



Study on Comparable Data used for transfer pricing in the EU - Final Report -

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E. Abbreviations

Abbreviations	
BVD	Bureau Van Dijk
CoGS	Costs of Goods Sold
CUP	Comparable Uncontrolled Price
DKK	Danish Krone
EBIT	Earnings Before Interest and Taxes
ECB	European Central Bank
ERP	Enterprise Resource Planning
ETF	Exchange-Traded Fund
EU	European Union
FINA	Financial Agency
FTE	Full Time Equivalent
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IP	Intellectual Property
ITL	Italian Lira
JTPF	Joint Transfer Pricing Forum
JV	Joint Venture
LBO	Leveraged Buyout
MC	Material Cost
NACE	Nomenclature of Economic Activities
n.a.	Not Available/Not Applicable
NCP	Net Cost Plus
OECD	Organisation for Economic Co-operation and Development
OM	Operating Margin
OP	Operating Profit
P&L or P/L	Profit and Loss
PLI	Profit Level Indicator
QQ	Quantile
R&D	Research and Development
ROA	Return On Assets
SAC	Supreme Administrative Court
SAP	Systems, Applications, Products
SEC	US Securities and Exchange Commission
SEDAR	System for Electronic Document Analysis and Retrieval
SKAT	Skatterrådet – Danish Tax authorities
SME	Small or Medium Enterprise
TNMM	Transactional Net Margins Methods
TP	Transfer Pricing
TPG	Transfer Pricing Guidelines

F. Abstract <EN>

Improving the transfer pricing regulations and practices is a priority for policy makers across OECD, G20 and EU countries. The European Commission has addressed this issue as part of its overall Action Plan for fair and efficient corporate taxation in the EU.

In this context, the European Commission sees a strong need to assess the state of play and improve the knowledge of good practices on terms and conditions under which intra-group prices are set up. The focus of the study is on the assessment of the availability and quality of market data ('comparables') used in this context in the EU-28 Member States. More specifically, the present study was commissioned with the aim of:

- Assessing and evaluating situations characterizing the lack and / or non-reliability of comparables.
- Developing and envisaging EU-tailored solutions and possible adjustments taking into consideration some advantages and assets offered by the EU internal market.
- Contribute to strengthening and effectively implementing an improved EU transfer pricing framework and fight against aggressive tax planning.

This study was carried out by Deloitte Belastingconsulenten / Conseils Fiscaux in Belgium with the support of its European network.

G. Abstract <FR>

Améliorer les réglementations et pratiques en matière de prix de transfert est une priorité pour les décideurs politiques de l'OCDE, du G20 et de l'UE. La Commission Européenne a adressé ce problème dans son Plan d'action pour une fiscalité des entreprises plus juste et efficace au sein de l'UE.

Dans ce contexte, la Commission Européenne a jugé important de faire l'état des lieux et d'établir des bons usages, en matière de détermination des prix intra-groupe. L'étude se concentre sur l'évaluation de la disponibilité et de la qualité des données de marché utilisées dans ce cadre dans les 28 Etats Membres de l'UE. Plus spécifiquement, la présente étude a été commanditée afin de:

- Evaluer les situations caractérisant le manque de point de référence et / ou leur faible comparabilité.
- Développer et envisager des solutions et ajustements adaptés à l'UE, en prenant en considération les avantages et atouts offerts par son marché intérieur.
- Contribuer au renforcement et à la mise en œuvre effective d'un cadre européen plus solide pour les prix de transfert ainsi que pour lutter contre la planification fiscale agressive.

Cette étude a été effectuée par Deloitte Belastingconsulenten / Conseils Fiscaux en Belgique, avec le soutien de son réseau Européen.

H. Executive summary <EN>

1. Context, purpose and methodology

In its June 2015 Action Plan for a fair and efficient corporate taxation in the European Union ('EU')¹, the European Commission placed the improvement of the transfer pricing framework on the top of its agenda. Improving the transfer pricing framework is indeed key to reinstalling the link between taxation and the place of activity as well as value creation, and to reduce opportunities for profit shifting.

There is some empirical evidence that the determination of prices for intra-group transactions of goods and services ('transfer prices') is a major cause of tax avoidance and is used for aggressive tax planning in the EU. Consequently, determining arm's length prices for intra-group transactions including searches of comparable data are enjoying an increased attention from the Tax authorities. Ensuring that these comparable searches are effective and performed under the best conditions in terms of quality and reliability in the EU internal market is part of this improved framework.

Against this background, the European Commission sees a strong need to survey in detail the existing transfer pricing regulations and practices across the EU Member States as regards searches of market data ('comparables') used for the determination of intra-group prices. The focus of the study is the assessment of the availability and quality of such comparables used under the Comparable Uncontrolled Price ('CUP') method and under the Transactional Net Margin Method ('TNMM') in the 28 Member States of the EU. More specifically, it covers:

- Assessing and evaluating situations characterising the lack and / or non-reliability of comparables.
- Developing and envisaging EU-tailored solutions and possible adjustments taking into consideration some advantages and assets offered by the EU internal market.
- Effectively implementing an improved EU transfer pricing framework and fight against aggressive tax planning.

This study was carried out by Deloitte Belastingconsulenten / Conseils Fiscaux in Belgium with the support of its European network of national transfer pricing experts. Information has been gathered through desktop research, database analyses, written questionnaires and telephone interviews with Deloitte offices located in the 28 EU Member States. The survey focussed on capturing relevant transfer pricing information and experience related to the use of data under the CUP method and the TNMM at the level of the local Tax authorities, taxpayers, courts, and advisers. Different databases and other sources have been examined and discussed. The data available have been assessed from both a qualitative and quantitative perspective.

¹ COM(2015)302 final – Communication from the Commission to the European Parliament and the Council – A Fair and Efficient Corporate Tax System in the European Union: 5 Key Areas for Action; 17 June 2015: https://ec.europa.eu/priorities/sites/beta-political/files/com_2015_302_en.pdf

2. Assessment of the availability and accessibility of internal and external comparable data in the context of the CUP method

The Comparable Uncontrolled Price ('CUP') method is a transfer pricing method, where the price of a controlled transaction is benchmarked against market prices. The comparable market prices observed are always based on transactions between two or more unrelated parties.

Market data needed to make that assessment can be internal or external. An 'internal comparable' consists of a comparable uncontrolled transaction between a related party (under analysis) and a third party. An 'external comparable' consists of a comparable uncontrolled transaction between two third parties.

Current situation and ways forward regarding internal comparables

The investigations performed on existing legislation, administrative guidelines and case law decisions in the European Union, as well as the survey conducted with Deloitte's network on practices, confirmed that the use of internal comparable prices is theoretically the preferred approach in all Member States in the context of the CUP method. However, by contrast, the survey indicated that internal comparables tend to be infrequently used by taxpayers in practice, due to their relative scarcity or material differences in the comparability factors. For the same reasons, Tax authorities appear to reject internal comparables occasionally. Additionally, most companies do not appear to create and use internal comparable databases systematically. Furthermore, the shelf life of (internal) CUP data may be rather limited, making their systematic use throughout the group and across time problematic.

Some situations of particular interest and elements of good practices were nevertheless noted:

- The analysis identified a number of specific situations where internal comparable data has been used across transaction types and industries, throughout the EU-28 Member States, e.g. for (1) products like raw materials or semi-finished products which are standardised and therefore easier to compare and (2) financial transactions.
- Legal bases, administrative guidelines or case law specifically referring to the use and acceptability of internal comparable data in the context of the CUP method within the EU-28 Member States appear to be very limited. Nevertheless, they illustrate some good practices as regards the selection and acceptability of internal data, the burden of proof for the Tax authorities in this respect and possible adjustments.

To conclude, possible ways forward are: (1) increasing awareness of the use of internal comparable data at the level of the taxpayer, and providing guidance on how to identify such data; (2) addressing the lack of data by allowing some flexibility in the use of internal comparable data to complement data already available; (3) providing some guidance on the application of comparability adjustments.

Current situation and ways forward regarding external comparables

Almost all practitioners within the EU make use of various international databases as a primary source to collect market prices. The survey identified and assessed which external databases are most commonly used in the EU to collect external comparable market prices in the context of the CUP method.

The use of external databases depends on the type of transaction. The survey established that external comparable databases are almost never used for goods transactions, with just a few Member States' practitioners making use of databases for services transactions. However, for intangibles and loan transactions, databases such as RoyaltyStat, Bloomberg, and LoanConnector are commonly used.

The survey also showed that such comparable data are not available at local Member State or regional level. This is due to the fact that there appears to be no systematic reporting obligation and subsequent collection of (potentially comparable) agreements within the EU-28 region. Therefore, practitioners tend to resort to searching comparables at a global level, typically on intangibles: the US SEC filing requirements ensure that data is systematically available. This data may be also relevant when establishing transfer prices in an EU context.

The availability of any other sources of data at local level has also been assessed: the study concludes that data from statistical bureaus and national banks are often aggregated and tend not to offer the level of granularity needed. Occasionally, practitioners make use of industry bodies or real estate reports as an alternative data source.

3. Assessment of the availability and accessibility of internal and external comparable data in the context of the TNMM method

The Transactional Net Margin Method ('TNMM') refers to the benchmarking method where the (net) margin earned on a controlled transaction is benchmarked against market margins. Market data needed to make that assessment can be internal or external.

An 'internal comparable' is consists of a comparable uncontrolled profit margin earned on a transaction between a related party (under analysis) and a third party. An 'external comparable' consists of a comparable uncontrolled profit margin earned on a transaction between two third parties.

Current situation regarding internal comparables

The investigations focused here on field experience and tested some specific cases involving a group distributor or manufacturer and joint venture situations. Surveyed practitioners confirmed that using internal data in the context of the TNMM method is rare. This may be due to the difficulty of assessing the 'net margin' at transaction level. The primary reasons are: the lack of objective criteria to segment accounts between different activities to determine the profitability of individual transactions; insufficient analytic capabilities of financial information systems used by the company; and the differences between intragroup and third party transactions when comparing

the allocation of functions, risks and assets between parties. Furthermore, there appears to be no legal basis to provide additional guidance on the use of this method in any of the Member States.

Moreover, there does not appear to be any recent case law available in the EU where internal comparable margins have been used to derive arm's length profit margins. The intrinsic limitations to the approach do not make it an evident case for further guidance and regulations. Still, no single Member State's practitioner is aware of a systematic rejection of this approach by the Tax authorities.

Current situation regarding external comparables

An analysis of the availability and quality of external comparable profit data at the level of the EU-28 Member States has been performed. The survey of the EU-28 Member States indicated that the Bureau Van Dijk databases are used by the majority of the Tax authorities, taxpayers, and external advisers.

Situation for external comparable data at the level of each Member State – Differences and disparities

The availability of data in the EU-28 Member States has been tested at the level of each Member State over the periods 2008 – 2010 and 2011 – 2014. When comparing the availability of data, we can conclude that there is an overall increase in the availability of data over the years.

A typical search to identify external comparables makes use of consecutive quantitative and qualitative screening criteria. Therefore, the assessment was made to determine the data availability based on a combination of independence², turnover and operating profit for FY 2013³. The total availability of data represents the number of companies in the database which report data and which are considered suitable for further screening. The analysis established significant discrepancies in terms of availability amongst the 28 EU Member States. The table below illustrates such discrepancies and provides an overview based on availability-thresholds defined as part of the survey:

Total availability of data	Data available in Member States with cumulative reporting of independence, turnover and operating profit data for 2013
40 000 - 65 000	France, Italy, UK
20 000 - 40 000	Germany, Spain
10 000 - 20 000	Belgium, Poland, Sweden
5 000 - 10 000	Austria, Czech Republic, Finland, Portugal, Romania, the Netherlands
2 000 - 5 000	Bulgaria, Denmark, Greece, Ireland, Slovakia, Slovenia
0 - 2 000	Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Luxembourg, Malta

The application of consecutive screening criteria reduces the number of comparable companies significantly. When the population size in a given Member State is insufficient, the likelihood to be left with very few to no comparables is very high,

² The application of an independence test ensures that data can be used for transfer pricing purposes, by excluding companies having material shareholding in each other and hence, possibly, transact at prices other than arm's length.

³ FY 2013 is the most recent period available where the Amadeus database seems to provide the most comprehensive overview of company data for all EU-28 Member States.

ultimately jeopardizing the robustness of any conclusions drawn on comparable profitability.

Situation for external comparable data at the level of each Member State – Investigation tests on the quality of the data

Targeted tests were performed on the databases in order to assess:

- The consistency of reported data over several years and the feasibility of standard screenings to exclude 'Small and Medium-size Enterprises' ('SMEs'), start-up and loss-making companies;
- The consistent availability of key profit and loss data, such as sales and operating profit data in all Member States, especially at the Cost of Goods Sold ('CoGS') / Material Cost ('MC') levels which can be helpful for assessing comparability and the necessary adjustments;
- The quality of country-specific databases for TNMM application (particularly in Poland, Romania, Croatia and Hungary).

