

## INTRODUCTORY NOTES

The Central Bank of Turkey has been compiling the annual financial accounts of the corporates since 1990, and producing the aggregated financial accounts data by the economic sectors, classified according to NACE (Nomenclature Generale des Activites Economique dans les Communautés Europeennes), Rev. 1. The aggregated financial accounts of the sectors over three-year periods have been issued in Turkish in the annual publications of the Bank, “Sektör Bilançoları”, and accessible on the web site of the Bank under the same title.

Starting from this year, the aggregated financial accounts of the sectors will also be available in English on the web site of the Bank with the title “Corporate Accounts”. The currently available data on this site relates to 14 main and 33 sub-sectors and is prepared by utilizing the financial accounts of 7 604 companies over the period of 1997-1999. The data is presented in two sections: Under the heading of “Aggregated Annual Accounts”, the data for each sector comprises the general information about that sector such as aggregate financial credits and breakdown by size according to employment criteria, the composition of the assets and liabilities, and the sources and uses of the funds in addition to the balance sheet and the income statement of the sector. The breakdown of the sectors’ data by private and public companies and size classes according to net sales criteria is also presented in this section, if available. The size classification is made on the basis of the net sales in 1999 by utilizing the net sales criteria of BACH (The Bank of Harmonized Data on Company Accounts), which groups the firms with net sales less than or equal to EUR 7 millions in small firms while grouping the firms with net sales between EUR 7-40 millions and the firms with net sales higher than EUR 40 millions in medium and large firms, respectively. The annual average of the Central Bank buying rate of EUR in 1999, TL 445 615.5, is utilized in the conversions

In the second section under the heading of “Financial Ratios and Quartiles”, the ratios estimated from the aggregated accounts of the sectors which comprise at least 10 companies are presented together with the related arithmetic means and quartiles: Currently, the financial ratios for 14 main sectors and 163 sub-sectors over 1997-1999 period are available. However, the ratios estimated for the private and public companies and for the size categories within a sector, for which such classifications are available, are presented in the first section together with the financial accounts and the other data related to these categories.

The following should also be remarked on for the users of the data:

- i) Financial statements submitted by the corporates are prepared according to the Turkish Uniform Accounting Plan and are not certified.
- ii) No consolidation is made in aggregating the accounts of the corporates, which might result in double counting in the items related to the participations and the amounts payable and receivable due to within sample transactions.
- iii) Estimated flow of funds figures exclude the dividends of the corporates which do not submit their profit distribution statements.
- iv) For the estimated inventory turnover ratio, two-year average of the inventory figures are utilized. Thus, it is not estimated for the first year of the sample.
- v) For the sole proprietorships, the amounts payable to/receivable from the owners are added to/subtracted from the own funds.
- vi) Negative values of the profitability ratios, if any, are not reported.