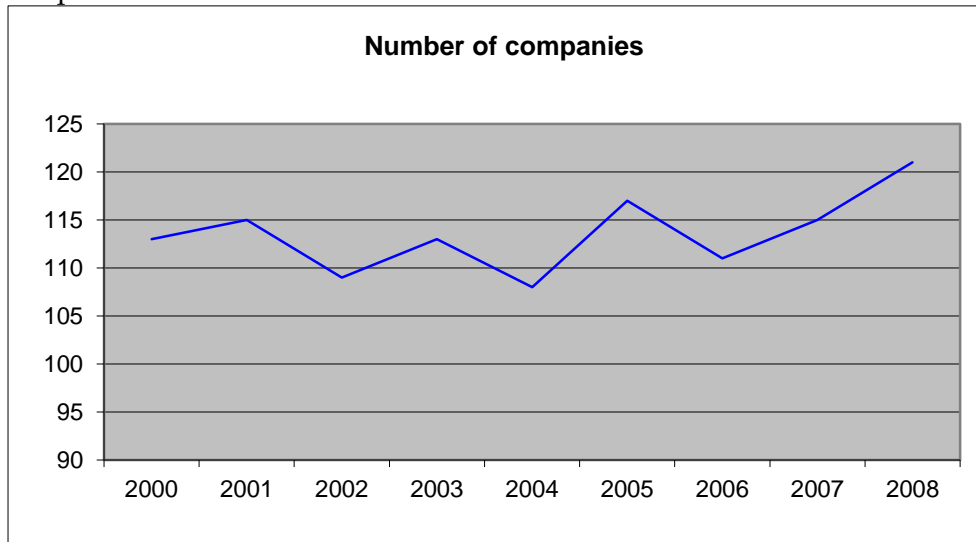
Graph 5E



5.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
113	115	109	113	108	117	111	115	121

Graph 5F



Distribution of companies 2008

ISIC	Description	# Companies	In percentage
5122	Wholesale of food, beverages and tobacco	68	56%
5139	Wholesale of other household goods	24	20%
5190	Other wholesale	12	10%
5131	Wholesale of textiles, clothing and footwear	5	4%
5143	Wholesale of construction materials, hardware, plumbing, etc.	4	3%
5121	Wholesale of agriculture raw materials and live animals	3	2%
5141	Wholesale of solid, liquid and gaseous fuels and related products	3	2%
5150	Wholesale of machinery, equipment and supplies	1	1%
5110	Wholesale on a fee or contract basis	1	1%
		<hr/>	
		121	100%

6. Restaurants and bars

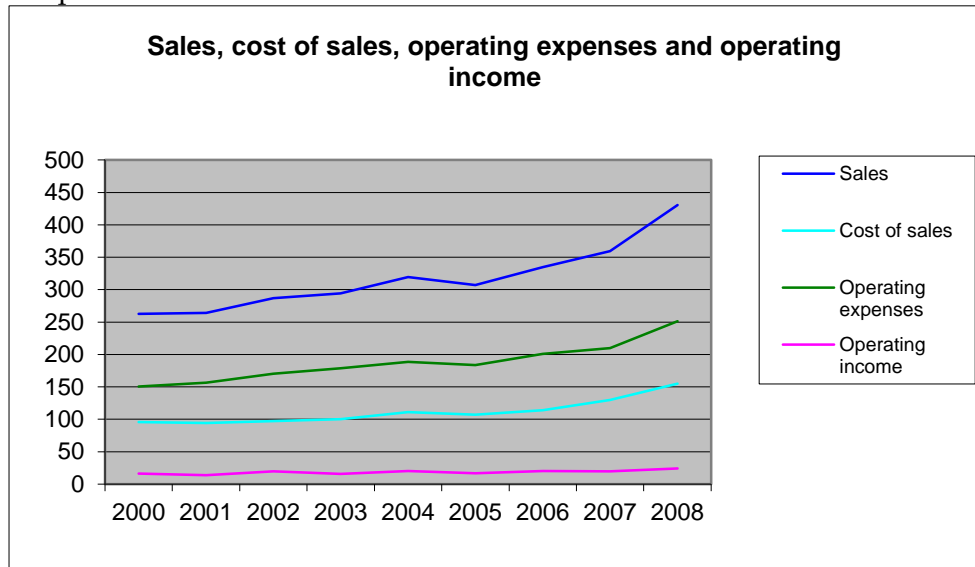
This industry represents all restaurants and bars on the island of Aruba, with the exception of restaurants and bars owned by hotels. Sales and expenses of the latter are integrated in the hotel industry. Examples of restaurants and bars in this industry are division: 5521 bars, 5522 full service restaurants, 5523 fast food restaurants and cafeterias, 5524 catering companies, 5525 lunch counters and refreshment stands, sale of snacks, snack-trucks and 5526 nightclubs, dinner theaters.

In table 6.1 sales, cost of sales, gross profit, operating expenses and operating income are shown.

6.1 Sales, cost of sales, gross profit, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	262.6	264.2	286.6	294.3	319.6	306.8	334.7	359.2	430.4
Cost of sales	95.8	94.3	97.1	100.0	111.0	106.9	113.9	129.7	154.8
Gross profit	166.8	169.9	189.5	194.3	208.6	199.9	220.8	229.5	275.6
Operating expenses	150.6	156.3	170.1	178.6	188.7	183.4	200.8	209.7	251.3
Operating income	16.2	13.6	19.4	15.7	19.9	16.5	20.0	19.8	24.3

Graph 6A



In 2008 sales increased by 19.8% while cost of sales increased by 19.4%. For 2004 through 2007 sales grew/fell respectively 8.6%, -4.0%, 9.1% and 7.3% while cost of sales grew/fell respectively 11.0%, -3.6%, 6.5% and 13.9% in comparison to the previous year.

Gross profit increased with 20.1% in 2008. For 2004 through 2007 gross profit grew/fell respectively 7.3%, -4.2%, 10.5% and 3.9%.

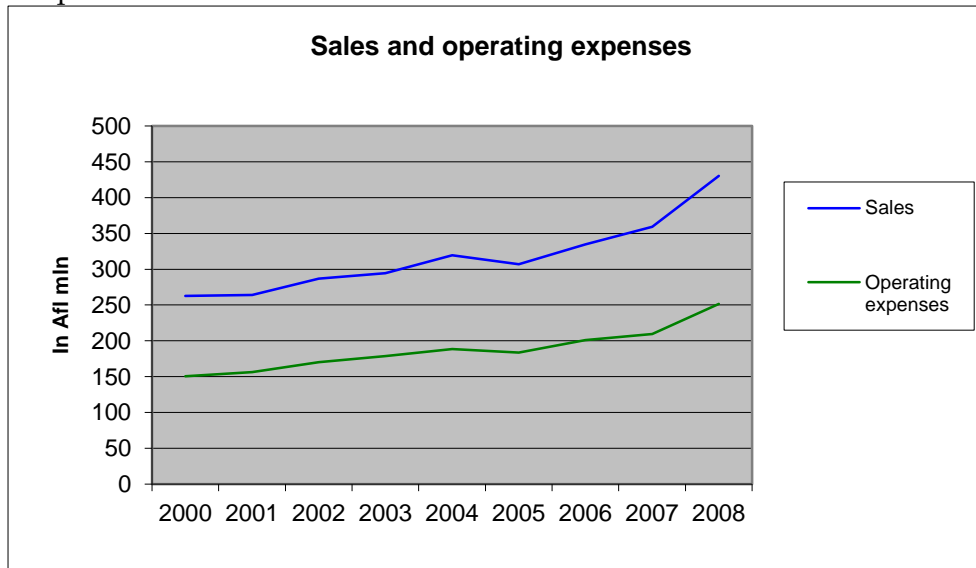
6.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	63.5%	64.3%	66.1%	66.0%	65.3%	65.1%	66.0%	63.9%	64.0%

6.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	262.6	264.2	286.6	294.3	319.6	306.8	334.7	359.2	430.4
Operating expenses	150.6	156.3	170.1	178.6	188.7	183.4	200.8	209.7	251.3

Graph 6B

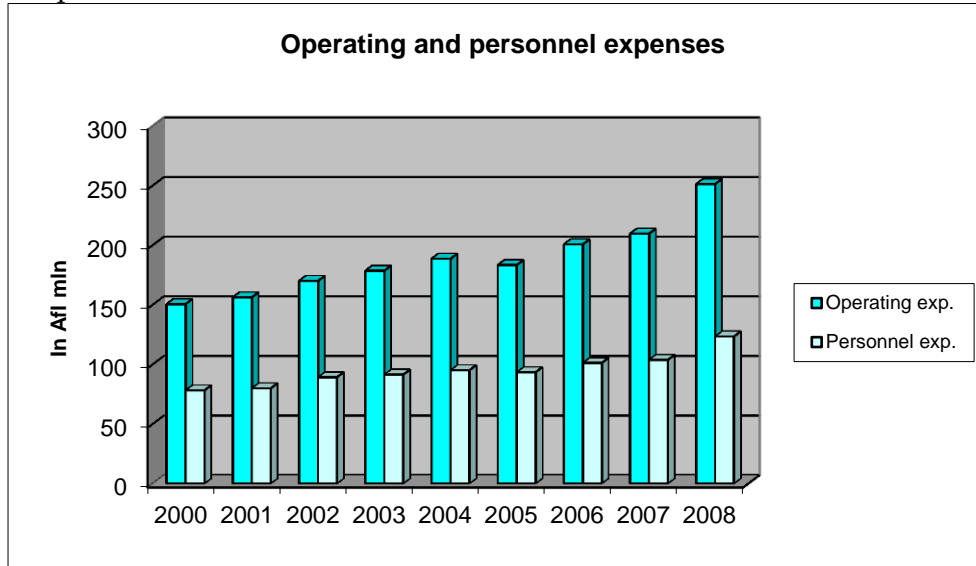


Operating expenses for this industry totaled Afl 251.3 million in 2008. This is equivalent to 58.4 percent of the Afl 430.4 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 59.0%, 59.8%, 60.0% and 58.4% of sales. Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

6.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	150.6	156.3	170.1	178.6	188.7	183.4	200.8	209.7	251.3
Personnel expenses	78.3	80.0	89.3	91.5	95.2	93.5	101.3	103.9	123.5

Graph 6C



Personnel expenses for the restaurants and bars industry made up 49.1 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 50.5%, 51.0%, 50.4% and 49.5% of operating expenses.