Through extensive desk research, the study concludes that the current level of data availability, accessibility and reliability is generally sufficient and satisfactory in order to conduct comparable studies under the TNMM when considering the 28 EU Member States together.

However, as regards key profit and loss data, it was established that operating expenses are not uniformly characterised or sufficiently detailed. The absence of separate reporting of R&D and marketing expenses is deplored by quite a few practitioners. The availability of these items would allow for more precise screening of comparables.

Situation for external data – Pan-European approach

The survey indicated that almost none of the EU countries require a country-specific comparable search. However, in practice, some Tax authorities do prefer to see country-specific search results. Other Tax authorities follow a more gradual approach where preference is given to first country-specific data, then to data from neighbouring countries or close geographic areas, and in last resort to pan-European data. The reasoning underlying this preference is that, in line with the OECD Guidelines, the comparability analysis should take market differences into account and therefore focus on local markets whenever possible.

The profitability in some industries may be affected by geographical differences⁴. However, for the majority of sectors and countries analysed, there appears generally to be consistency in the profitability observed. This supports the performance of pan-European searches. Additionally, this may also support the use of foreign comparables in Member States where little TNMM data are available. As a result, the analysis performed underpins the need to accept searches using pan-European databases⁵.

⁴ The geographical differences would imply that there are significant differences in the market conditions between the region of the tested party and the region where the comparables are based. These differences in market conditions would then lead to a difference in profitability.

⁵ The following studies have been updated to test the appropriateness of using a pan-European approach as regards comparable searches:

- Is Europe One Market? A Transfer Pricing Economic Analysis of pan-European Comparables Sets (Doc JTPF/007/BACK/2004/EN).

Situation for external comparable data – Relevant market approaches

The availability and quality of the data has been tested according to different definitions of the relevant markets within the EU. The markets have been tested based on the following pre-defined criteria: geographic areas, gross domestic product per capita, cost of labour, sectorial characteristics.

In each of the relevant markets, as defined above, there appears to be sufficient data for practitioners to perform TNMM searches. Accepting that a relevant market is referred to rather than a country-specific market could be a solution to perform comparable searches for Member States lacking data.

4. Conclusion

The study establishes that the use of internal data is less frequent than the use of external data under both the CUP method and the TNMM.

The general lack of sufficiently comparable internal data or their general scarcity often seems to limit the use of the CUP method, on that basis, within the EU. Therefore, additional guidance may be needed to (1) illustrate how to apply adjustments, (2) allow flexibility towards the use of internal comparable data available in other EU Member States and, possibly, to (3) consider wider reporting obligations. Depending on the nature of the transactions, external data under CUP method also often provides a helpful alternative as their quality and quantity are generally sufficient within the EU.

Internal data under TNMM is only used in rare occasions across the EU-28 Member States, given the intrinsic limitations of the method as to determining a transactional net profit within a group context. External data under TNMM seems to provide a helpful alternative as their quality and quantity are generally sufficient within the EU. In order to use external comparable data in the context of TNMM in a statistically meaningful way, the final set of comparable data needs to be sufficiently robust. Analysis has shown that the use of a pan-European approach, or any otherwise defined relevant market, may be needed to compensate for the lack of sufficient comparable data at the level of a specific Member State.

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- Pan-European versus Country Specific Search and pan-European versus country-Specific databases: not a clear-cut issue. ([Doc JTPF/006/BACK/2004/EN](#))

I. Résumé <FR>

1. Contexte, objectif et méthodologie

Dans son Plan d'action pour une fiscalité des entreprises plus juste et plus efficace dans l'Union Européenne ('UE')⁶ de juin 2015, la Commission Européenne a placé l'amélioration du cadre applicable aux prix de transfert en tête de liste de ses priorités. Améliorer ce cadre des prix de transfert est en effet crucial afin de réinstaurer le lien entre taxation et lieu d'activité ainsi que la création de valeur, et de réduire les possibilités de transfert de bases imposables.

Des éléments de preuves empiriques établissent que la détermination des prix intragroupes de biens ou services (les 'prix de transfert') est une cause majeure d'évitement de l'impôt et de recours à des planifications fiscales agressives au sein de l'UE. En conséquence, les Autorités fiscales accordent une attention croissante à la détermination des prix des transactions intra-groupes, y-compris en ce qui concerne les recherches de comparables. S'assurer que les recherches de données comparables sont efficaces et réalisées dans les meilleures conditions possibles en termes de qualité et de fiabilité dans le marché intérieur de l'UE est partie intégrante de cette amélioration du cadre de référence des prix de transfert.

Dans ce contexte, la Commission Européenne a estimé nécessaire d'étudier en détails les règles de prix de transfert et les pratiques existantes au sein des États Membres de l'UE en ce qui concerne les recherches de données de marché («comparables») qui sont utilisées pour déterminer les prix intragroupes. L'objet principal de l'étude est de fournir une évaluation de la disponibilité et de la qualité des données de marché («comparables») utilisées dans le cadre de l'application de la méthode du Prix Comparable sur le Marché Libre ('CUP') et de la Méthode Transactionnelle de la Marge Nette ('TNMM') dans les 28 États Membres de l'UE. Plus précisément, cela couvre :

- Une évaluation des situations caractérisant le manque de données comparables et / ou leur non-fiabilité.
- Le développement et la proposition de solutions et ajustements possibles adaptés à l'UE, en prenant en considération les avantages et atouts offerts par le marché intérieur de l'UE.
- Contribuer au renforcement et à la mise en œuvre effective d'un cadre européen plus solide pour les prix de transfert ainsi que lutter contre la planification fiscale agressive.

Cette étude a été réalisée par Deloitte Belastingconsulenten / Conseils Fiscaux en Belgique, avec le soutien de son réseau Européen d'experts des prix de transfert. Les informations reprises dans cette étude ont été recueillies au moyen de recherches documentaires, d'analyses de bases de données, de questionnaires écrits et d'interviews téléphoniques avec les bureaux Deloitte situés dans les 28 États Membres de l'UE. L'étude a visé à recueillir les informations et pratiques pertinentes en matière de prix de transfert au niveau tant des autorités fiscales que des contribuables, des

⁶ COM(2015)302 final – Communication de la Commission au Parlement européen et au Conseil – Un système d'imposition des sociétés juste et efficace au sein de l'Union européenne: cinq domaines d'action prioritaires: https://ec.europa.eu/priorities/sites/beta-political/files/com_2015_302_fr.pdf

tribunaux et des conseils, en ce qui concerne l'utilisation des données de marché comparables dans le cadre de l'application de la méthode CUP et de la TNMM. Différentes bases de données et d'autres sources ont été examinées et discutées. Les données disponibles ont été évaluées à la fois d'un point de vue qualitatif et quantitatif.

2. Evaluation de la disponibilité et de l'accessibilité aux comparables internes et externes dans le contexte de la méthode CUP

La méthode de Prix Comparable sur le Marché Libre («PCML» ou «CUP») est une méthode de prix de transfert où le prix d'une transaction contrôlée est comparé aux prix de marché. Les données comparables de marché utilisées se rapportent à des transactions entre deux parties tierces (ou plus).

Les données de marché utilisées pour cette évaluation sont d'origine interne ou externe. Un «comparable interne» est une transaction qui a lieu entre une partie contrôlée (qui fait l'objet de l'analyse) et une partie tierce. Un «comparable externe» est une transaction non contrôlée (sur le marché libre) ayant lieu entre deux parties tierces.

Situation actuelle et évolutions envisageables en ce qui concerne les comparables internes

Les différentes investigations menées sur les législations en place, les doctrines administratives et les décisions de jurisprudence au sein de l'Union européenne, de même que l'enquête conduite auprès du réseau de Deloitte en matière de pratiques existantes, confirment que l'utilisation de prix internes comparables est théoriquement l'approche privilégiée dans tous les Etats Membres dans le contexte de la méthode CUP. En revanche, l'enquête indique que les contribuables ont tendance en pratique à n'utiliser qu'occasionnellement les comparables internes en raison de leur relative rareté et de déficiences de comparabilité parfois importantes. C'est aussi pourquoi les Autorités fiscales semblent également occasionnellement rejeter les comparables internes. Par ailleurs, la plupart des entreprises semble ne pas constituer ni utiliser systématiquement des bases de données pour ces comparables internes. Enfin, la durée de vie des données comparables (internes) peut être assez limitée, ce qui rend problématique leur utilisation systématique dans l'ensemble du groupe et à travers le temps.

Certaines situations présentant un intérêt particulier et représentatives de bonnes pratiques ont cependant été relevées:

- L'analyse a identifié un certain nombre de situations spécifiques dans lesquelles des comparables internes semblent être utilisés pour divers types de transactions et dans différentes industries au sein des 28 Etats Membres de l'UE, ainsi (1) les transactions de biens tels que les matières premières ou produits semi-finis qui sont standardisés et donc plus faciles à comparer et (2) les transactions financières.
- Les bases légales, les directives administratives ou les cas de jurisprudence référant spécifiquement à l'utilisation et l'acceptabilité des comparables internes sous la méthode CUP dans les 28 Etats Membres de l'UE semblent être très limités. Ils illustrent cependant de bonnes pratiques en ce qui concerne la sélection et

l'acceptabilité des données comparables internes, la charge de la preuve laissée à l'administration fiscale de ce point de vue et les ajustements possibles.

En conclusion, les solutions pouvant être envisagées à l'avenir seraient (1) s'assurer d'une prise de conscience croissante des contribuables quant aux conditions, possibilités d'utilisation et identification des comparables internes, (2) traiter le problème du manque de données en permettant une certaine flexibilité dans l'usage de données comparables internes, pour compléter les données déjà disponibles, (3) le développement et la mise à disposition de lignes directrices sur l'application des ajustements de comparabilité.

Situation actuelle et évolutions envisageables en ce qui concerne les comparables externes

Presque tous les praticiens, dans l'UE, font usage des diverses bases de données internationales, en fonction du type de transaction, afin d'identifier l'existence de prix comparables externes. L'étude a identifié et évalué les bases de données externes les plus communément utilisées au sein de l'UE afin de collecter des prix comparables externes dans le contexte de la méthode CUP.

Le recours à des bases de données externes dépend du type de transaction analysé. L'étude a établi que ces bases de données ne sont pratiquement jamais utilisées pour les transactions impliquant des biens. Seulement quelques Etats Membres utilisent ces bases de données pour les transactions impliquant des services. Cependant, pour la propriété intellectuelle et les prêts, les bases de données telles que RoyaltyStat, Bloomberg, et LoanConnector sont couramment utilisées.

L'étude a également montré un manque général de données comparables au niveau national de l'Etat Membre ou au niveau régional. Cela est dû au fait qu'il ne semble pas exister d'obligation systémique de déclaration ni de collecte de contrats (potentiellement comparables) au sein des 28 Etats Membres de l'UE. En conséquence, les praticiens ont tendance à effectuer des recherches de comparables à un niveau mondial, en particulier pour ce qui concerne les incorporels : certaines données sont systématiquement disponibles aux Etats-Unis en raison des exigences de déclaration auprès de la SEC. Ces données peuvent être pertinentes également lors de la détermination de prix de transfert dans un contexte européen.

Il a également été vérifié si d'autres sources de données étaient disponibles au niveau national: l'étude conclut que les données publiées par les bureaux statistiques, les banques nationales ou les organisations professionnelles sont souvent agrégées et tendent à ne pas offrir le niveau de détail désiré. Les praticiens ont occasionnellement recours à des rapports publiés par des organisations industrielles ou du secteur de l'immobilier comme source alternative de données.

3. Evaluation de la disponibilité et de l'accessibilité aux comparables internes et externes dans le contexte de la méthode TNMM

La Méthode Transactionnelle de la Marge Nette (MTMN –«TNMM») fait référence à la méthode d'évaluation de la marge (nette) obtenue sur une transaction contrôlée par

comparaison avec les marges réalisées sur le marché libre. Les données de marché utilisées pour cette évaluation sont d'origine interne ou externe.

Un «comparable interne» correspond à une marge observée entre la partie liée (participant à la transaction analysée) et une partie tierce. Dans le cas de données externes (comparables externes), la marge est observée entre deux parties tierces étrangères à la transaction analysée.

Situation actuelle et évolutions envisageables en ce qui concerne les comparables internes

Les investigations ont principalement porté sur l'expérience et la réalité de terrain et ont conduit à tester des cas spécifiques impliquant un distributeur ou un fabricant intra-groupe ainsi que des situations de co-entreprises (joint venture). Les praticiens interrogés lors de l'étude ont confirmé que le recours à des données internes dans le contexte de la méthode TNMM se produit rarement. Cela peut être en raison de la difficulté d'évaluer la 'marge nette' au niveau de la transaction à cause. Les raisons principales sont le manque de critères objectifs pour segmenter les comptes entre les différentes activités afin de déterminer la rentabilité de chaque élément d'une transaction; des capacités analytiques limitées au niveau des systèmes d'informations financières utilisés par l'entreprise; et des différences qui existent entre transactions intragroupes et transactions avec des parties tierces lorsque l'on compare la répartition des fonctions, des risques et des actifs entre parties. En outre, il semble qu'il n'existe pas de base légale pour fournir davantage de lignes directrices et recommandations sur l'utilisation de cette méthode dans aucun des États Membres.

Par ailleurs, il ne semble pas exister de jurisprudence récente illustrant des cas où une marge interne comparable a été utilisée pour identifier des marges bénéficiaires de pleine concurrence. Les limitations intrinsèques à une telle approche sont un frein au développement de la doctrine administratif et des réglementations en la matière. Cependant, aucuns des praticiens des différents Etats Membres n'a signalé un rejet systématique de cette approche par les Autorités fiscales.

Situation actuelle en ce qui concerne les comparables externes

Une analyse de la disponibilité des données de comparables externes au niveau des 28 Etats Membres de l'UE a été réalisée. L'étude au niveau des 28 Etats Membres de l'UE suggère que les bases de données du Bureau Van Dijk sont utilisées par la majorité des autorités fiscales, des contribuables et des consultants externes.

Situation en ce qui concerne les comparables internes au niveau de chaque Etat Membre – Différences et disparités

La disponibilité des données dans les 28 Etats Membres a été testée au niveau de chaque Etat Membre sur les périodes 2008 – 2010 et 2011 – 2014. Lorsque l'on compare la disponibilité des données, il peut être conclu qu'il y a une augmentation des données disponibles sur ces différentes années.

Typiquement, une recherche visant à identifier des comparables externes a recours consécutivement à des critères de sélection quantitatifs et qualitatifs. En conséquence, la disponibilité des données a été évaluée sur la base d'une combinaison de critères

d'indépendance⁷, chiffre d'affaires et résultat d'exploitation pour l'année 2013⁸. Le total des données disponibles correspond au nombre des sociétés qui, dans la base de données, rapportent des données et qui sont considérées appropriées pour continuer la sélection. L'analyse a conduit à établir des divergences importantes en termes de disponibilité des données au sein des 28 Etats Membres de l'UE.

Le tableau ci-dessous illustre de telles divergences et donne une vue d'ensemble de celles-ci sur la base de ratios de disponibilité définis dans le cadre de l'étude:

Données disponibles (total)	Données disponibles dans les Etats Membres sur la base cumulée des critères d'indépendance, chiffre d'affaires et résultat d'exploitation pour 2013
40 000 - 65 000	France, Italie, Royaume Uni
20 000 - 40 000	Allemagne, Espagne
10 000 - 20 000	Belgique, Pologne, Suède
5 000 - 10 000	Autriche, République Tchèque, Finlande, Portugal, Roumanie, Pays-Bas
2 000 - 5 000	Bulgarie, Danemark, Grèce, Irlande, Slovaquie, Slovénie
0 - 2 000	Croatie, Chypre, Estonie, Hongrie, Lettonie, Lituanie, Luxembourg, Malte

Le nombre des sociétés comparables diminue de manière significative lorsque l'on applique cumulativement ces critères de sélection. Ainsi lorsque le volume de données initiales dans un Etat Membre donné n'est pas suffisant, la probabilité de disposer d'un nombre réduit voire nul de comparables est très forte, mettant ainsi en cause la robustesse de toute conclusion tirée quant à une marge comparable de pleine concurrence.

Situation en ce qui concerne les comparables externes au niveau de chaque Etat Membre – Tests appliqués pour évaluer la qualité des données

Des tests ciblés ont été effectués sur les différentes bases de données afin d'évaluer:

- La cohérence des données rapportées sur plusieurs années et la faisabilité de critères de sélection standards tels que les «Petites et Moyennes Entreprises» («PMEs»), start-ups et sociétés en position déficitaire;
- La disponibilité cohérente de données de compte de résultat, en particulier en ce qui concerne les données de chiffres d'affaires et résultats d'exploitation, en particulier le coût des marchandises («CoGs»)/Coût des Matières Premières («MC») qui peuvent être utiles pour évaluer la comparabilité et les ajustements nécessaires;
- La qualité des bases de données locales pour l'application de la méthode MTMN (particulièrement en Pologne, Roumanie, Croatie et Hongrie)

Au terme de recherches extensives, l'étude conclut que le niveau actuel de données disponibles, accessibles et fiables est en général suffisant et satisfaisant afin de

⁷ L'application d'un test d'indépendance garantit que les données peuvent être utilisés à des fins de prix de transfert, en excluant les sociétés disposant de participations (importantes) ou étant détenues par d'autres sociétés et qui, le cas échéant, traiteraient à des conditions contraires au principe de pleine concurrence.

⁸ L'année financière 2013 est la période la plus récente pour laquelle la base de données Amadeus semble fournir un ensemble le plus complet de données pour tous les 28 Etats Membres de l'UE.

conduire des recherches de données comparables dans le cadre de la méthode MTMN au niveau de l'ensemble des Etats Membres de l'UE.

Cependant, en ce qui concerne les données clés du compte de résultat, il a été établi que les données relatives aux dépenses d'exploitation ne sont pas suffisamment caractérisées ou détaillées. L'absence d'obligations déclaratives spécifiques en matière de dépenses marketing et de R&D est déplorée par plusieurs praticiens. La mise à disposition de ces éléments permettrait de conduire des sélections plus précises de comparables.

Situation en ce qui concerne les comparables externes au niveau de chaque Etat Membre –Approche pan-européenne

L'enquête a indiqué que presque aucun des pays de l'UE ne requiert une recherche locale de comparables, spécifique à ces pays concernés. Toutefois, en pratique certaines Autorités fiscales accordent une préférence à des recherches de comparables locales, spécifique à ces pays concernés. D'autres Autorités fiscales ont une approche plus graduelle en ce qu'elles donnent priorité aux données locales, spécifique à ces pays concernés, ensuite aux données des pays voisins ou de zones géographiques proches et en dernier ressort aux données pan-Européennes. Le raisonnement sous-jacent à une telle préférence est que, conformément aux lignes directrices de l'OCDE, une analyse de comparabilité devrait prendre en considération les différences de marché et donc donner la priorité aux marchés locaux lorsque cela est possible.

La profitabilité de certaines industries peut être affectée par des différences géographiques⁹. Cependant, dans la majorité des secteurs et pays analysés, on note une cohérence dans la profitabilité observée. Cela justifie les recherches de comparables pan-européens. En outre, cela peut supporter l'utilisation de comparables étrangers dans les Etats Membres où peu de données NTMN sont disponibles. En conséquence, l'analyse met en exergue la nécessité d'accepter des recherches se basant sur des bases de données pan-européennes¹⁰.

Situation en ce qui concerne les comparables externes –Approches en termes de marché pertinent

La disponibilité et la qualité des données ont été testées selon différentes définitions de marchés pertinents, au sein de l'UE. Les marchés ont été testés en fonction des critères suivants qui ont été pré-définis: zones géographiques, produit intérieur brut par habitant, coût salarial, caractéristiques sectorielles.

Dans chaque marché pertinent, comme défini ci-dessus, il semble que les praticiens disposent de données suffisantes pour effectuer des analyses de TNMM. Accepter l'hypothèse que le marché pertinent peut être utilisé plutôt que le marché local, spécifique à un pays concerné, pourrait être une solution pour réaliser des recherches de comparables pour les pays où les données sont rares.

⁹ Les différences de marché impliquent qu'il y ait des différences significatives entre les conditions de marché existant dans la région de la partie testée et la région où se situent les comparables. Ces différences dans les conditions de marché donnent lieu à des différences de profitabilité.

¹⁰ Les études suivantes ont été mises à jour afin de tester le caractère approprié d'une approche pan-européenne en matière de recherches de comparables :

- Is Europe One Market? A Transfer Pricing Economic Analysis of pan-European Comparables Sets (Doc. JTPF/007/BACK/2004/EN)
- Pan-European versus Country-Specific Search and pan-European versus country-specific databases : not a clear-cut issue (Doc. JTPF/006/BACK/2004/EN)

4. Conclusion

L'étude établit que l'utilisation de données internes est moins fréquente que le recours à des données externes dans le cadre de la méthode CUP comme de la méthode TNMM.

Le manque général de données internes comparables ou la difficulté d'y accéder semble souvent limiter l'utilisation de la méthode CUP au sein de l'UE. Par conséquent, une guidance plus précise peut s'avérer utile pour (1) illustrer comment appliquer les ajustements, (2) permettre une certaine flexibilité dans l'utilisation des données comparables internes disponibles dans d'autres Etats Membres de l'UE et, éventuellement, (3) considérer des obligations de rapportage plus larges. Selon la nature des transactions, les données externes, sous la méthode CUP, peuvent souvent offrir des alternatives utiles comme leur qualité et quantité sont généralement suffisantes dans l'UE.

Les données internes sont rarement utilisées sous la TNMM à travers les 28 Etats Membres de l'UE, compte tenu des limites intrinsèques de la méthode pour évaluer un bénéfice transactionnel net dans le contexte d'un groupe. Les données externes sous la TNMM semblent fournir une alternative utile dans la mesure où leur qualité et quantité sont généralement suffisantes dans l'UE. Pour utiliser des données comparables externes dans le cadre de la méthode TNMM et qu'elles soient statistiquement représentatives, l'échantillon final de données comparables doit être suffisamment robuste. L'analyse a montré que l'utilisation d'une approche pan-Européenne, ou sur base de tout marché pertinent autrement défini, peut s'avérer nécessaire pour pallier le manque de données comparables au niveau d'un Etat Membre donné.

J. Introduction

The EC developed an Action Plan and concluded that the transfer pricing framework in the EU needs to be improved. Ensuring that searches for comparable data are effective and performed with best conditions in terms of quality and reliability, at the EU internal market level, is part of this improved framework.

This study addresses one of the five key actions of the June 2015 European Commission's 'Action Plan for Fair and Efficient Corporate Taxation in the EU'¹¹. This action aims at reinstalling the link between taxation and the place of activity, by reducing opportunities for profit shifting by determining when and where a company should be taxed.

The European Commission has identified a strong need to survey in detail the existing transfer pricing regulations and practices of the EU-28 Member States to ensure better alignment of profits and taxation. This action has been initiated since empirical evidence suggests that the terms and conditions of how intra-group transactions are priced ('transfer prices') are a major cause of tax avoidance and aggressive tax planning in the EU. The enforcement of the arm's length principle is a key challenge in this respect.

The 'comparability analysis'¹² is at the heart of the application of this arm's length principle. In particular, the OECD action plan against Base Erosion and Profit Shifting to reinforce the current international tax rules and stabilise national tax bases ('OECD BEPS Action Plan') has created a more constraining framework for the arm's length principle to operate.

By definition, a comparison implies examining two terms: the controlled transaction under review and the uncontrolled transactions that are regarded as potentially comparable. This second term is traditionally designated at the 'search for comparables' or 'search for comparable data'. The present study will focus on the search for comparables.

It is established that the lack of or bad quality of comparables creates higher risks of profit shifting and also creates an area of difficulty and uncertainty, triggering additional disputes without ultimately ensuring effective tax revenue collection. The EU Joint Transfer Pricing Forum (hereafter 'JTPF') has worked in the past on this subject, trying to address the issue and to increase the overall proficiency and mastery in this respect, in particular by promoting the use of pan-European comparables¹³. Whilst these studies have established that theoretically pan-European comparable studies generate reliable results, the situation has apparently not really improved on the field. It should be re-examined, in order to envisage more pragmatic and targeted

¹¹ COM(2015)302 final – Communication from the Commission to the European Parliament and the Council – A Fair and Efficient Corporate Tax System in the European Union: 5 Key Areas for Action; 17 June 2015: https://ec.europa.eu/priorities/sites/beta-political/files/com_2015_302_en.pdf

¹² Cf. paragraph 1.6 of the OECD Transfer Pricing Guidelines for Multinational Enterprises, July 2010 as restated in the recently revised Chapter I under BEPS Actions 8-10

¹³ See Commission EU JTPF Draft Secretariat working document for the EU Joint Transfer Pricing Forum on database searches for comparables- Doc: JTPF/005/2004/EN Meeting of 18 March 2004 Background document

approaches and also to carry out the consequences of the recent BEPS project (i.e. likelihood of disputes to be expected in the TP area¹⁴).

It has thus appeared necessary to revisit, improve and refine the State of Art in comparability for Transfer Pricing in EU-28 as part of the currently ongoing JTPF Programme of work: there is a need to (i) diagnose the situation, weaknesses, and strengths at the level of the internal market in terms of availability and quality of comparable data; and (ii) to assess the recent evolutions since work was undertaken by the JTPF, the impact and consequences of the recent BEPS works at the level of the EU market, and the benefits and opportunities which could be taken from the internal market.

The present study aims at providing the underlying data and assessment in order to carry out such work and action to be addressed by the JTPF and the EU. The aspects to be tested should therefore cover the following:

- Availability of comparable data: identify shortage of comparables/lack of comparable data
- Quality of the comparable data
- Adjustments to be made

Ultimately, the assessment and conclusions of the study will be used to explore all related aspects of the EU Transfer Pricing Documentation (TPD) with reference to the general description of the controlled transactions involving associated enterprises in the EU and the comparability analysis.