6.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
29.8%	30.3%	31.2%	31.1%	29.8%	30.5%	30.3%	28.9%	28.7%

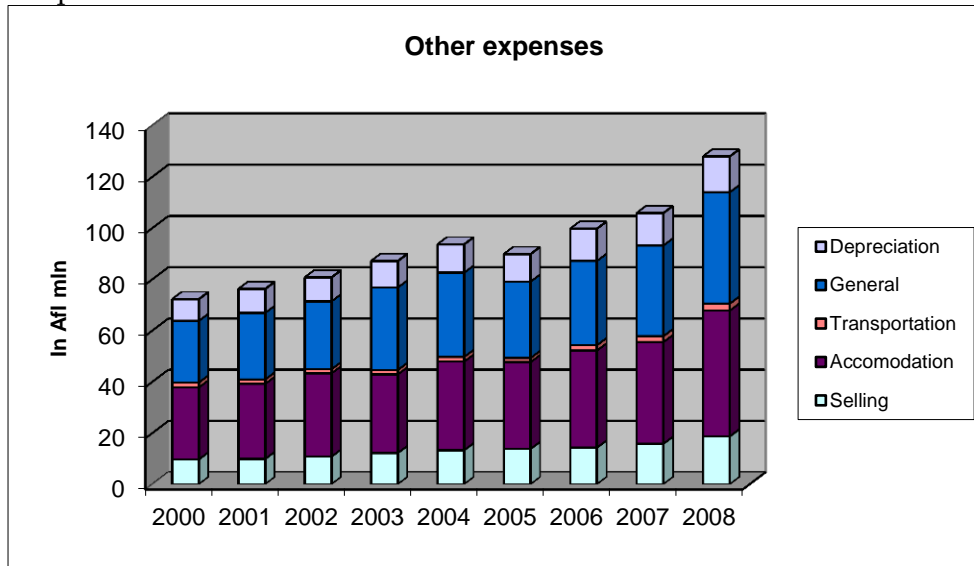
In table 6.6 other expenses are shown. The following categories of expenses are included:

- selling expenses: advertisement, travel & lodging, representation
- accommodation expenses: rent, maintenance, water, electricity, security
- transportation expenses: gasoline, car insurance, repair & maintenance
- general expenses: telephone, office supplies, accounting & legal fees, repair & maintenance equipment

6.6 Other expenses

In Afł mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling expenses	9.7	9.9	10.8	12.2	13.3	13.8	14.3	15.8	18.7
Accommodation expenses	28.1	29.3	32.5	30.7	34.6	33.9	37.9	39.7	49.1
Transportation expenses	1.9	1.7	1.6	1.7	1.8	1.6	2.1	2.3	2.7
General expenses	24.1	26.0	26.5	32.2	32.9	29.8	32.9	35.4	43.5
Depreciation	8.4	9.3	9.3	10.3	11.0	10.7	12.5	12.6	13.9
Total	72.2	76.2	80.7	87.1	93.6	89.8	99.7	105.8	127.9

Graph 6D



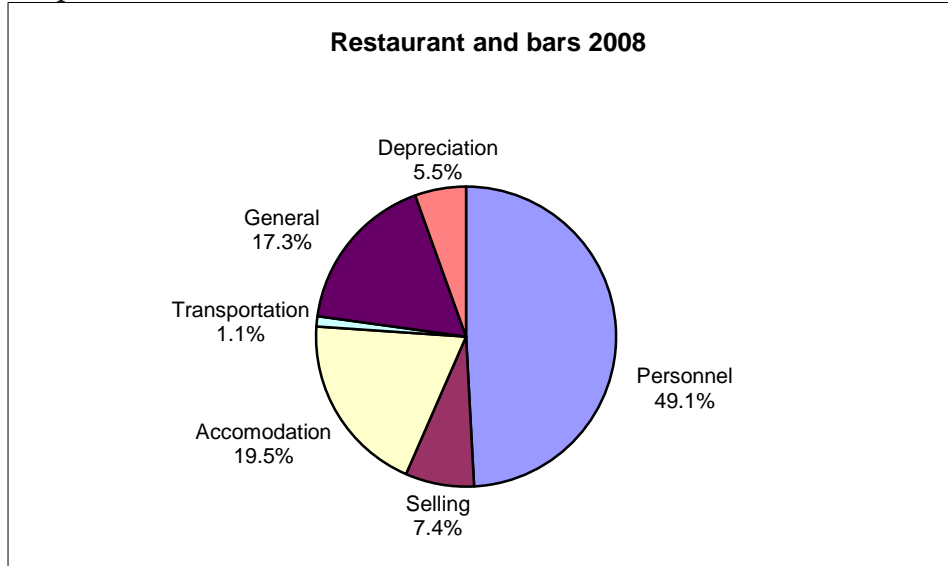
As can be observed from graph 6D general expenses and accommodation expenses stand out in comparison to the other expenses. Selling, and depreciation are quite equal, while transportation is the category with the lowest expense.

In table 6.7 the share of each expense-category for the restaurants and bars industry is shown.

6.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	52.0%	51.2%	52.5%	51.2%	50.5%	51.0%	50.4%	49.5%	49.1%
Selling expenses	6.5%	6.3%	6.4%	6.9%	7.0%	7.5%	7.1%	7.6%	7.4%
Accommodation expenses	18.7%	18.8%	19.1%	17.2%	18.3%	18.5%	18.9%	18.9%	19.5%
Transportation expenses	1.3%	1.1%	0.9%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%
General expenses	16.0%	16.6%	15.6%	18.0%	17.4%	16.3%	16.4%	16.9%	17.3%
Depreciation	5.6%	6.0%	5.5%	5.7%	5.8%	5.9%	6.2%	6.0%	5.5%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 6E

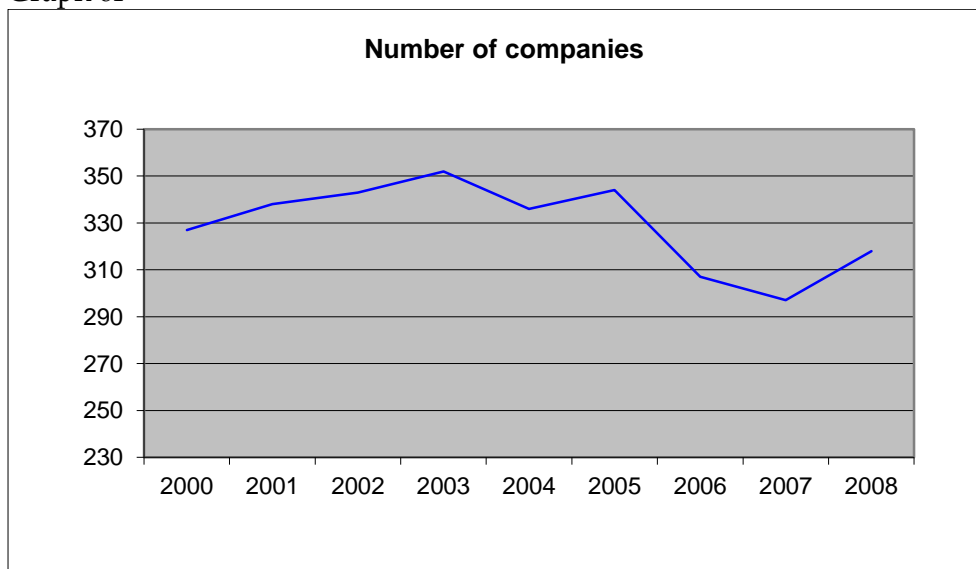


In table 6.8 the number of companies for the restaurants and bars industry is shown.