1. Objectives of the study

The goal of the study consists in improving the knowledge and assessment of comparable data in the EU and providing recommendations on how to improve the issues addressed on comparability under BEPS and the EU Action Plan.

In order to achieve these goals, the objectives of the study are:

- Assessing and evaluating situations characterising the lack and/or non-reliability of comparables. This includes identify the underlying causes and factors. Analysis has been performed on multiple databases for all EU-28 Member States to assess the availability of data. The findings of the desk research have been complemented with the responses gathered during the survey with the local transfer pricing experts.
- Developing and envisaging EU-tailored solutions and possible adjustments taking into consideration some advantages and assets offered by the EU single market (e.g. pan-European comparables, tests on market/territory and sector, etc.). Experience from practitioners has been obtained during the survey, and has been complemented with the findings of statistical analysis to verify the appropriateness of the use of pan-European comparables.
- Contributing to strengthening and effectively implementing an improved EU transfer pricing framework, and the fight against aggressive tax planning. Suggestions on how the transfer pricing framework could be improved have been obtained during the survey and have been also based on desk research.

¹⁴ E.g. due to the possible impact of the prevalence now given to the delineation of the transaction and the value chain analysis under this project

In order to meet these objectives, Deloitte has used a variety of tools which are detailed below in the methodology description.

The analysis is focuses on the application of two common transfer pricing methods, which are the Comparable Uncontrolled Price ('CUP') method, and on the Transactional Net Margin Method ('TNMM'). These methods are be defined as follows:

- The CUP method compares amounts (prices) charged in controlled transactions (between related parties) with amounts charged in comparable third party transactions (between a related party and a third party or between third parties).
- The TNMM method is a transactional profit method that examines the net profit margin relative to an appropriate base (e.g. costs, sales, assets) that a taxpayer realises on a controlled transaction (or transactions that it is appropriate to aggregate under the principles of Chapter III of the OECD Transfer Pricing Guidelines).

In this study, the focus will be on assessing the availability of data that could be used for the Comparable Uncontrolled Price ('CUP') method, as a traditional transaction method, and on the Transactional Net Margin Method ('TNMM'), as a transactional profit method. In both cases, the availability of data which could be used to identify respectively (i) internal comparables and (ii) external comparables will be reviewed.

The full analysis of the study is based on 31 topics (#1-#31)¹⁵ organised in 8 deliverables.

2. Methodology

To meet the objectives of the study, the following tasks were performed:

1. Desk research, by using different databases, and a literature review.
2. EU-28 Member States survey:
 - a. Drafting of questionnaire with over 60 questions, many divided into sub-questions. A full overview of the questions raised during the survey is provided in Appendix 2.
 - b. Identification of transfer pricing specialists in all EU-28 Member States. The full list of Member States indicating the level of expertise of the interviewee is included below.
 - c. Interviews with local Deloitte practitioners in transfer pricing in all EU-28 Member States. Each interview lasted more than 2 hours, and notes were taken by 3 people. The interviews were organised by conference call. All questions were discussed during the interview, and questions that required further follow-up or input from the practitioner were noted. During the interview, it was explicitly stressed that the goal consisted of capturing practices in the market, irrespective whether these have been applied by Deloitte, another service provider or the Tax authorities.
 - d. Gathering additional details from the local practitioners by email related to the local regulatory framework and the cases within their Member State.
 - e. Review of the interview answers and identification of common themes.
 - f. Request for additional details if initial information was not sufficient.

¹⁵ In the appendices, these topics are referred to as 'Milestones'.

3. Extensive database reviews and analyses. First, the most commonly used databases used in all EU 28 Member States have been identified. Thereafter, these databases are analysed in greater detail to verify the availability of data in each Member State.
4. Analysis and conclusion from the desk research, survey, and database analysis.
5. Consultation with different experts:
 - a. Indirect tax expert, for #6 on export prices.
 - b. Statistical experts, for #22 on the update of the two studies.

The two cornerstones of the analysis are the survey (item 2 above) and the database reviews (item 3 above). The first addresses rather the qualitative aspects, the second the quantitative aspects. The study consist of 8 deliverables that have been divided in additional topics. For each deliverable, a mix of qualitative and quantitative analysis has been performed. The content of each deliverable is briefly described below:

- Quantitative and qualitative assessment of the use EU Comparable data - Assessment and practical application to traditional transaction methods.
 - Deliverable 1: Internal data under the CUP method
Use of internal comparables under the CUP method: assessment of the state of play, legal and administrative basis as well as practices.
 - Deliverable 2: External data under the CUP method
Use of external comparables under the CUP method: assessment of the state of play, legal and administrative basis as well as practices.
- Quantitative and qualitative assessment of EU Comparable data. Assessment and application to transactional profit methods.
 - Deliverable 3: Internal data under TNMM
Use of internal comparables under the TNMM: assessment of the state of play, legal and administrative basis as well as practices.
 - Deliverable 4: External data under TNMM
Use of external comparables under TNMM: assessment of the state of play as well as practices.
 - Deliverable 5: External data under TNMM – Quality & quantity
Review of the data available in the EU in the context of the quantitative screening, rejection and quality analysis to be applied as part of a comparable search.
 - Deliverable 6: External data under TNMM – Misc
Review of the available data in the EU in the context of the qualitative screening, rejection and analysis as well as adjustments to be applied and use of pan-European data.
 - Deliverable 7: External data under TNMM – Alternative market definitions
Status of the use of comparable data in a pan-European context: possible alternatives and ways forward.
 - Deliverable 8: External data under TNMM – Local databases and adjustments
Impact and assessment of the use of local data bases – Possible approaches and adjustments.

Qualitative aspects

For the qualitative aspects, Deloitte conducted a survey within the EU-28 Member States (see Appendix 2). The focus of the survey consisted in assessing the use of internal and external comparables related to the application of the CUP and TNMM methods. The aim of the survey was to assess the availability of local regulations, court cases, experiences, and best practices in each of the EU-28 Member States. All the answers are based on Deloitte experts' knowledge of regulatory frameworks or experiences with taxpayers and tax authorities.

For each Member State, one or two practitioners from the Deloitte network with transfer pricing extensive experience were interviewed. In order to guarantee sufficient comfort regarding the quality of the responses, Deloitte ensured that the majority of the Member States responses have been obtained from local practitioners, who are involved in transfer pricing on a daily basis and whereby the majority has at least 10 years of experience. The practitioners interviewed have an economic and / or legal background, which is the typical mix of the background of transfer pricing practitioners.

The table below provides an overview of the practitioners interviewed in EU-28 Member States:

Table 1: Overview of the practitioners interviewed in the EU-28 Member States

Country	Contact person
Austria	Partner
Belgium	Partner
Bulgaria	Manager and Senior Consultant
Croatia	Partner and Senior Manager
Cyprus	Director and Manager
Czech Republic	Partner
Denmark	Partner and Senior Consultant
Estonia	Senior Manager
Finland	Partner
France	Partner
Germany	Partner and Senior Manager
Greece	Director
Hungary	Senior Manager
Ireland	Director
Italy	Senior Manager
Latvia	Manager
Lithuania	Senior Manager
Luxembourg	Partner
Malta	Partner
The Netherlands	Partner, Manager and Senior Consultant
Poland	Partner
Portugal	Partner
Romania	Partner and Director
Slovakia	Senior Manager
Slovenia	Partner
Spain	Director
Sweden	Partner and Manager
United Kingdom	Partner and Director

The table below provides an overview of the level of experience of the practitioners in transfer pricing. The years indicated in the table below represent an indicative minimum number of years of experience by level.

Table 2: Level of expertise

Level of expertise	
Partner	12 years
Director	9 years
Senior Manager	7 years
Manager	5 years
Senior Consultant	3 years
Consultant	1-3 years

A questionnaire with over 60 questions has been prepared to capture the local expertise. The answers obtained from the local practitioners are based on their own experience, and what they have observed in the market. The focus of the survey is to capture what approaches and practices have been used by local transfer pricing practitioners and whether or not these have been validated with local Tax authorities.

The answers by Member State have been recorded in an overview table. This overview table allowed comparing the EU-28 Member States and identifying certain trends or unique cases. A conclusion was drawn per question and has been integrated in the write-up of the report. For some answers, Deloitte created tables to allow a better reading of the differences between the Member States. These tables are included in the relevant sections below.

Quantitative aspects

In order to assess the quantitative aspects, Deloitte performed desk researches to test the availability of data in different databases used in the EU-28 Member States. The main database used to compare the availability of (TNMM) data is Amadeus.¹⁶ The other databases used are Orbis, Bel-First, Diane, Dafne, Fame, Aida, Reach, and Sabi.¹⁷ Deloitte systematically reviewed the availability of data in these databases, and compared the number of data points with Amadeus. Different assessments were made taking into account absolute and relative availability of data.

Each of the databases contains hundreds of thousands – if not millions – of data points. A threshold of minimum EUR 5 million revenue was used to ensure that the smaller companies, whose data may be less robust and complete, were removed. Even when the threshold was applied, the data sets remained large enough to conduct meaningful analyses of the availability of data across Member States.

3. Limitation of the study

As with any research project, there are practical limitations regarding data collection. The key data collection tools employed for this study were desk researches by the core study team and the completion of an extensive survey by the Deloitte network of transfer pricing and valuation practitioners in the Member States. In the context of the survey, Deloitte practitioners were asked to comment not only on their direct

¹⁶ The qualitative review suggests the majority of the EU-28 Member States are using Amadeus as a starting point.

¹⁷ The databases provided by Bureau Van Dijk are the typical sources of information used by the market (used by taxpayers and Tax authorities)

experience, but also on any other relevant experiences they may be aware of in their respective Member States, with the aim of reducing and eliminating (to the extent this is possible) potential biases related to specific experience of one or several persons. Even if the report is believed to be fairly representative of the current EU transfer pricing landscape, it cannot be construed as exhaustive.

All 28 Member States were included in the survey. However the information collected in each Member State has been obtained from senior professionals of the Deloitte network. Therefore the information may not be representative of all transfer pricing knowledge and practices within a Member State. Although in some cases additional research may have been performed, it cannot be excluded that in-depth desktop and on-field research would lead to additional findings for some Member States.

While this study is based on research undertaken by a Deloitte project team and survey responses from the Deloitte network, its intention is not to provide a Deloitte-only view on the topics in the scope. Instead, the research and survey methodology have been specifically set up in order to obtain a fair representation of the transfer pricing landscape in the EU, to the best of the knowledge of the writers of this report and the interviewees.

Furthermore, upon review of the data, some information may have had to be interpreted or synthesised to allow comparability or counting across the Member States.

Data availability testing – unless otherwise specified – has been performed on companies having sales over EUR 5 million in order to (1) improve data quality as larger entities are more likely to be audited, and (2) limit somewhat the volume of data analysed.

When cumulative screening criteria are applied, the sample size of a particular Member State may be reduced to the extent that statistically meaningful conclusions on the profitability of comparables cannot be drawn. Furthermore, the limited level of detail of data in some Member States, for example the lack of financial information relating to the Cost of Goods Sold ('CoGS') and Gross Margin, meant that the scope for applying diagnostic ratios, under methods like TNMM was restricted for some Member States. Deloitte has reviewed, to the extent it is realistic and practical, the availability of data that could be used for the application of CUP and TNMM on different types of transactions – goods, services, intellectual property and loans.¹⁸

¹⁸ Transfer pricing for financial transactions has been assessed through the analysis of loan transactions. Loan transactions tend to be the most widely present and most material in intragroup context, and given the otherwise wide variety of other possible financial transactions.

G. Conclusions

1. Internal data under the CUP method (#1 – #4)

Key findings for #1, #2, #3 and #4

During the survey, a majority of practitioners indicated that the CUP method appeared to be a preferred method in their respective Member States, and that under CUP, the availability and reliability of internal comparables had to be assessed first. However, the available volume of such comparables to support the application of the CUP method appears to be generally quite limited. Most practitioners are aware of a few cases where internal comparables are used in the context of a CUP method. Most of the time, these cases concern goods transactions or loans. The availability of court cases in the EU is limited because, in quite a few Member States, they do not exist or details are not publically available. Finally, the survey revealed that occasionally adjustments are made to internal comparables based on the application of comparability factors.

The practitioners in the majority of the Member States indicated that there is a legal basis or there are administrative guidelines on the application of the CUP method in general, rather than on the use of internal comparables. Also, the survey highlighted that there is very little guidance available at the level of the Member States related to the selection, review, and adjustment of internal comparables to facilitate the application of the CUP method.

1.1. #1: Use and availability of data

Scope

For the EU-28 Member States, assess local acceptability of the use of internal comparables when applying the CUP method. If cases are identified, assess the representativeness of the case. Perform additional verification to assess whether Tax authorities reject the use of internal data under the CUP method in particular situations.