6.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
327	338	343	352	336	344	307	297	318

Graph 6F



6.9 Distribution of companies 2008

ISIC	Description	# Companies	In percentage
5523	Fast food restaurants and cafeterias	172	54%
5522	Full service restaurants	102	32%
5521	Bars	19	6%
5526	Night clubs, dinner theaters	14	4%
5525	Lunch counters and refreshment stands, sale of snack, snack-trucks	6	2%
5524	Catering companies	5	2%
		<hr/> 318	100%

7. Transport, storage and communication

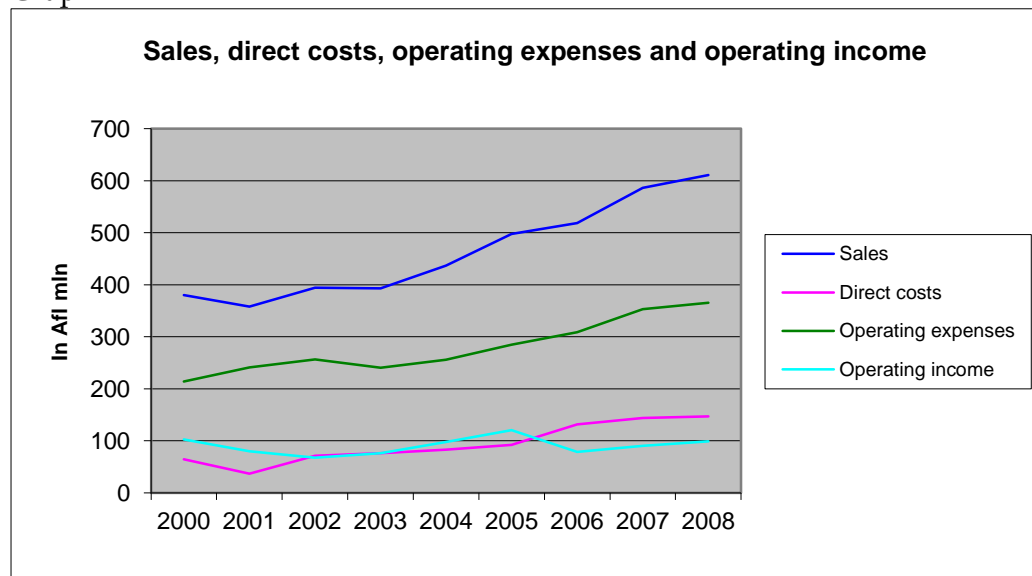
Transport, storage and communication represents ISIC-division; 60 Land transport, 63 Supporting and auxiliary transport activities; activities of travel agencies and 64 Post and telecommunications.

In table 7.1 sales, direct costs, gross profit, operating expenses and operating income are shown.

7.1 Sales, direct costs, gross profit, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	380.2	357.6	394.1	392.8	436.4	497.3	518.4	586.4	610.6
Direct costs	64.1	36.9	70.8	76.0	82.7	92.2	131.6	143.4	146.5
Gross profit	316.1	320.7	323.3	316.8	353.7	405.1	386.8	443.0	464.1
Operating expenses	213.7	241.1	256.2	240.5	256.0	284.5	308.5	352.7	365.3
Operating income	102.4	79.6	67.1	76.3	97.7	120.6	78.3	90.3	98.8

Graph 7A



Sales of the transport, storage and communication industry increased by 4.1% in 2008. For 2004 through 2007 sales increased respectively 11.1%, 14.0%, 4.2% and 13.1% in comparison to the previous year.

Direct costs totaled Afl 146.5 million in 2008. This represents a growth of 2.2% in comparison to the previous year. For 2004 through 2007 direct costs grew respectively 8.8%, 11.5%, 42.7% and 9.0% in comparison to the previous year.

Gross profit increased in 2008 by 4.8 percent in comparison to the previous year. For 2004 through 2007 gross profit increased/decreased respectively 11.7%, 14.5%, -4.5% and 14.5% in comparison to the previous year.

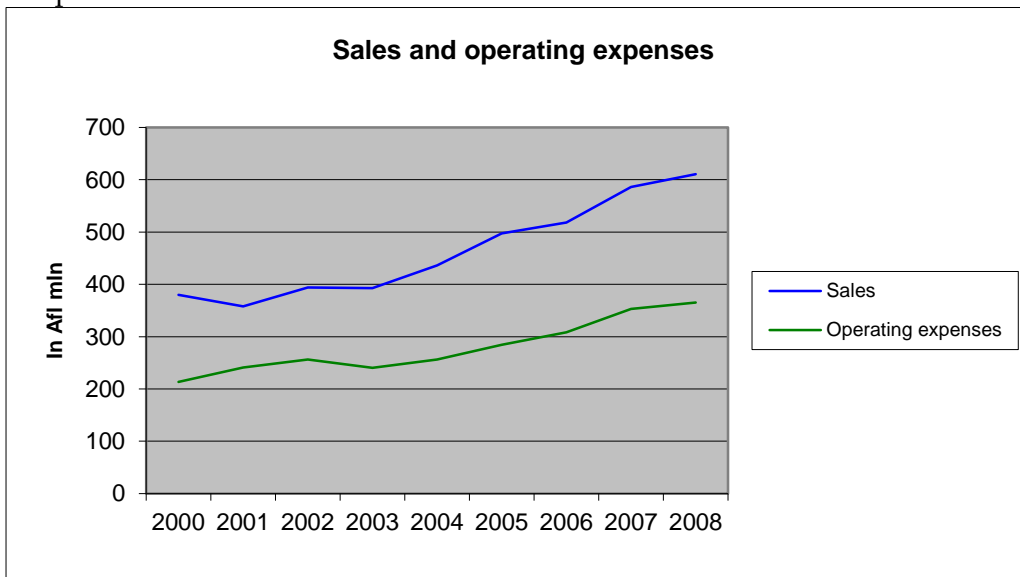
7.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	83.1%	89.7%	82.0%	80.6%	81.0%	81.5%	74.6%	75.5%	76.0%

7.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	380.2	357.6	394.1	392.8	436.4	497.3	518.4	586.4	610.6
Operating expenses	213.7	241.1	256.2	240.5	256.0	284.5	308.5	352.7	365.3

Graph 7B



Operating expenses of the transport, storage and communication industry totaled Afl 365.3 million in 2008. This is equivalent to 59.8 percent of the Afl 610.6 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 58.7%, 57.2%, 59.5% and 60.1% of sales.

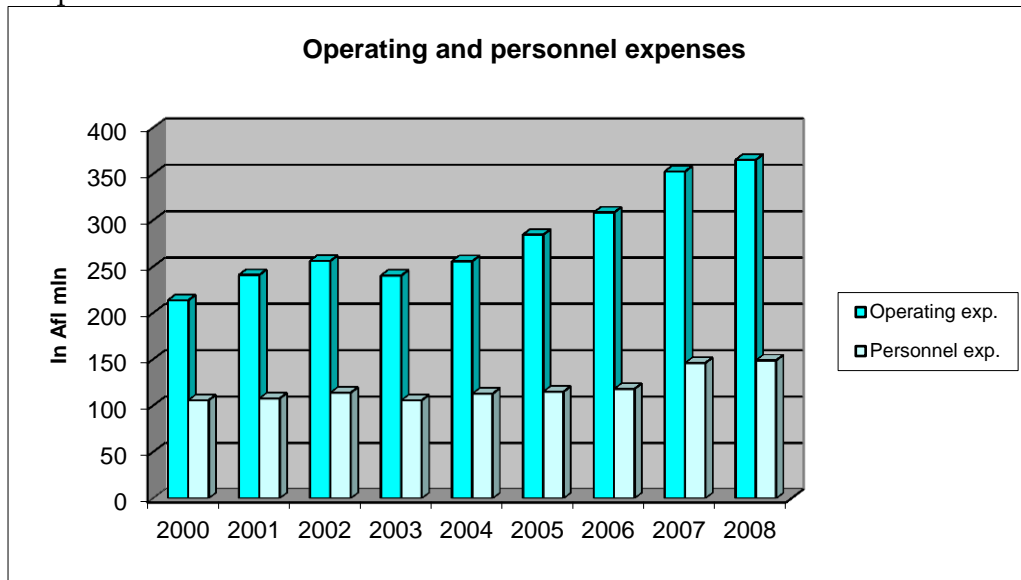
In 2008 operating expenses grew 3.6 percent. For 2004 through 2007 operating expenses grew respectively 6.5%, 11.2%, 8.4% and 14.3% in comparison to the previous year.

Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

7.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	213.7	241.1	256.2	240.5	256.0	284.5	308.5	352.7	365.3
Personnel expenses	105.9	107.8	114.0	105.8	113.0	115.1	118.1	146.1	149.0

Graph 7C



Personnel expenses made up 40.8% of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 44.1%, 40.5%, 38.3% and 41.4% of operating expenses.

7.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
27.9%	30.1%	28.9%	26.9%	25.9%	23.1%	22.8%	24.9%	24.4%

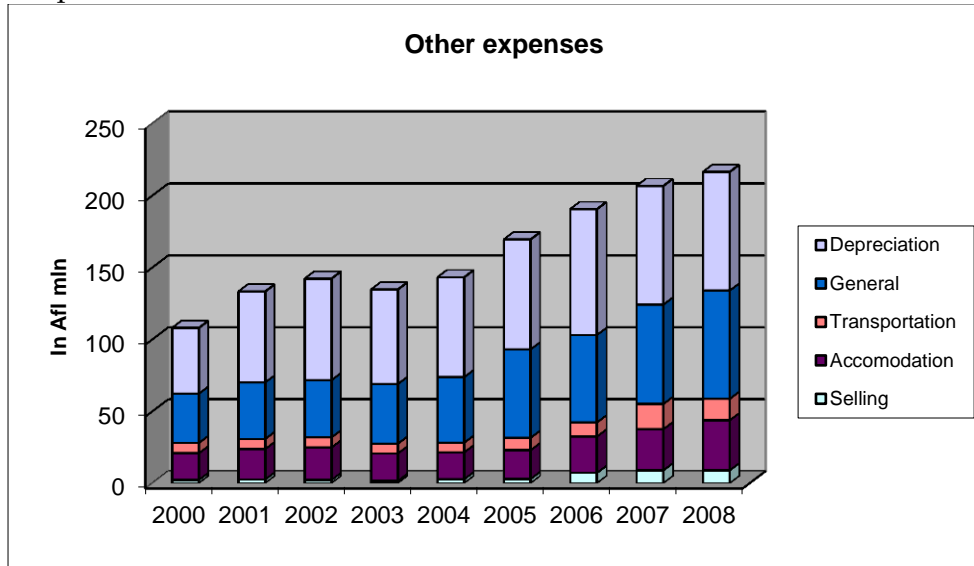
In table 7.6 other expenses are shown. A few examples of these expenses are:

- selling expenses: advertisement, representation, travel & lodging
- accommodation expenses: rent, maintenance, insurance, electricity, water
- transportation expenses: repair & maintenance, car insurance, gasoline
- general expenses: telephone, accounting & legal fees, office supplies, maintenance equipment

7.6 Other expenses

In Afł mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling	2.3	2.6	2.3	1.6	2.8	3.0	7.2	9.0	9.0
Accommodation	18.6	21.2	22.6	19.1	18.7	20.0	25.3	28.6	34.8
Transportation	7.1	7.0	7.0	6.8	6.7	8.6	9.8	17.5	14.9
General	34.3	39.3	39.8	41.5	45.6	61.5	60.8	69.1	75.3
Depreciation	45.6	63.1	70.5	65.6	69.3	76.3	87.4	82.4	82.4
Total	107.9	133.2	142.2	134.6	143.1	169.4	190.5	206.6	216.4

Graph 7D



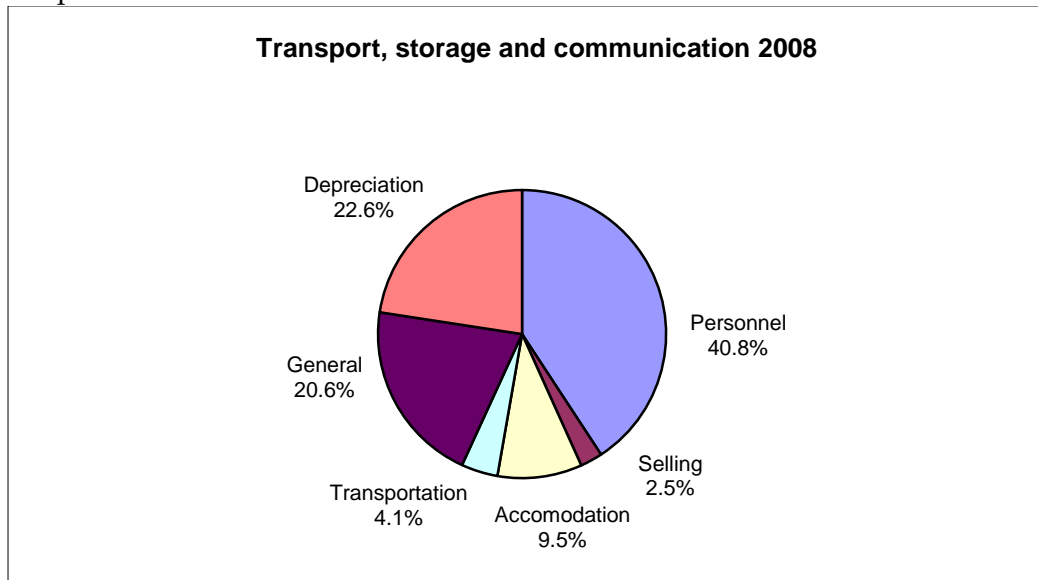
As can be observed from graph 7D depreciation and general expenses stand out in comparison to the other expenses. Transportation and selling are the categories with the lowest expense. Although transportation costs doubled since 2000 and the cost of selling is currently almost 4 times higher.

In table 7.7 the share of each expense-category for the transport, storage and communication industry is shown.

7.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	49.6%	44.7%	44.5%	44.0%	44.1%	40.5%	38.3%	41.4%	40.8%
Selling expenses	1.1%	1.1%	0.9%	0.7%	1.1%	1.1%	2.3%	2.5%	2.5%
Accommodation expenses	8.7%	8.8%	8.8%	8.0%	7.3%	7.0%	8.2%	8.1%	9.5%
Transportation expenses	3.2%	2.9%	2.7%	2.8%	2.6%	3.0%	3.2%	5.0%	4.1%
General expenses	16.1%	16.3%	15.5%	17.3%	17.8%	21.6%	19.7%	19.6%	20.6%
Depreciation	21.4%	26.2%	27.5%	27.3%	27.1%	26.8%	28.3%	23.4%	22.6%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 7E

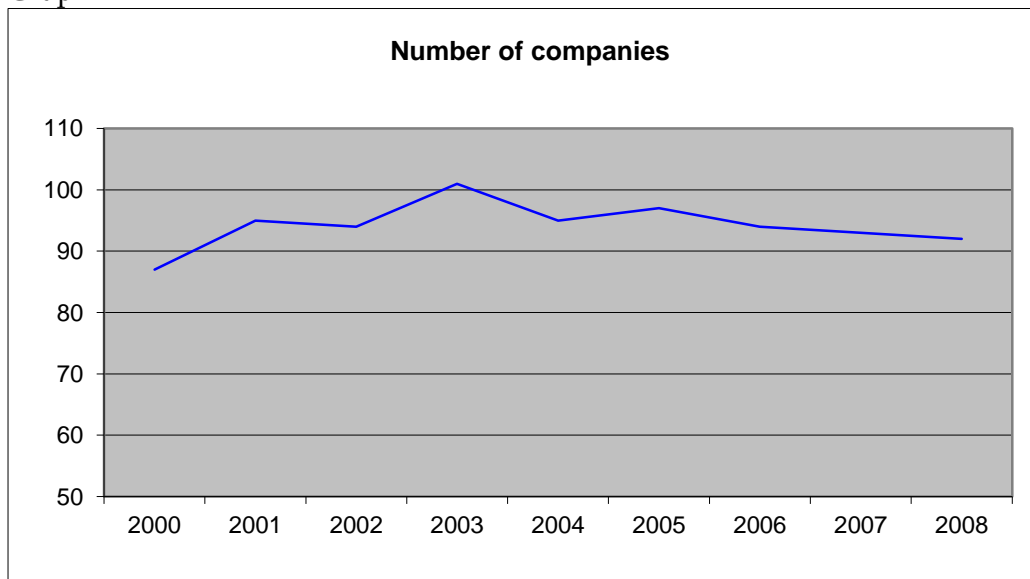


In table 7.8 the number of companies of transport, storage and communication is presented.

7.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
87	95	94	101	95	97	94	93	92

Graph 7F



7.9 Distribution of companies 2008

ISIC	Description	# Companies	In percentage
6309	Activities of other transport agencies	31	34%
6304	Activities of travel agencies and tour operators	19	21%
6420	Telecommunications	17	18%
6412	Courier activities other than national post activities	8	9%
6303	Other supporting transport activities	6	7%
6302	Storage and warehousing	4	4%
6022	Other non-scheduled passenger land transport	3	3%
6301	Cargo handling	2	2%
6021	Other scheduled passenger land transport	1	1%
6411	National post activities	1	1%
		<hr/>	
		92	100%

8. Renting and business activities

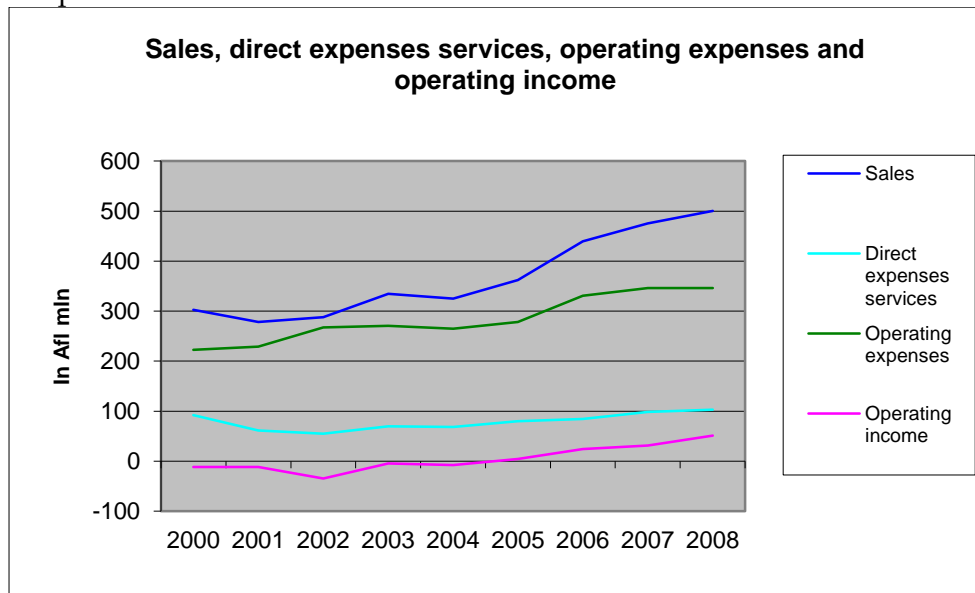
Renting and business activities represent companies which main activities are mostly services. Some examples include: 7111 renting of land transport equipment, 7122 renting of construction and civil engineering machinery and equipment, 7411 legal activities, 7412 accounting, bookkeeping and auditing activities, 7414 business and management consultancy activities, 7421 architectural and engineering activities and related technical consultancy, 7430 advertising, 7492 security activities and 7493 building-cleaning activities.