Summary

During the survey, a majority of practitioners indicated that the CUP method appeared to be a preferred method in their respective Member States, and that under CUP the availability and reliability of internal comparables had to be assessed first. However, the available volume of such comparables to support the application of the CUP method appears to be generally quite limited. Most practitioners are aware of a few cases where internal comparables are used in the context of a CUP method. Most of the time these cases concern goods transactions or loans. The availability of court cases in the EU is limited because, in quite a few Member States, they do not exist or details are not publically available. Finally, the survey revealed that occasionally adjustments are made to internal comparables based on the application of comparability factors.

In practice, the use of strict criteria to ensure transactions are comparable makes it arduous to identify internal comparables. Often, the lack of information available makes a full assessment of the comparability tentative.

Methodology

The analysis is based on the answers from the EU-28 Member States obtained through the survey. In particular, practitioners provided the following information:

- Identification of the types of transactions where internal data has been used for application of the CUP method.
- Verification of sources of internal comparable data. Discuss recommendations on how to improve the availability of internal comparable data.
- Use of comparability factors and adjustments. Recommendations on how to improve assessment of internal comparable data.

A copy of the survey can be found in appendix 2.

Analysis

Introduction

According to paragraph 2.13 of the 2010 OECD report, *"the CUP method compares the price charged for property or services transferred in a controlled transaction (between related parties) to the price charged for property or services transferred in a comparable uncontrolled transaction (between third parties) in comparable circumstances."*

Controlled transactions are transactions between two related enterprises, while uncontrolled transactions are transactions between enterprises that are unrelated (also referred to as "third party transactions").

Comparable uncontrolled transactions or third party transactions may exist, between two third parties and are referred to as 'external comparables,' or between one of the related parties (under analysis) and a third party and are referred to as 'internal comparables.' When looking specifically at the price of the first are further referred to as External Comparable Uncontrolled Price ('External CUP')¹⁹, the second as Internal Comparable Uncontrolled Price ('Internal CUP').

The CUP method is generally regarded as the most reliable measure of arm's length results if transactions are identical, or if only minor, readily quantifiable differences exist. The CUP must be given preference to the other methods.²⁰

The CUP method requires a high degree of comparability of products and functions. A reasonable number of adjustments, which do not materially affect the price, can allow achieving a high level of comparability. Adjustments commonly required include differences in:

- Product quality.
- Transaction volume.
- Contractual terms.
- Geographic market.
- Embedded intangibles.
- Foreign currency risks.

Survey – general

The survey indicates that there is very little case law available detailing the use of data related to the application of internal comparables under the CUP method within the EU-28 Member States. If case law is available, it tends to focus on dismissing the use of particular data that could support the application of the CUP, rather than on detailing possible adjustments.

Among the comparability criteria, the practitioners indicated internal comparable data involving parties engaging in the considered related transaction would generally offer a better level of comparability than data located anywhere else within the considered group (supposedly, better comparability within value chain, product or service traded, market etc.).

Further, the data, which could be used as internal comparables, may originate from recently acquired companies that were dealing in the past as unrelated parties. However, usually the shelf life of the data to support the use of the CUP is limited making a systematic application of such approach throughout the group and across time problematic.

¹⁹ The terminology 'Internal CUP' and 'External CUP' refers to comparable data points (the comparable uncontrolled prices or CUPs) that are collected either internally (on transactions between the considered group party and a third party) or externally (on transactions between two third parties). Henceforth, the terminology does not refer to the benchmarking method, which is referred to as the 'CUP method'. That approach has been consistently applied throughout the analysis.

²⁰ OECD Guidelines §2.3, also reflected during the survey.

With regard to the data used to substantiate the application of the internal comparables, the following sections detail the preliminary findings, organised by topic.

Survey – Availability of comparables

The survey confirmed that internal comparables are the first place to look for comparable data. However, as their availability tends to be limited, they are used only occasionally by taxpayers (non-existence of comparable transactions). Furthermore, as material differences in the comparability factors are frequent, they are on occasion dismissed by the Tax authorities. Adjustments made to improve comparability, usually concern contractual terms. If making adjustments is too complex, then the majority of practitioners tends to shift to another method, as they generally tend to be difficult to support. There appears not to be any Member State where the Tax authorities would systematically reject the use of internal comparable data. Typically, the practitioners indicated that Tax authorities only reject the use of particular internal comparable data based on comparability differences.

The use of internal comparable data by taxpayers does not appear to be the result of a systematic, process-orientated research and there does not generally appear to be systems in place to identify internal comparables. Similarly, in general, Tax authorities do not appear to have systems in place to verify the existence and use of internal comparable data. This implies that one will mostly rely on the group’s knowledge of the interviewees, or the persons answering questionnaires, to identify the availability of potential internal comparable data.

Survey – Transaction types

The table below has been prepared based on the information obtained through the survey. The table summarises the types of transactions where practitioners have seen the use of internal comparables for the application of the CUP.

Table 3: Overview of the use of internal comparable data for the application of the Internal CUP in the 28 Member States

Applicability of ICUPs

Not seen Occasionally seen Commonly seen

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	#
	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK	
1. Goods																													3 14 11
2. Services																													8 15 5
3. IP																													10 15 3
4. Loans																													7 12 9
#	1	1	1	3	2	2	0	0	1	0	2	0	2	1	0	0	1	2	2	2	1	0	0	1	2	0	0	1	
	2	2	2	1	2	2	3	4	3	3	2	2	1	0	3	1	2	2	2	2	0	2	1	3	1	3	2	3	
	1	1	1	0	0	0	1	0	0	1	0	2	1	3	1	3	1	0	0	0	3	2	3	0	1	1	2	0	

The survey indicates that practitioners have not seen companies making use of their own internal comparable database. Still, on a few occasions, taxpayers have been observed apparently systematically collecting contracts with third parties to complete a database. It is noteworthy that this appears to be done for purposes other than transfer pricing. Further, one practitioner makes reference to ERP systems such as SAP as a possible source for the collection of third party pricing evidence (internal comparable data). The screening of ERP systems may be a good source to identify

internal comparables. However, it is not clear whether the systematic screening of ERP systems is economically feasible or practical for transfer pricing purposes.

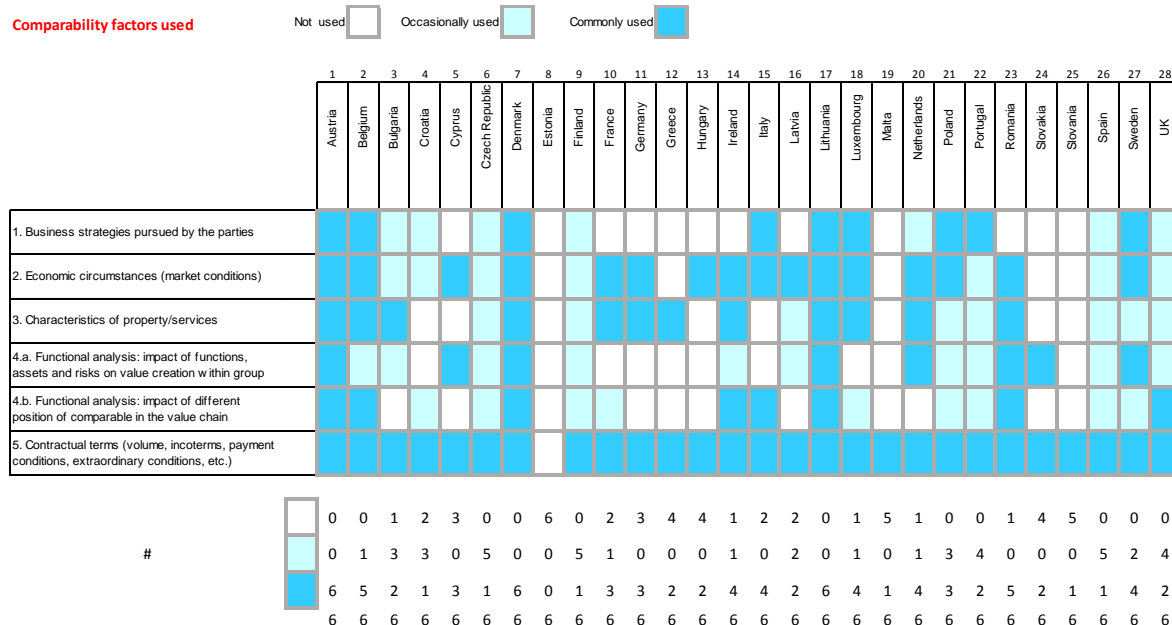
Also, the survey indicated that the availability of internal comparable data seems to differ by type of transaction:

- **Goods:** the availability of internal comparable data has been seen for goods that have not been processed, or only slightly processed, such as commodities, agricultural products (e.g. meat), or raw materials. Typically, once goods have been processed and have become more complex, it often becomes more difficult to identify good internal comparable data and substantial adjustments may be needed to justify the use of the internal data as Internal CUP.
- **Services:** only a few practitioners have experience with the identification of internal comparable data that could be used for service transactions. Typically, it has been seen for hourly rates being applied for services performed.
- **Intellectual property:** the survey indicates that in about twenty practitioners have seen cases where the same royalty rate was applied for the licensing of IP (e.g. use of a trademark) to third parties and to related parties. Even though many practitioners have seen the use of internal comparable data to support related transactions' pricing, they indicated that this approach is not commonplace.
- **Loans:** the number of practitioners with experience and the frequency of the use of internal comparable data seems to be higher. We identified actual loan transactions and loan offers which have both been used as internal comparable data. An actual loan transaction consist of an actual loan agreement between two parties, while a loan offer is a non-binding proposition before parties enter into an actual loan transaction. The actual loan transaction occurs in the form of an actual funding cost, typically at the level of the group. Note that the survey highlighted that a few Tax authorities question the use of a loan offers as internal comparables as they are not actual transactions and there is a possibility that the actual contractual terms differ.

Survey – Comparability factors

The survey indicates that almost all Member States will assess the comparability of the transactions based on the five comparability factors specified in the TPG: business strategies, economic circumstances, characteristics of the property/service, functions and risks assumed, and contractual terms. Testing each of these factors is often cited by practitioners as burdensome. Detailed data related to the business strategies or economic circumstances specific for a particular industry within a region may not always be available. As a result, the actual testing is oftentimes implicitly rather than explicitly performed. This means that it is often assumed that the differences between the transactions are immaterial whereby these differences would not impact the price. In case material differences are identified, then the practitioners indicated that the potential impact on the price is considered before the internal data is used. If it remains difficult to assess the impact on the price of the internal data obtained, then another source of data is usually considered.

Table 4: Overview of the importance of comparability factors in assessing internal comparables under the CUP



"Commonly used" should be interpreted as commonly used if internal comparable data is available.

Survey – Adjustments

The survey highlights that if adjustments are made, they usually concern contractual terms (difference in volume, payment conditions, exclusivity, and currency) or characteristics of a product / service. This is aligned with the general approach of the assessment of comparability, as stipulated by the OECD TPG. The practitioners indicated that there is a preference to limit the complexity of the adjustments, since the application of complex adjustments proves to be often difficult to defend towards the local Tax authorities.

It is noted that financial transactions seem to be the subject of more systematic adjustments, likely due to the general 'measurability' of the latter, and the abundance of financial information available in public or private databases.

Practitioners indicated that the similarity of the transactions when assessing the use of internal comparable data is a key element. If the adjustments needed to the internal data in order to justify the use for the internal comparable are too complex, then the majority of the practitioners surveyed shift to other sources of data. These other sources of data will lead to the application of a different transfer pricing approaches, including the use of external comparables under the CUP method and the use of the Transactional Net Margin Method ('TNMM'). Defending complex adjustments to the local Tax authorities often proves to be difficult.

Survey – Availability thresholds

The survey indicates that the majority of practitioners do not assign specific thresholds to their search to identify useable internal comparable data. However, a few practitioners make use of thresholds that tend to be very fact dependent. Depending on the volume of internal data available, practitioners indicated the use of thresholds based on volume (i.e. the size of transaction) or revenue (i.e. the size of the related

party). Thresholds are also generally used by practitioners when there is a large volume of internal data available, to identify which data may be comparable. As a result, the use of thresholds differs depending on the transaction and the amount of internal data available. However, there are no thresholds that appear to be embedded in Member States' regulations, as of yet.

Survey – Improvement of the internal comparables availability

With regard to the question on potential improvements on the use of the internal comparables, several suggestions have been identified during the survey. The most frequently recurring suggestions made by practitioners in various Member States include the following:

1. 'Guidance' should be provided on how to search for and use internal comparables.
2. Specific 'databases' should be developed.

There are nevertheless some voices questioning the possibility to define more prescriptive approaches as situations may be very specific and existing guidance allows for sufficient interpretation. Further, the concept of database itself may make sense to identify internal comparables if the database is collated internally. One may then wonder if regulation should have to go as far as to request development of internal databases, given the extra burden for the taxpayers and the possible prohibitive cost of systematically collecting data.

1.2. #2: Relevant legal basis or administrative guidelines

Scope

For each of the 28 Member States references / copies have been collected of relevant documents with the legal basis or administrative guidelines accepting and / or rejecting the use of internal comparable data.