In table 8.1 sales, direct expenses services, gross profit, operating expenses and operating income are shown.

8.1 Sales, direct expenses services, gross profit, operating expenses and operating income

In AfI mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	302.5	278.1	287.7	334.8	325.1	362.3	439.2	475.6	500.6
Direct expenses services	91.9	61.2	55.0	69.3	68.2	79.9	84.3	98.3	103.0
Gross profit	210.6	216.9	232.7	265.5	256.9	282.4	354.9	377.3	397.6
Operating expenses	222.5	228.7	267.6	270.3	265.0	278.1	330.9	346.0	346.3
Operating income	-11.9	-11.8	-34.9	-4.8	-8.1	4.3	24.0	31.3	51.3

Graph 8A



Sales of the renting and business industry increased 5.3% in 2008. For 2004 through 2007 sales increased/decreased respectively -2.9%, 11.4%, 21.2% and 8.3% in comparison to the previous year.

Direct expenses services totaled 103.0 million in 2008. This represents an increase of 4.7% in comparison to the previous year. For 2004 through 2007 direct expenses services grew/ fell respectively -1.6%, 17.1%, 5.5% and 16.6% in comparison to the previous year.

Gross profit increased in 2008 by 5.4% percent in comparison to the previous year. For 2004 through 2007 gross profit decreased/increased respectively -3.2%, 9.9%, 25.7% and 6.3% in comparison to the previous year.

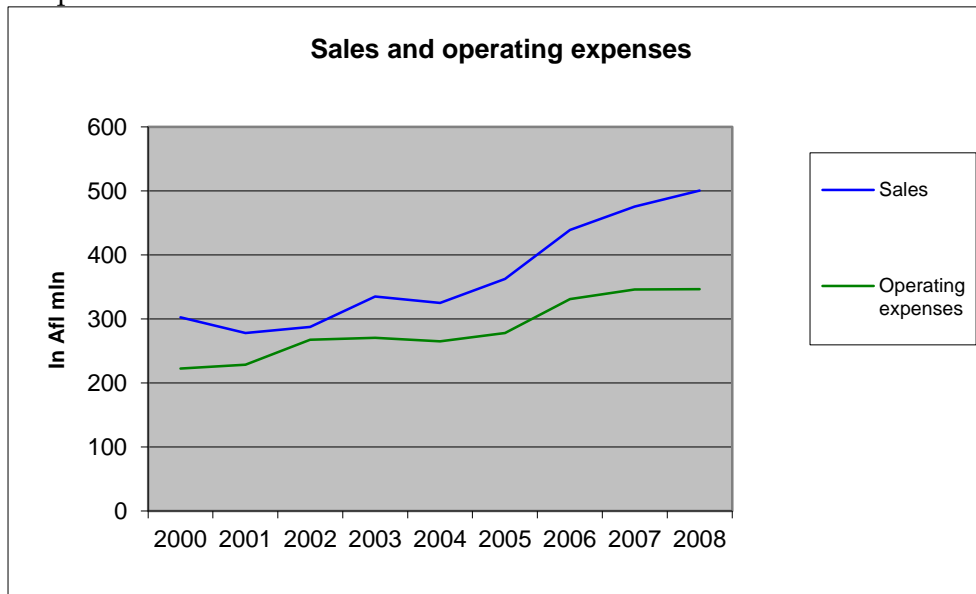
8.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	69.6%	78.0%	80.9%	79.3%	79.0%	77.9%	80.8%	79.3%	79.4%

8.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	302.5	278.1	287.7	334.8	325.1	362.3	439.2	475.6	500.6
Operating expenses	222.5	228.7	267.6	270.3	265.0	278.1	330.9	346.0	346.3

Graph 8B

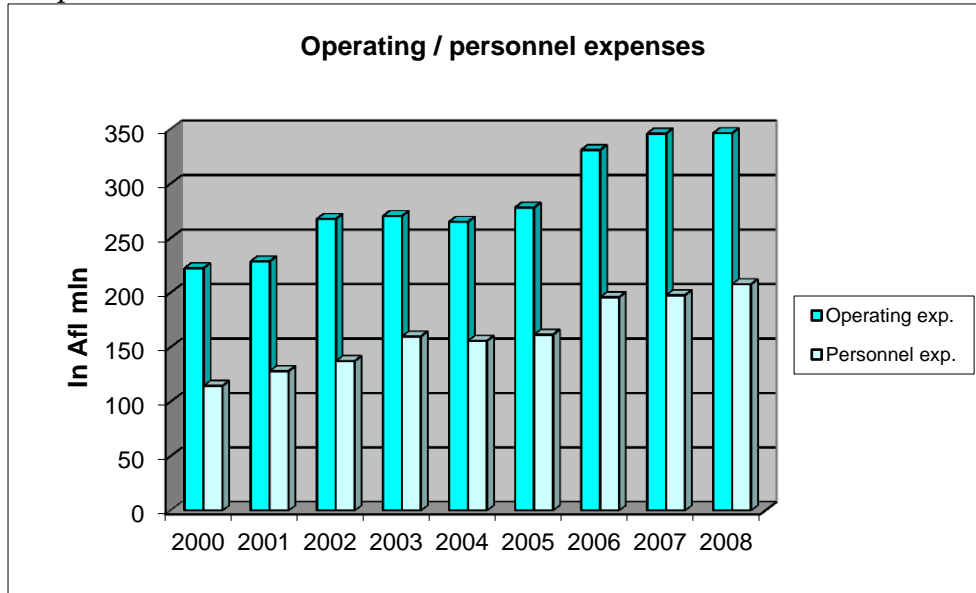


Operating expenses totaled Afl 346.3 million in 2008. This is equivalent to 69.2 percent of the Afl 500.6 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 81.5%, 76.8%, 75.3% and 72.8% of sales.

8.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	222.5	228.7	267.6	270.3	265.0	278.1	330.9	346.0	346.3
Personnel expenses	114.4	128.0	137.2	159.8	155.7	161.5	195.8	197.7	207.7

Graph 8C



Personnel expenses made up 60.0 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 58.7%, 58.1%, 59.2% and 57.1% of operating expenses.

8.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
37.8%	46.0%	47.7%	47.7%	47.9%	44.6%	44.6%	41.6%	41.5%

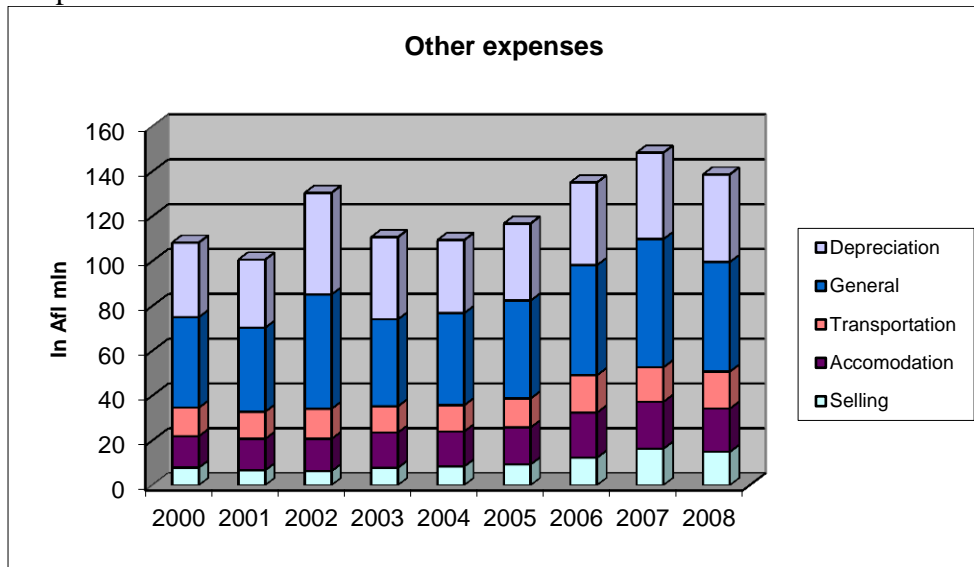
In table 8.6 other expenses are shown. A few examples of these expenses are:

- selling expenses: advertisement, travel & lodging, representation
- accommodation expenses: rent, insurance, maintenance, water, electricity, security
- transportation expenses: gasoline, car insurance, repair and maintenance
- general expenses: telephone, office supplies, accounting & legal fees, maintenance equipment, rental equipment, etc

8.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling	7.9	6.7	6.3	7.8	8.4	9.3	12.3	16.3	14.9
Accomodation	14.0	14.0	14.4	15.7	15.6	16.5	20.1	20.9	19.3
Transportation	12.7	12.1	13.4	11.7	11.7	12.9	16.7	15.4	16.5
General	40.4	37.5	51.0	38.8	41.1	43.7	49.1	57.2	48.9
Depreciation	33.2	30.3	45.3	36.6	32.5	34.3	36.8	38.5	39.0
Total	108.2	100.6	130.4	110.6	109.3	116.7	135.0	148.3	138.6

Graph 8D



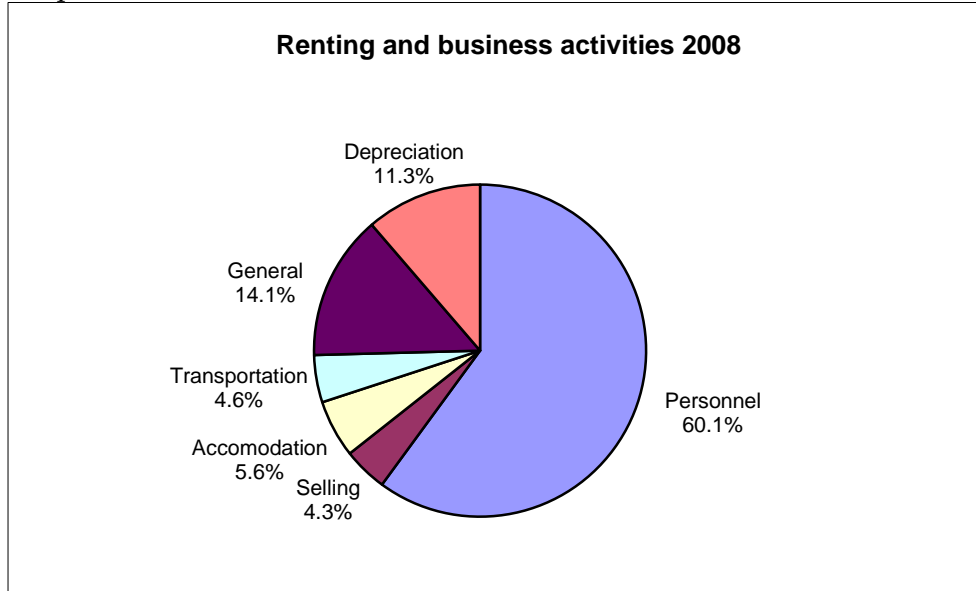
From graph 8D one can observe that general expenses and depreciation stand out in comparison to the other expenses. Accommodation and transportation are the next highest expenses, while selling expenses is the category with the lowest expense.

In the next table the share of each expense category of renting and business activities is shown.

8.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	51.4%	56.0%	51.3%	59.1%	58.7%	58.1%	59.2%	57.1%	60.0%
Selling expenses	3.5%	2.9%	2.4%	2.9%	3.2%	3.3%	3.7%	4.7%	4.3%
Accommodation expenses	6.3%	6.1%	5.4%	5.8%	5.9%	5.9%	6.1%	6.0%	5.6%
Transportation expenses	5.7%	5.3%	5.0%	4.3%	4.4%	4.6%	4.6%	4.6%	4.6%
General expenses	18.1%	16.4%	19.1%	14.4%	15.5%	15.7%	14.8%	16.5%	14.1%
Depreciation	14.9%	13.3%	16.9%	13.5%	12.3%	12.3%	11.1%	11.1%	11.3%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 8E

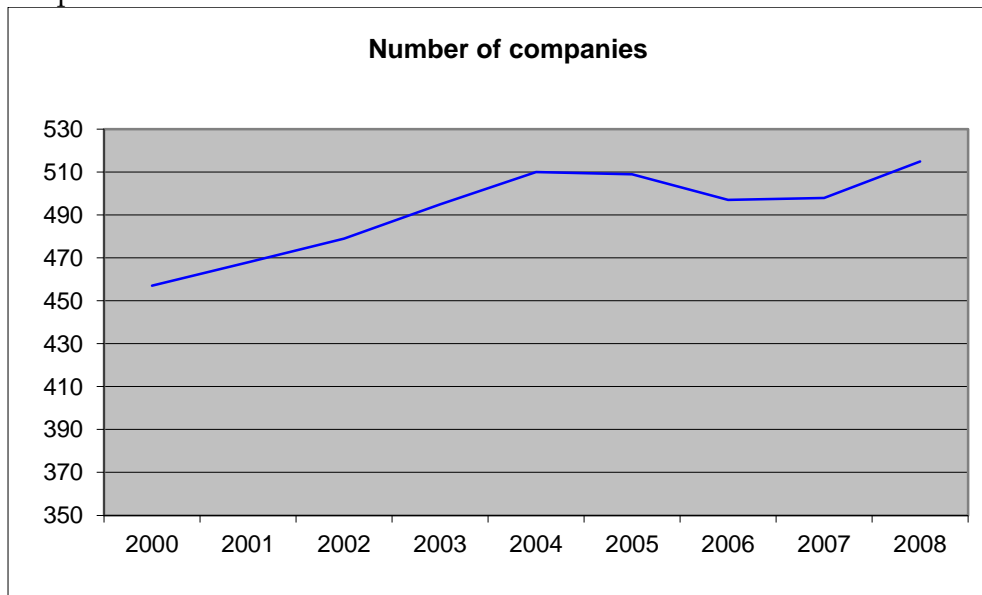


In table 8.8 the number of companies for renting and business activities is presented.

8.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
457	468	479	495	510	509	497	498	515

Graph 8F



8.9 Distribution of companies 2008

ISIC	Description	# Companies	In percentage
7412	Accounting, book-keeping and auditing activities; tax consultancy	82	16
7414	Business and management consultancy activities	70	14
7411	Legal activities	62	12
7493	Building-cleaning activities	49	10
7421	Architectural and engineering activities and related technical consultancy	46	9
7111	Renting of land transport equipment	38	7
7492	Investigation and security activities	36	7
7430	Advertising	33	6
7499	Other business activities n.e.c.	18	3
7130	Renting of personal and household goods n.e.c.	16	3
7491	Business activities n.e.c.	16	3
7220	Software consultancy and supply	13	3
7422	Technical testing and analysis	9	2
7122	Renting of construction and civil engineering machinery and equipment	9	2
7413	Market research and public opinion polling	8	2
7494	Photographic activities	3	1
7250	Maintenance and repair of office, accounting and computing machinery	3	1
7123	Renting of office machinery and equipment	2	0.4
7113	Renting of air transport equipment	1	0.2
7210	Hardware consultancy	1	0.2
		515	100

9. Recreational and sporting activities

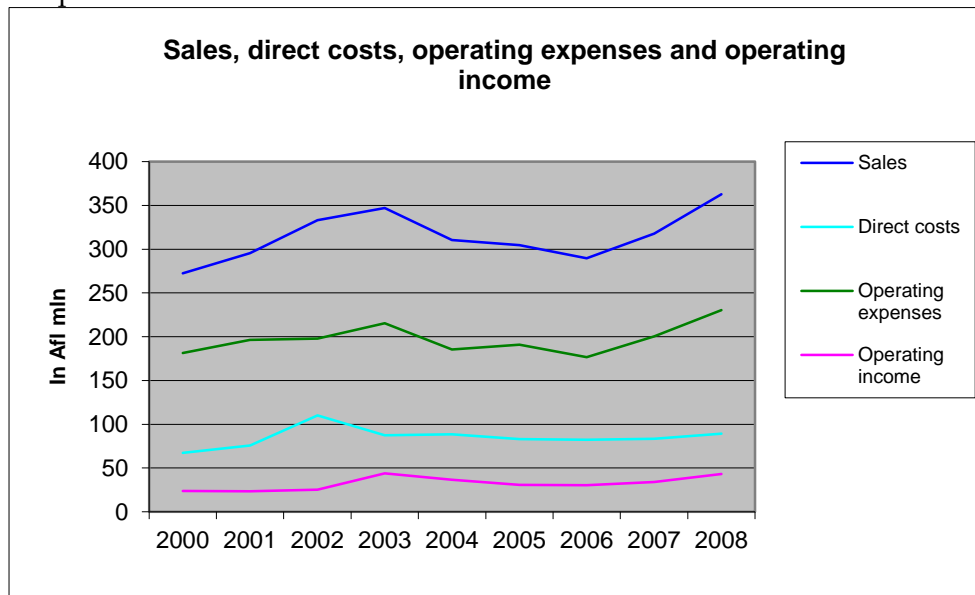
This division includes radio and television activities, sporting activities, casino activities, lotteries, water sport activities, etc.

In table 9.1 sales, direct costs, gross profit, operating expenses and operating income for this industry are shown.

9.1 Sales, direct costs, gross profit, operating expenses and operating income

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	272.5	295.5	333.2	346.9	310.5	304.8	289.5	317.9	362.8
Direct costs	67.4	75.8	110.1	87.4	88.5	83.1	82.2	83.4	89.4
Gross profit	205.1	219.7	223.1	259.5	222.0	221.7	207.3	234.5	273.4
Operating expenses	181.3	196.3	197.8	215.5	185.5	190.8	176.8	200.5	230.4
Operating income	23.8	23.4	25.3	44.0	36.5	30.9	30.5	34.0	43.0

Graph 9A



In 2008 sales increased 14.1% while direct costs increased by 7.2%. For 2004 through 2007 sales grew/fell respectively -10.5%, -1.8%, -5.0% and 9.8% while direct costs grew/fell respectively 1.3%, -6.1%, -1.0% and 1.4% in comparison to the previous year.