Summary

The practitioners indicated that the majority of the Member States have a legal basis or administrative guidelines for the acceptance of comparable data in general rather than internal comparable data specifically. When there is a legal basis or administrative guidelines available, it is commonly referring to the OECD guidelines, a translation of the OECD guidelines, or not very specific. The survey suggested no Member State has detailed legislation or guidelines available specifying how to assess an internal comparable under the CUP method and how to apply adjustments to factor in comparability differences.

Methodology

The analysis is based on the answers from the EU-28 Member States obtained through the survey. The objective is to identify practices, common approaches, or elements of interest.

Analysis

Several Member States mention the use of the internal comparables as a valid transfer pricing approach as per their local legislation or administrative guidelines. Additionally, several Member States refer to the OECD guidelines as a basis for the local regulatory framework. Nevertheless, in light of the answers collected from the practitioners, there is no regulation in place that provides additional guidance on the application of data in the context of internal comparables under the CUP method.

Table Table 5: *Legal basis & administrative guidelines* below summarises the availability of a legal basis and / or administrative guidelines on the use of internal comparable data in the context of the CUP method, per Member State. As shown in the table, the majority of the Member States have legislation or guidelines available for the use of internal comparable data.

Table 5: *Legal basis & administrative guidelines*

Legal basis & administrative guidelines

No Yes

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK	
1. Legal basis																													
3. Administrative guidelines																													

In table Table 6: *Legal basis or administrative guidelines for internal comparable data in the context of CUP* below, the hyperlink corresponding to the applicable regulation is provided. The assessment of data to support the use of the CUP method is not

discussed explicitly in any law or administrative guidelines. Also, the use of this data is not disallowed in any of the EU-28 Member States.

The survey verified with practitioners whether any relevant regulations are available to support the use of internal comparable data in application of the CUP method. The analysis was performed for all EU-28 Member States. The cases where the use of internal data is based on general corporate tax provisions (or references to the OECD in the general corporate tax provisions) have been included in the overview below. Only Member States where relevant information has been found are included in the overview.

Some interesting aspects related to the use of internal comparable data identified in Member States consist of:

- Examples (e.g. sale of products including the assessment of the type of contracts (long or short term), impact of the geographical market, differences in types of products or level of the business (e.g. wholesale vs. retail) or type of transactions, competitive environment).
- Guidance regarding the identification of internal comparable data.
- Illustration on performing adjustments (i.e. incoterms).
- Guidance to document the internal comparable data.

These aspects are available for specific Member States, as shown in the table below. It would be helpful if general guidance with examples would be available across all Member states.

Table 6: Legal basis or administrative guidelines for internal comparable data in the context of CUP

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
1	Austria	/	<p>Austrian Transfer Pricing Guidelines (2010)</p> <p><i>Link to document:</i></p> <p>https://findok.bmf.gv.at/findok/resources/pdf/6b02902a-771a-4788-ac86-80df743f40ea/49970.1.-1.X.pdf</p> <p><i>Relevant sections:</i></p> <p>§20: internal comparables are envisaged shortly as part of the description of the CUP method. §21: "internal comparables" could be rejected "if not reliable". §43: reference to the alternative of using the TNMM when the reliability test is not met regarding other methods (including when using internal comparables).</p>
2	Belgium	<p>Belgian Income Tax Code (1992)</p> <p><i>Link to document:</i></p> <p>http://ccff02.minfin.fgov.be/KMWeb/document.do?method=view&id=2849549a-92d4-435c-8f4a-ff90a442b1ff#findHighlighted</p> <p><i>Relevant sections:</i></p> <p>Art. 185 §2b: deviation arm's length principle.</p>	<p>Practice Note - Circular N° AFZ/98-0003 (June 28, 1999)</p> <p><i>Link to document:</i></p> <p>http://ccff02.minfin.fgov.be/KMWeb/document.do?method=view&nav=1&id=cf4db7b1-e329-4622-aded-d89c3f1d6dd9&disableHighlighting=true#findHighlighted (C. 1. a)</p> <p><i>Relevant sections:</i></p> <p>Appendix 2, chapter 2 C. Application of CUP method, includes example of reliable CUP for sales of products.</p>
3	Bulgaria	<p>Ordinance N° H-9 on the procedure and how to implement the method for determining market prices (August 14, 2006)</p> <p><i>Link to document:</i></p> <p>http://www.lex.bg/bg/laws/ldoc/2135534088</p> <p><i>Relevant sections:</i></p> <p>Art. 13: provides an example on internal comparables. Art. 19 and 20: addresses the CUP method and generally refers to internal and external comparables. The comparability factors are detailed under art. 20. Examples of adjustments (particularly in relation with incoterms) are also provided.</p>	<p>Handbook on Transfer Pricing (February 8, 2010)</p> <p><i>Link to document:</i></p> <p>http://www.nra.bg/news?id=818</p> <p><i>Relevant sections:</i></p> <p>Fiche 7: mentions internal comparables. Section 3.1: an example of internal comparables in the CUP context is presented. Section 5: illustrations of how adjustments should be applied.</p>
4	Czech Republic	<p>Czech National Council Act on Income Tax Act no. 586/1992 Coll. (November 20, 1992)</p> <p><i>Link to document:</i></p> <p>http://www.zakonyprolidi.cz/cs/1992-586</p>	<p>Ministry of Finance statement on the application of international standards in taxation of transactions between associated enterprises - transfer pricing Guidance D - 332 – Ref N°39/86 829/2009-393 (January 1, 2013)</p> <p><i>Link to document:</i></p> <p>http://www.danarionline.cz/archiv/dokument/doc-</p>

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
			d43595v54801-pokyn-d-332-sdeleni-ministerstva-financi-k-uplatnovani/
5	Denmark	<p>Executive order on documentation of the pricing of controlled transactions Act n°1126 (January 24, 2006)</p> <p><i>Link to document:</i></p> <p>https://www.retsinformation.dk/Forms/R0710.aspx?id=17190</p> <p><i>Relevant sections:</i></p> <p>§6.2-&6.4: description of how the comparability analysis and choice of method should be documented, including a general reference to internal and external comparables and a reference to the fact that using databases to find external comparables is not compulsory.</p>	<p>C.D.11.2 arm's length principle and the OECD Transfer Pricing Guidelines</p> <p><i>Link to document:</i></p> <p>http://www.skat.dk/SKAT.aspx?oId=2049960&chk=211712</p> <p><i>Relevant sections:</i></p> <p>C.D.11.2: general guidelines on transfer pricing and arm's length principle. C.D.1.5.4 and C.D.11.5: reference to internal comparables. C.D.11.4: details on transfer pricing methods. C.D.11.5.7: reference and link to the transfer pricing methods. C.D.11.5.8: presentation of adjustments without distinguishing internal and external comparables.</p>
6	Estonia	<p>Regulation on methods for determining the value of transactions conducted between associated persons (January 1, 2007)</p> <p><i>Link to document:</i></p> <p>https://www.riigiteataja.ee/en/eli/515012015002/consolide</p> <p><i>Relevant sections:</i></p> <p>§3: general reference to the comparability factors with a preference of internal comparables over external comparables.</p> <p>Income Tax Act (January 1, 2000)</p> <p><i>Link to document:</i></p> <p>https://www.riigiteataja.ee/en/eli/529022016001/consolide (§8, §50 (4))</p>	<p>Link to general transfer pricing documents and guidance available at the level of the OECD and the European Commission (local Tax & Customs website - Estonia²¹)</p> <p><i>Link to document:</i></p> <p>http://www.emta.ee/et/ari klient/tulud-kulud-kaive-kasum/siirdehind/oecd-ja-euroopa-komisjoni-dokumendid</p>
7	Finland	<p>Tax Act on Assessment Procedure N°18.12.1995/1558 (December 18, 1995)</p> <p><i>Link to document:</i></p> <p>http://www.finlex.fi/fi/laki/ajantasa/1995/19951558</p>	<p>Memorandum on Transfer Pricing Documentation Requirements – abbreviated version in English (April 16, 2009)</p> <p><i>Link to document:</i></p> <p>http://www.vero.fi/download/Transfer_Pricing_documentation_requirements/%7B4AB2E68C-1098-4AF8-9689-C179FFE417BE%7D/6377</p>
8	France	/	<p>Official bulletin of tax administration - Definitions and principles for determining transfer pricing (February 18, 2014)</p> <p><i>Link to document:</i></p> <p>http://bofip.impots.gouv.fr/bofip/5549-PGP.html</p>

21 The website of Tax and Customs Boards refers to documents published by the OECD and the European Commission.

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
			<p>(II.B.1)</p> <p><i>Relevant sections:</i></p> <p>General Administrative guidelines (BOI-BIC-BASE-80-10-10-20140218):</p> <p>Section II.B.1.1, §150: reference to the specific guide for small and medium enterprises in the context of the CUP and Resale Price method.</p> <p>Section II.C.1, §260: use and reliability of internal and external comparable data.</p> <p>Annex to the administrative guidelines (BOI-ANNX-000142-20120912): example of computation in the context of the Resale Price method.</p> <p>Specific documentation (Les Prix de transfert - Guide à l'usage des PME » (Transfer Pricing- Guide for SMEs- Nov. 2006)):</p> <p>Page 22 : example of internal comparable provided in the context of the CUP method.</p> <p>Page 23-24: similar basic example in the context of the Resale Price method.</p>
9	Germany	<p>Foreign Tax Code - Law on international transactions tax (September 8, 1972)</p> <p><i>Link to document:</i></p> <p>http://www.gesetze-im-internet.de/bundesrecht/astg/gesamt.pdf</p>	<p>Administrative principles for the examination of income allocation in the case of internationally related enterprises (February 23, 1983)</p> <p><i>Link to document:</i></p> <p>http://www.google.be/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjDI6_Moa_NAhULC8AKHTIXBUoQFggkMAE&url=http%3A%2F%2Fwww.bzst.de%2FDE%2FSteuern_International%2FVerstaendigungsverfahren%2FMerkblaetter%2FVerwaltungsgsgrundsaeetze_Verfahren.pdf%3F__blob%3DpublicationFile&usg=AFQjCNG2-RsxEj_D5W92almJ18eojgyAKa&bvm=bv.124272578,d.ZGg</p> <p><i>Relevant sections:</i></p> <p>Page 37, section 3.4.12.2: reference to internal comparables.</p>
10	Italy	/	<p>Circular N°32 on Transfer pricing income determination for companies subject to foreign control. (September 22, 1980)</p> <p><i>Link to document:</i></p> <p>http://www.bacservizi.it/pdf/CM%2032_1980.pdf</p> <p><i>Relevant sections:</i></p> <p>Page 5-6, chapter 11.2: specific comments regarding internal and external comparables.</p> <p>Example of an application in the context of the CUP.</p> <p>Chapter 3: preference to internal comparables in the context of sale of goods.</p> <p>Page 8: example of an adjustment linked to differences in incoterms.</p>
11	Latvia	<p>Law on Corporate Income Tax Amended by MK 18.3.2014. Regulations No.150 Cabinet of Ministers Regulation No. 556 (2012)</p>	/

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
		<p><i>Link to document:</i></p> <p>http://m.likumi.lv/doc.php?id=139741&from=off (point 84)</p> <p><i>Relevant sections:</i></p> <p>§84: reference to the CUP method. Annex 8§1: example of internal comparables under the CUP method.</p>	
12	Lithuania	/	<p>Law on Income Tax Article 40 & Implementing Rules N°58-2074 (April 21, 2004)</p> <p><i>Link to document:</i></p> <p>http://www3.lrs.lt/pls/inter3/oldsearch.preps2?Condition1=231272&Condition2=d (III. PALYGINAMOSIOS NEPRIKLAUSOMOS KAINOS METODAS and XII. BAIGIAMOSIOS NUOSTATOS)</p> <p><i>Relevant sections:</i></p> <p>§4: reference to internal comparables. §16: : (i) internal comparables should be considered primarily, (ii) possibly together with external comparables, (ii) conditions and circumstances which lead to consider such comparables as relevant or possibly subject to adjustments (generally described as the ones impacting the price and profitability of the transaction).</p>
13	Luxembourg	<p>House Of Representatives- Implementation of the first part of future (pack 2015 – Transfer pricing) Law Project N° 6722 – D 16 (October 15, 2014)</p> <p><i>Link to document:</i></p> <p>http://www.impotsdirects.public.lu/archive/newsletter/2014/nl_27102014/Projet-de-loi-N_-6722-relative-a-la-mise-en-oeuvre-du-paquet-d_avenir---premiere-partie-_2015_.pdf</p>	/
14	The Netherlands	/	<p>Decree - International Tax Law -Transfer pricing method, application of the arm's length principle N° IFZ 2013/184 M (November 14, 2013)</p> <p><i>Link to document:</i></p> <p>https://www.government.nl/binaries/government/documents/decrees/2014/03/25/ifz2013-184m-international-tax-law-transfer-pricing-method-application-of-the-arm-s-length-principle-and-the-transfer-pricing-g/ifz-2013-184m-international-tax-law-transfer-pricing-method-application-of-the-arm-s-length-principle-and-the-transfer-pricing-guidelines-for-multinational-enterprises-and-tax-administrations-oecd-guidelines.pdf</p>
15	Portugal	<p>Transfer pricing regulations for different transactions Ordinance 1446-C (December 2001)</p> <p><i>Link to document:</i></p>	/