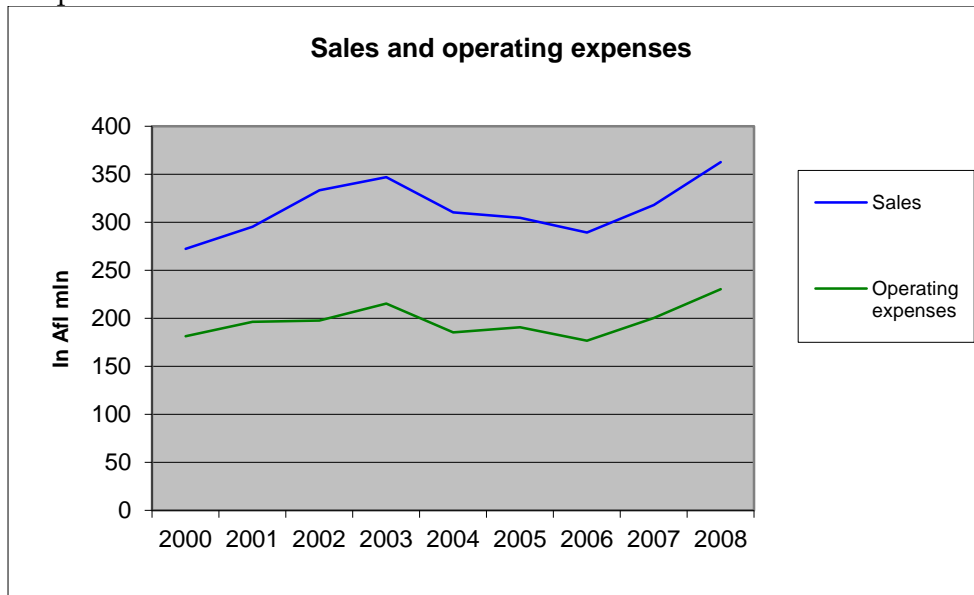
9.2 Gross profit margin

	2000	2001	2002	2003	2004	2005	2006	2007	2008
	75.3%	74.3%	67.0%	74.8%	71.5%	72.7%	71.6%	73.8%	75.3%

9.3 Sales and operating expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Sales	272.5	295.5	333.2	346.9	310.5	304.8	289.5	317.9	362.8
Operating expenses	181.3	196.3	197.8	215.5	185.5	190.8	176.8	200.5	230.4

Graph 9B

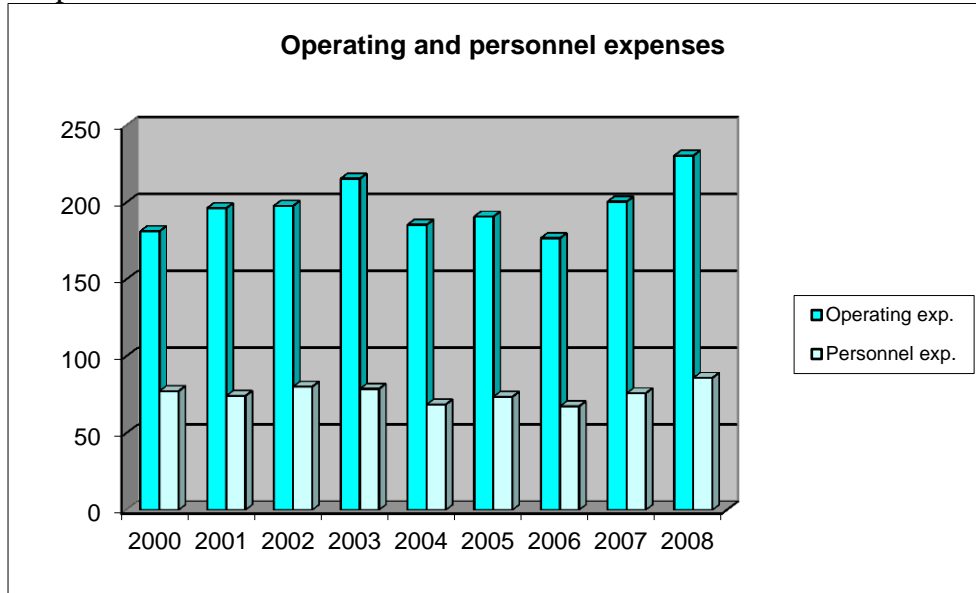


Operating expenses for this industry totaled Afl 230.4 million in 2008. This is equivalent to 63.5 percent of the Afl 362.8 million in sales for the same year. For 2004 through 2007 operating expenses were respectively 59.7%, 62.6%, 61.1% and 63.1% of sales. Included in the operating expenses are: personnel, selling, accommodation, transportation, general expenses and depreciation.

9.4 Operating / personnel expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Operating expenses	181.3	196.3	197.8	215.5	185.5	190.8	176.8	200.5	230.4
Personnel expenses	77.3	74.2	80.2	78.8	68.6	73.6	67.4	75.9	85.9

Graph 9C



Personnel expenses for this industry made up 37.3 percent of operating expenses in 2008. For 2004 through 2007 personnel expenses were respectively 37.0%, 38.6%, 38.1% and 37.9% of operating expenses.

9.5 Personnel expenses as a percentage of sales

2000	2001	2002	2003	2004	2005	2006	2007	2008
28.4%	25.1%	24.1%	22.7%	22.1%	24.1%	23.3%	23.9%	23.7%

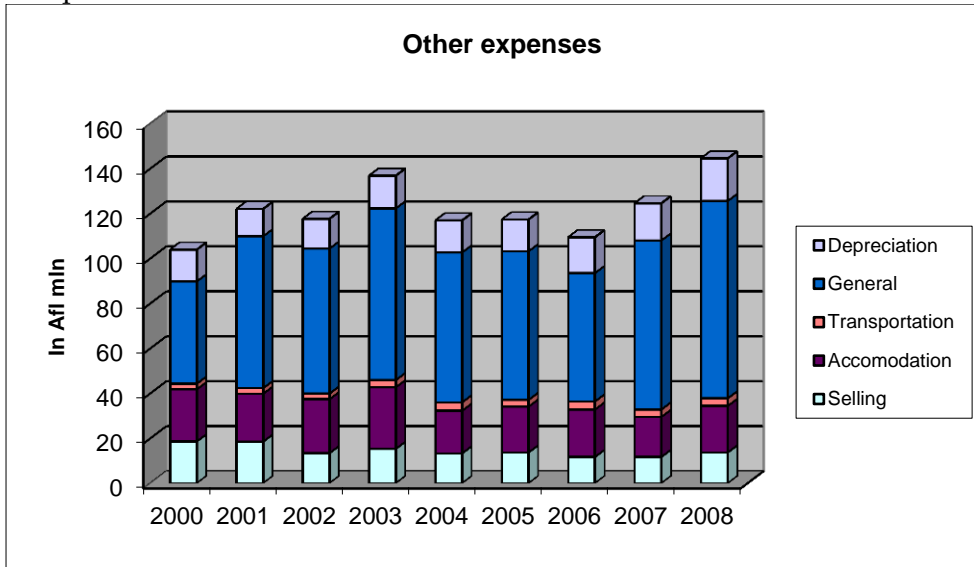
In table 9.6 other expenses are shown. A few examples of these expenses are:

- selling expenses: advertisement, travel & lodging, representation
- accommodation expenses: rent, maintenance, water, electricity
- transportation expenses: gasoline, repair and maintenance
- general expenses: telephone, office supplies, accounting & legal fees, rental equipment

9.6 Other expenses

In Afl mln	2000	2001	2002	2003	2004	2005	2006	2007	2008
Selling expenses	18.6	18.5	13.4	15.3	13.3	13.7	11.7	11.7	13.7
Accommodation expenses	23.2	21.3	24.0	27.4	19.0	20.4	21.1	17.8	20.7
Transportation expenses	2.5	2.5	2.5	3.2	3.7	3.0	3.6	3.3	3.4
General expenses	45.5	67.6	64.5	76.4	66.7	66.1	57.1	75.2	87.8
Depreciation	14.1	12.1	13.2	14.5	14.2	14.1	15.9	16.5	18.9
Total	103.9	122.0	117.6	136.8	116.9	117.3	109.4	124.5	144.5

Graph 9D



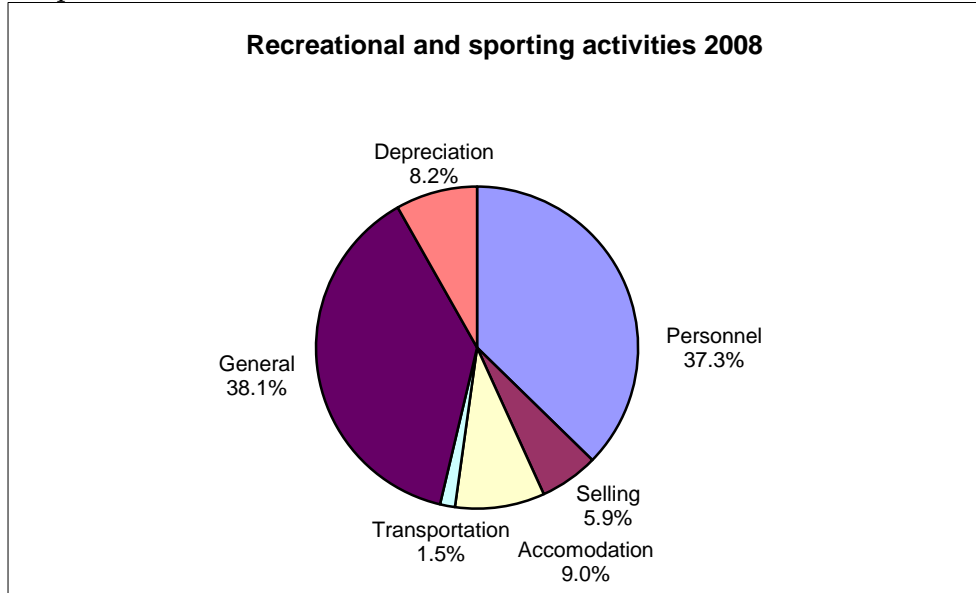
As can be observed from graph 9D general expenses stand out in comparison to the other expenses. Accommodation is the next highest expense, while selling and depreciation are quite equal. Transportation is the category with the lowest expense.

In table 9.7 the share of each expense-category for this industry is shown.

9.7 Distribution of operating expenses

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Personnel expenses	42.6%	37.8%	40.5%	36.6%	37.0%	38.6%	38.1%	37.9%	37.3%
Selling expenses	10.3%	9.4%	6.8%	7.1%	7.2%	7.2%	6.6%	5.8%	5.9%
Accommodation expenses	12.8%	10.9%	12.2%	12.7%	10.2%	10.7%	11.9%	8.9%	9.0%
Transportation expenses	1.4%	1.3%	1.3%	1.5%	2.0%	1.6%	2.0%	1.7%	1.5%
General expenses	25.1%	34.4%	32.6%	35.4%	35.9%	34.6%	32.3%	37.5%	38.1%
Depreciation	7.8%	6.2%	6.7%	6.7%	7.6%	7.4%	9.0%	8.3%	8.2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Graph 9E

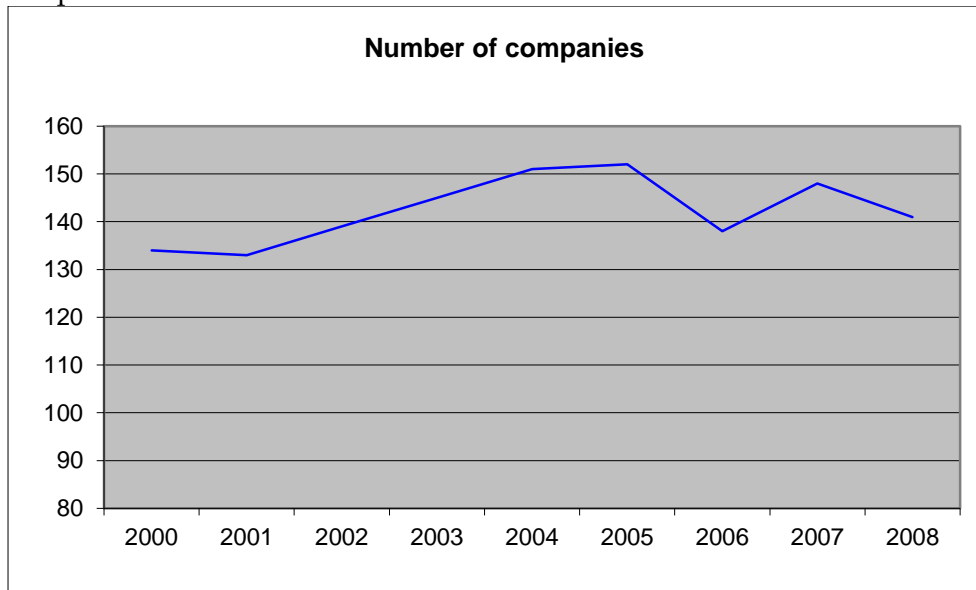


In table 9.8 the number of companies for recreational and sporting activities is shown.

9.8 Number of companies

2000	2001	2002	2003	2004	2005	2006	2007	2008
134	133	139	145	151	152	138	148	141

Graph 9G



9.9 Distribution of companies 2008

ISIC	Description	# Companies	In percentage
9241	Sporting activities	29	21%
9244	Water sport activities	34	24%
9248	Other recreational activities	27	19%
9213	Radio and television activities	16	11%
9214	Dramatic arts, music and other arts activities	11	8%
9243	Lotteries and catochi activities	10	7%
9242	Casino activities	9	6%
9211	Motion picture and video production and distribution	2	1%
9212	Motion picture projection	2	1%
9219	Other entertainment activities	1	1%
		141	100%

Annex 1: Methodology, concepts and definitions

For the classification of businesses in a specific industry, the Aruban Standard Industrial Classification of all Economic Activities (ASIC) was used. The ASIC is based on the International Standard of Industrial Classification of all Economic Activities (ISIC) revision 3 of the United Nations. For example, a company that sells clothes to the general public falls under ISIC-division 52 Retail trade (except of motor vehicles and automotive fuel) and a company that sells food products to supermarkets falls under ISIC-division 51 Wholesale trade. For more details see Annex 2.

In this publication *Manufacturing* represents ISIC-division 15 till 37. Excluded are ISIC-division 17, 18, 19, 23, 27, 29, 30 and 32. *Construction* represents ISIC-division 45; *Retail trade of motor vehicles* ISIC-division 50, with the exception of 5050 retail sale of automotive fuel; *Wholesale trade* ISIC-division 51; *Retail trade (except of motor vehicles and automotive fuel)* ISIC-division 52; *Restaurants and bars* ISIC-division 552; *Transport, storage and communication* ISIC-division 60, 63, 64; *Renting and business activities* ISIC-division 71, 72, 74 and *Recreational and sporting activities* ISIC-division 92.

Data in this publication covers all organizations with employees on their payroll. One-man business with no employees, private households with employed persons and corporations with no employees are excluded.

1. DEFINITIONS

Sales are inflows of assets received in exchange for products or services provided to customers.

Operating expenses are all expenses associated with generating revenues, other than cost of goods sold, direct manufacturing costs and direct costs. Included are personnel expenses, selling expenses, accommodation expenses, transportation expenses, general expenses and depreciation.

Direct manufacturing costs are costs related to a particular cost object. Included are raw materials, direct labor and other direct expenses.

Cost of goods sold represents the values of products bought for resale at purchase prices plus freight in cost.

Cost of sales/ direct costs are costs related to a particular cost object. Most of these costs are related to goods and/or services purchased.

Gross profit: Sales minus cost of goods sold/cost of sales/direct costs. It identifies the amount available to cover other operating expenses.

Operating income: revenue less cost of goods sold/cost of sales/direct costs and related operating expenses that are applied to the day-to-day operating activities of the company. It excludes financial related items (interest income, dividend income and interest expense), extraordinary items and taxes.

Company is an organization with at least one employee on its payroll.

2. BREAKDOWN

All data are estimated at the levels of the industry classification presented in Annex 2.

3. METHOD OF ESTIMATION

For each industry the figures in the sample are analyzed and calculated. These figures are then raised by a specific factor depending on the quantity of employees and their wage share in the population.

The number of companies is based on administrative data received from the tax authorities and supplemented by data received from the Social Security Bank.

4. CONCEPTUAL FRAMEWORK

The conceptual framework used includes ISIC revision 3 and System of National Accounts 1993.

5. SOURCES OF DATA

Administrative data from the tax authorities and the Social Security Bank

Annex 2: International Standard Industrial Classification

Tabulation categories	Division	Description
A		Agriculture, hunting and forestry
	01	Agriculture, hunting and related service activities
	02	Forestry, logging and related service activities
B		Fishing
	05	Fishing, operation of fish farms and hatcheries; service activities incidental to fishing
C		Mining and quarrying
	10	Mining of coal and lignite; extraction of peat
	11	Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction excluding surveying
	12	Mining of uranium and thorium ores
	13	Mining of metal ores
	14	Other mining and quarrying
D		Manufacturing
	15	Manufacture of food products and beverages
	16	Manufacture of tobacco products
	17	Manufacture of textiles
	18	Manufacture of wearing apparel; dressing and dyeing of fur
	19	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear
	20	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
	21	Manufacture of pulp, paper and paper products
	22	Publishing, printing and reproduction of recorded media
	23	Manufacture of coke, refined petroleum products and nuclear fuel
	24	Manufacture of chemicals and chemical products
	25	Manufacture of rubber and plastic products
	26	Manufacture of other non-metallic mineral products
	27	Manufacture of basic metals
	28	Manufacture of fabricated metal products, except machinery and equipment
	29	Manufacture of machinery and equipment n.e.c.
	30	Manufacture of office, accounting and computing machinery
	31	Manufacture of electrical machinery and apparatus n.e.c.
	32	Manufacture of radio, television and communication equipment and apparatus
	33	Manufacture of medical, precision and optical instruments, watches and clocks
	34	Manufacture of motor vehicles, trailers and semi-trailers
	35	Manufacture of other transport equipment
	36	Manufacture of furniture; manufacturing n.e.c.
	37	Recycling

E	Electricity, gas and water supply
40	Electricity, gas, steam and hot water supply
41	Collection, purification and distribution of water
F	Construction
45	Construction
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
50	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel
51	Wholesale trade and commission trade, except of motor vehicles and motorcycles
52	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
H	Hotels and restaurants
551	Hotels; other provision of short-stay accommodation
552	Restaurants, bars and canteens
I	Transport, storage and communication
60	Land transport; transport via pipelines
61	Water transport
62	Air transport
63	Supporting and auxiliary transport activities; activities of travel agencies
64	Post and telecommunications
J	Financial intermediation
65	Financial intermediation, except compulsory social security
66	Insurance and pension funding, except compulsory social security
67	Activities auxiliary to financial intermediation
K	Real estate, renting and business activities
70	Real estate activities
71	Renting of machinery and equipment without operator and of personal and household goods
72	Computer and related activities
73	Research and development
74	Other business activities
L	Public administration and defence; compulsory social security
75	Public administration and defence; compulsory social security
M	Education
80	Education

N		Health and social work
	85	Health and social work
O		Other community, social and personal service activities
	90	Sewage and refuse disposal, sanitation and similar activities
	91	Activities of membership organizations n.e.c.
	92	Recreational, cultural and sporting activities
	93	Other service activities
P		Private households with employed persons
	95	Private households with employed persons
Q		Extra-territorial organizations and bodies
	99	Extra-territorial organizations and bodies