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
		<p>https://info.portaldasfinancas.gov.pt/NR/rdonlyres/9C6AD1C6-5AD0-479D-A820-10426B2E0C8A/0/portaria_1446-c-2001_de_21_de_dezembro_i_serie_b.pdf (article 4, n°1n al. B)</p> <p><i>Relevant sections:</i></p> <p>Art. 5: comparability factors. Art. 6: CUP method. Art. 14, f): internal and external comparables.</p>	
16	Romania	<p>Implementation of the Tax Code Law N° 227/2015 (December 13, 2015)</p> <p><i>Link to document:</i></p> <p>https://static.anaf.ro/static/10/Anaf/legislatie/Co_d_fiscal_norme_2016.htm#A11 (Title I, Chapter IV, Art. 11, (4))</p>	/
17	Slovakia	<p>Income tax act (January 2011 – including amendments)</p> <p><i>Link to document:</i></p> <p>http://www.finance.gov.sk/en/Default.aspx?CatID=286</p>	/
18	Slovenia	<p>Valid regulation Rules on transfer pricing (Official Gazette of RS, Nos. 141/06 and 04/12)</p> <p><i>Link to document:</i></p> <p>http://www.pisrs.si/Pis.web/pregledPredpisa?id=PRAV7545</p>	/
19	Sweden	/	<p>Taxation regulation issued by the Swedish Tax Agency regarding documentation of transfer pricing between companies (February 2007)</p> <p><i>Link to document:</i></p> <p>https://www.skatteverket.se/download/18.76a43be412206334b89800012711/SKVFS%2B2007.01.pdf (section 1)</p> <p><i>Relevant sections:</i></p> <p>Point 64 and 9: short comments to define internal comparables and reference to internal comparables in the context of a comparability analysis. Point 64 emphasises the comparability factors and adjustments, which should be detailed in the transfer pricing documentation.</p> <p><i>Link to document:</i></p> <p>https://www.skatteverket.se/download/18.76a43be412206334b89800016996/1359705980114/SKVM+2007.25.pdf (section 4.7.1)</p> <p><i>Relevant sections:</i></p> <p>Section 4.2: definition. Section 4.7.2. CUP method. Section 4.8: comparability analysis. Regarding the</p>

Legal basis or administrative guidelines for internal comparable data in the context of CUP			
#	Member State	Legal basis	Administrative guidelines
			<p>sale of goods, internal comparables should have preference over external comparables because there is more information available on internal comparables. A case-by-case analysis should be applied. For the sale of goods, tangible examples are provided as regards the type of contracts (long or short term), considering the impact of the geographical market, of the differences in types of products or stages (e.g. Wholesale vs. Retail) or type of transactions, conditions of competition. Lastly, it is underlined that differences reflected from the above factors and elements commonly exist in the open market and can be accepted if there is a reasonable certainty.</p> <p>Section 4.8.3: adjustments without distinguishing internal and external comparables.</p>
20	United Kingdom	<p>Taxation(International and other provisions)Act 2010</p> <p><i>Link to document:</i></p> <p>http://www.legislation.gov.uk/ukpga/2010/8/contents</p> <p><i>Relevant sections:</i></p> <p>(part 4: section 146 and further + section 164)</p>	<p>Transfer pricing: transactions between connected companies HMRC internal manual – use of CUP method (April 2008)</p> <p><i>Link to document:</i></p> <p>https://www.gov.uk/guidance/transfer-pricing-transactions-between-connected-companies https://www.gov.uk/hmrc-internal-manuals/international-manual/intm421030 https://www.gov.uk/hmrc-internal-manuals/international-manual/intm421040 https://www.gov.uk/hmrc-internal-manuals/international-manual/intm421050 https://www.gov.uk/hmrc-internal-manuals/international-manual/intm421070</p> <p><i>Relevant sections:</i></p> <p>There are several elements of interest: internal comparables are envisaged independently from the methods as part of evidence gathering and also, in other sections, in relation with the CUP method. It is underlined that they can be “the best source for comparables”, “are sometimes overlooked by business when considering their transfer pricing policy and compiling their documentation”, establishing that work should be done in this respect even in the absence of mention in the documentation; examples of situations where internal comparables can be found are given - contracts with distributors, manufacturers, R&D-; amongst elements to CUP context. The documentation also considers that comparability adjustments are feasible if it can be established that they are reasonably accurate (INTM421040).</p>

1.3. #3: Relevant case law

Scope

For each of the EU-28 Member States, relevant case law decisions have been collected that address the use of internal comparables. Cases that could be characterised as precedents or good practices have been identified and discussed. The overview of case law provided is based on the experience of the interviewed practitioners. Therefore, the list of these cases is not exhaustive.

Summary

A limited number of practitioners is aware of case law concerning the application of the CUP method with internal comparables. There is case law available in Belgium, Bulgaria, Finland, Italy, Latvia, Portugal, and Spain. In the other Member States, there is either no case law, or a limited number of cases with no details available.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey and desk research. The survey first verifies the existence of case law. If cases are available, then the survey verified the details of the case, and if an assessment was made of the comparability factors or if any adjustment was performed. A copy of the survey is included in appendix 2.

Analysis

The table below provides an overview of the comparability factors that were assessed in the case law of different Member States. The review and assessment of the comparability factors below is advocated by the OECD. Each of these factors should be tested to assess the usability of internal comparable data. The table below highlights which Member States have case law available, and what comparability factors are then specifically addressed. The rejection criteria and critical factors used by the court are also listed in this table.

Table 7: Comparability factors used in case law

Comparability factors	Countries
Contractual terms (volume, incoterms, payment conditions, extraordinary conditions,...)	Austria, Belgium, Denmark, Finland, UK
Economic circumstances (market conditions)	Czech Republic
Impact of a possible different positioning of the comparable in the value chain/commercial cycle	France, Italy
Functions, Assets, Risks: impact of value creation within the group, economic significance	Latvia
Characteristics of property/services	Denmark, Germany, Portugal, UK

The court decisions provided by practitioners about the use of internal comparable data for transfer pricing purposes provide insights in various aspects. These insights can be valuable when assessing the availability and use of internal comparable data. A brief summary of the content of the cases is provided in the table below.

The information is categorised according to the core decision of the court and what topic the decision relates to. The elements in this table highlight general conclusions which could be applied to other cases. The overview of adjustments identified in the court cases are also provided in this table. The content of these decisions could serve as a basis to prepare additional guidance for the use of internal comparable data.

A Legal framework would be useful to increase possibly promote a wider use of internal data in the context of the application of the CUP method. Additional guidelines are also needed regarding the application of adjustments. In summary, the following elements could be helpful:

- Guidelines specifying what information is needed to assess the comparability.
- Criteria to assess the comparability (independence threshold, sector, industry).
- Guidance on when to exclude or adjust internal data in case of differences in volume or characteristics of the services / products.
- Disclosure of summary rather than full agreement.
- Acceptability of comparables involving parties located in a wider region than the EU-28 Member States only.

Table 8: Content of court decisions related to the use of internal comparable data

Topic	Court decision
Identification and selection of internal comparable data	<ul style="list-style-type: none"> • Market references are needed when determining intercompany prices • More recent data may receive additional weight • The conditions of the transaction need to be similar in general
Availability of / accessibility to data and method to identify internal comparable data	<ul style="list-style-type: none"> • The assessment of the availability of internal comparable data is needed when entering into intercompany transactions • All internal comparable data available needs to be taken into account • A reliable internal comparable seems to be preferred over the application of the TNMM that requires additional adjustments
Functional / Risk profile	<ul style="list-style-type: none"> • The level of comparability needs to be very high, even close to identical, when assessing the quality of internal comparable data • A different position in the value chain may result in different market conditions (manufacturer vs distributor) • Justify and document price differences based on

	<p>different positions in the value chain.</p> <ul style="list-style-type: none"> • The capital structure needs to be taken into account when determining interest rates applicable on intercompany loans. • Determine the importance of each function performed and each risk assumed, since their weight may be different
Obligation of Tax authorities	<ul style="list-style-type: none"> • The Tax authorities cannot simply challenge the method applied by the taxpayer, without support
Rejection criteria	<ul style="list-style-type: none"> • Lack of documentation available to support use of internal comparable data • The use of secret comparables is not allowed
Adjustments	<ul style="list-style-type: none"> • Material differences need to be taken into account and adjustments may need to be considered to factor in these material differences. • Material differences in volume may result in different prices • Different market conditions do not always demand different price setting

A full description of all cases is included hereafter.

Austria

In Austria, reference is made to a German high court case dated from 1967 whereby an internal comparable was identified for a manufacturing company based on a transaction with a third party. However, the transaction with the third party only consisted of roughly 10 percent of the produced volume, while the remaining 90 percent was being sold within the group to a related party in Switzerland. The court ruled that the volume difference was too large, and that the pricing used for a production volume of (less than) 10 percent could not be used as a comparable for the production volume of roughly 90 percent.

As a result, if there are material differences in the volume, then an adjustment needs to be made to the internal comparable. If an adjustment is not possible, then the use of external comparable data needs to be considered.

Belgium

Case law is available where the use of internal comparables has been accepted. The details of the case are provided below²².

A Belgian company purchased Italian products from a British company for a price of ITL 1,076 to 1,140 for a box that contained 6 pieces. The Belgian Tax authorities referred to another company, which was directly buying the same Italian products in Italy for a price of ITL 600 per box. However, in 1994 the Court of Appeal in Brussels

²² Since this decision was not published, the details are based on the description of the case by Patrick Cauwenbergh in *International Transfer Pricing De fiscale behandeling van de prijsbepaling van grensoverschrijdende intragroepscontracten*, Antwerpen – Groningen, Intersentia Rechtswetenschappen, 1998, 226-227.

noticed that this amount was only mentioned on 3 invoices. For 5 more recent invoices a price of ITL 1,150 to 1,500 lire was mentioned. For this reason, the court concluded that the transfer prices which were used by the taxpayer were not constituting an abnormal or benevolent advantage.

The court decision suggests it is important to make sure all internal comparable data available are taken into account. More recent data may receive additional weight.

Czech Republic

In a decision dated 23 January 2013 (1 Afs 101/2012-31), the Supreme Administrative Court held that market conditions were irrelevant for the application of the CUP method.

The Court rejected the plaintiff's claim that the price differential was the result of price levels and market conditions between Slovakia and Germany. The Court seemed to suggest that a comparison of the economic conditions of individual markets was not necessary for the application of the CUP method, because (i) different market conditions should not be taken into account in setting the prices and (ii) from a transfer pricing viewpoint, any such differential was attributed to the distributor, rather than the producer.

The court decision suggests a manufacturing entity may be less influenced by different market conditions than a distributor.

Besides, there is another case from the Supreme Administrative Court (Judgement n° 1 Afs 101/2012-31, dated 23 January 2013).²³ During a tax audit, the Czech Tax authorities challenged the contractual price between a Czech fish-seller and its Slovak related party. According to the Tax authorities, the prices used were lower than those used with unrelated parties. The taxpayer argued that the price difference was reasonable because only residual stock was supplied to the Slovak related party and the price levels in Slovakia are generally lower than in other countries. The Tax authorities did not accept the taxpayer's arguments and adjusted the tax base by using the CUP method. The taxpayer disagreed and the matter was escalated to the Supreme Administrative Court ('SAC')

The SAC confirmed that whereas the burden of proof is on the taxpayer in general tax matters, in determining an arm's length price, it lies with the Tax authorities. Further, the SAC stated that even when the Tax authorities assign a different 'arm's length' price to the taxpayer, the price used can still be defended if sufficient evidence is provided that the difference is reasonable.

The SAC confirmed the Tax authority's adjustment and held that the difference in price levels in the various markets and countries is not relevant for the determination of the arm's length price.

The court decision suggests that the market conditions in different countries may be less relevant when determining transaction prices.

²³

[http://www.ey.com/Publication/vwLUAssets/Tax_news_03_13_EN/\\$FILE/Ernst%20&%20Young%20Tax%20news%2003_13%20EN.pdf](http://www.ey.com/Publication/vwLUAssets/Tax_news_03_13_EN/$FILE/Ernst%20&%20Young%20Tax%20news%2003_13%20EN.pdf)

Denmark

There is limited case law on the use of data to support the application of the CUP method.

In a National Tax Tribunal decision of 2009 (case LSR of 09/09-08, no. 04-03830), the Tax Tribunal upheld an income adjustment made by SKAT (Skatterådet – Danish Tax authorities)) based on a comparison of gross profit margins in external sales even though an internal CUP existed (the taxpayer sold identical products to non-related third parties).

A High Court case (reported in SKM2010.46.VLR) dealt with the issue of whether the Danish Tax authorities were entitled to correct prices agreed between the taxpayer's Danish business and a hotel owned by the taxpayer's Polish company. The taxpayer's Danish business had deducted the amounts agreed between the Danish business and the hotel as payment for several visits at the hotel owned by the taxpayer's Polish company.

As the two parties were related, transactions had to be made in accordance with the transfer pricing rules including the arm's length principle.

The Danish taxpayer did not provide information about the type and extent of the transactions with the Polish company in its tax return although it was obliged to do so according to Danish rules. Furthermore, the taxpayer did not make nor obtain written documentation regarding how prices and terms were determined.

The taxpayer had presented agreements between the Danish business and the Polish company regarding the agreed prices. Also, some invoices and agreements with unrelated hotels were presented. The High Court ruled that this was not sufficient to consider the duty of documentation to be fulfilled.

The prices agreed by the related parties significantly exceeded the prices that unrelated parties were charged for visits at the hotel and the taxpayer had no evidence that the different prices were due to a higher service level provided to visitors from the Danish business.

Therefore, the High Court ruled that the prices paid between the related parties were significantly different from the arm's length price. Accordingly, the Danish Tax authorities could legitimately correct the price paid from the Danish business to the Polish company and determine an estimated price based on the internal comparable data available.

There are no specific difficulties in applying internal comparables under Danish tax law.

The court decision suggest that it is crucial to keep sufficient documentation available to support the transfer prices applied.

Finland

There are two cases regarding the use of internal comparables in the context of the CUP method.

The use of internal comparable data has been rejected by the Supreme Administrative Court in the case KHO:2013:36, in which the taxpayer was trying to show the arm's length nature of a location savings arrangement with an offer received from a third

party. The Court did not, however, sufficiently substantiate its rejection of the internal comparable data.

In its ruling SAC 2010:73 the Supreme Administrative Court ruled that interest rates of intra-group loans did not meet the arm's length standard, as the company receiving the intra-group loan had previously received loans from a third-party bank at a lower interest rate. Before the refinancing of the whole group, the company (A Oy) had two separate loans from a third-party bank amounting to EUR 36 million with interest rates of 3.135% – 3.250%, and the securities given as collateral amounted to EUR 41 million. When refinancing, the company repaid its bank loans and took a loan from a Swedish group company (B AB) amounting to EUR 38 million with an interest rate of 9.500% and gave guarantees for the benefit of other group companies amounting to about EUR 300 million. The administrative court had accepted as deductible an interest amounting to 7.040%, which corresponded to the average interest rate of B AB's external loans.

The Supreme Administrative Court ruled that the interest paid by A Oy to B AB clearly exceeded the level that would have been paid between independent companies. The refinancing did not bring any changes to the capital structure of the company. A Oy had not received from B AB or otherwise such financial services which should be taken into account when determining the arm's length interest rate. In addition, the deductible interest could not be determined on the basis of the average interest rates of the whole group's external lending in a situation where the company's own creditworthiness and other circumstances would have made possible a significantly more cost-effective financing.

In the above-mentioned case law the company's previous bank loan was accepted as an internal comparable. This suggests that bank loans can be used as comparables in Finland. In addition, the fact that the case emphasises the separate entity approach is noteworthy.

The court decision suggest it is crucial to analyse the availability of internal comparables when entering into intercompany loans. Also, the capital structure needs to be taken into account when determining the interest rate applicable on intercompany loans.

France

In the Amycel ruling, the French Administrative Supreme Court restates a well-established principle in case law with respect to the burden of proof in transfer pricing matters: when the Tax authorities find that the prices at which an enterprise established in France invoices a foreign associated enterprise are lower than those applied either by this enterprise to independent clients, or by similar enterprises to independent clients,²⁴ the Tax authorities must provide evidence of the existence of an advantage. They have the right to add this advantage back to the taxable base of the enterprise established in France, unless the enterprise proves that this advantage resulted in at least equivalent compensations.

In this case, Amycel France's business was the production and marketing of mycelium, which it sold to two sister companies: a Dutch company, Amycel BV, and a British company, Amycel UK. Further to a tax audit, the Tax authorities concluded that the prices used with Amycel BV and Amycel UK were lower than those used vis-à-vis companies outside the group. They reassessed the tax results of the audited fiscal

²⁴ <http://www.lexology.com/library/detail.aspx?g=25ee3709-c9d0-4953-832a-80b887f332c9>

years considering that profits had indirectly been transferred to Amycel BV and Amycel UK.

As the Orléans Administrative Court, then the Nantes Administrative Court of Appeal, ruled in favour of the Tax authorities, the company appealed the decision of the Court of Appeal to the French Administrative Supreme Court.

In its decision, the French Administrative Supreme Court acknowledged that the Tax authorities demonstrated that the prices at which Amycel France had invoiced its foreign sister companies were lower than those used with its other clients that were not in a dependent relationship. Nevertheless, the Administrative Supreme Court invalidated the Court of Appeal's decision, stating that the Tax authorities did not determine whether Amycel BV and Amycel UK, which were distributors, were in the same situation as the other clients selected to compare prices that were end-consumers. According to Amycel France, this difference in the distribution chain explained the pricing difference.

It should be noted that the company argued that the pricing advantages granted to its sister companies were compensated by the assumption that the sister companies had to perform marketing, delivery, storage, advertising, and incur overhead expenses. However, the French Administrative Supreme Court did not have to make a ruling on the issue of these compensations because there was no presumption of a transfer of profits abroad.

The court decision suggests it is important to justify and document price differences based on a different positions in the value chain. In case price differences cannot be justified, then the advantage granted could be added to the taxable base.

Germany

In 1999, there was a case in Germany involving a German marketing subsidiary of a foreign fashion clothes manufacturer (Case IStR 1999, 311). This subsidiary purchased goods from both related and independent parties. It only sold goods to independent parties. The subsidiary was overall net loss making for the period from 1980 to 1993.

To verify whether the pricing for the purchase of goods from related parties was at arm's length, the Tax authorities used the resale price method and the TNMM as a check. After applying the latter method, the Tax authorities claimed that the gross profit margin on goods purchased from related parties was too low.

The comparable data used by the Tax authorities was derived from the tax files of other companies not involved in the litigation (i.e. secret comparables) and to a lesser extent from the Betriebsprüfungskartei, a general body of economic data gathered by the Tax authorities from audits throughout Germany. In addition, they took some comparative data from public databases. Next to the resale price method, they used the TNMM to compare the net margins with those of secret comparables. First, the Tax authorities used a public database to identify potential comparables. Then they requested the confidential tax files of these comparables from other tax offices. Finally, the Tax authorities came up with tax files of four comparables.

The Court rejected the reasoning of the Tax authorities because, amongst other reasons, the data was originated from secret comparables. The court stated that direct introduction of the comparable tax files as evidence would entitle the taxpayer to examine its competitors' confidential data and cause the Tax authorities and the court

to violate the statutory prohibition on divulging information obtained in the tax enforcement process. Presentation of only the balance sheets in neutralised or anonymous form (to protect the identities of the comparables), was also not permissible, since it was not possible to determine from the balance sheets alone whether the independent firms were truly comparable. The court stated that it was not possible to know whether the data were truly comparable. The court thus refused to consider confidential data taken from tax files as secret comparables.

The court decided the case by comparing the gross margin that the subsidiary had earned on controlled transactions with the gross margin on its uncontrolled transactions. Because the gross margins were used, it is incorrect to characterise this approach as an "internal price comparison".

The case was first decided by the Court in Duesseldorf (FG Düsseldorf, 08.12.1998 – 6 K 3661/93 K, G, F), relying on the few internal comparables. The case then went to the highest court (BFH), that issued the key decision which gave rise to the TP packages on documentation (Bundesfinanzhof: Urteil vom 17.10.2001 – I R 103/00).²⁵

The highest court rejected the use of the internal comparables by saying that only very few internal comparables (representing 5% of the total turnover) is not sufficient

"Die Ermittlung des Fremdvergleichspreises kann nicht auf die Wiederverkaufsmethode gestützt werden, wenn nur auf die Einkäufe von drei unverbundenen Produzenten zurückgegriffen werden kann, die entsprechenden Einkäufe sich nicht auf alle Streitjahre erstrecken und die Einkünfte nur zu höchstens 5 v.H. des Gesamtumsatzes der Vertriebsgesellschaft führen."

The BFH only referred to the traditional methods and not to the TNMM but did not indicate what to do in case of an insufficient number of comparables. Furthermore, if there is a range, then the most beneficial point in the range for the taxpayer has to be taken.

The issue of comparability was not at the heart of the decision.

The court decision suggests the use of secret comparables is not acceptable to document the arm's length nature of intercompany prices.

Italy

The Supreme Court confirmed that, when dealing with the CUP method, internal comparables should be preferred, where possible (Decisions 22010 of 25 September 2013 and 24005 of 23 October 2013).

Sentence no. 22010/2013 of the Supreme Court: as regard an intercompany loan, the Supreme Court established that, in order to determine the arm's length interest rate to be applied, it is necessary to make reference to the values applied in the lender's market between unrelated parties.

Sentence no. 9709/2015 of the Supreme Court: the Supreme Court considered invalid the adjustment that was based on the comparison of prices of the same goods sold to related and unrelated parties because the transactions are characterised by different levels of trade. In addition, the Supreme Court established that, in order to carry out a reliable transfer pricing analysis, it is necessary to have a complete comparison

²⁵ <http://www.iww.de/quellenmaterial/id/1124>

between the intercompany transactions and the transactions carried out with third parties.

Sentence no. 1670/50/2015 of the Lombardia Regional Tax Court: the Regional Tax Court established that the CUP method is the most appropriate method to test the compliance with the arm's length value of the intercompany transactions, if internal comparable data is applicable. The judges concluded that the Tax Office cannot simply challenge the method applied by the taxpayer, but it has to comply – where possible – with the method applied by the company. Just in case the outcome of the method selected by the company cannot be considered as reliable, the Tax Office can change the method after having duly demonstrated the shortcomings of the method applied by the company.

Sentence no. 539/1/2016 of the Milan Local Tax Court: the adjustment performed by Tax Office based on the TNMM method in order to determine the arm's length value of the intercompany transactions carried out by the taxpayer is considered invalid if the latter demonstrated the compliance with the arm's length value by means of the reliable application of the internal comparable under the CUP method.

The First-Level Tax Commission of Genoa (Chamber VIII, 14 December 1991, No. 547, in Corr. trib., 1992, 2149) rejected the determination of the normal value, operated by the Tax authorities, based on the comparison between the assessed transaction and a transaction between the assessed company and another entity belonging to the same group. The approach followed by the Tax authorities was not sufficient to justify the use of an internal or external comparable under the CUP method.

The Provincial Tax Court of Bolzano (Decision 92/2/13 of 1 July 2013) rejected the determination of the normal value, operated by the Tax authorities in the case of an Italian contract manufacturer selling to various group companies worldwide, with reference to the CUP method. The Court accepted the method used by the taxpayer, i.e. the cost-plus method.

The several court decisions in Italy suggest that:

- The interest rate applied on intercompany loans needs to take into account market references.
- When applying adjustments, it is essential to take into account the position within the value chain.
- The Tax authorities cannot simply challenge the method applied by the taxpayer.
- A reliable internal comparable seems to be preferred by the court over the application of the TNMM which needed additional adjustments.

Latvia

Case number A420545311: three affiliated companies were each operating in one Baltic state. Each purchased goods from a related company in Germany and sold them in their respective markets. Goods were ordered through the system by the Latvian company that bundled them with those of the Lithuanian entity and the Estonian entity. The goods were firstly delivered to a Latvian warehouse as the Lithuanian and Estonian entity do not have large warehouses to store them (business rationale to have only one Baltic warehouse) and thus all goods (from Latvia, Lithuania and Estonia) went through Latvian books. The Latvian entity charged the Lithuanian and Estonian entities for warehousing services, but no mark-up was applied on goods (though payments for services were calculated as margin of goods' price that

complicated the case). During audit, Tax authorities claimed that the Latvian entity is not a warehousing service provider but reseller as it sells the same goods to unrelated Latvian customers even though the functional profile towards customers and related parties is completely different. During the audit, it was established that towards related parties the Latvian entity performs 5 functions and risks and towards unrelated parties it performs 15 functions and risks. Tax authorities claimed that in related party transactions the Latvian entity should earn 33% (5/15) of what it earns in unrelated party transactions, for example in FY 2008 the unrelated Latvian entity earned 14.07% and thus should earn 4.69% (5/15 of 14.07%) in related party transactions. Functions performed and risks assumed towards the related parties were more of an administrative nature and risks were minimal, which cannot be compared to unrelated party transactions where the Latvian entity bears the full risk. The taxpayer won both in regional and district courts. Tax authorities submitted a cassation request to the higher court and since then the higher court has not yet decided whether to process the case or reject the cassation request. As a result, we cannot conclude whether the taxpayer would win the case. The decision related to the cassation request has been pending for more than a year now.

Details on adjustments: Tax authorities established that the client assumes 5 functions and risks towards related parties and 15 functions and risks towards unrelated parties. Then Tax authorities calculated the average mark-up applied to unrelated parties during the year, e.g. 30%. Then they applied the proportion of 5/15 (based on the functions and risks counting) to the mark-up applied to unrelated parties (i.e. $30\% * 5/15 = 10\%$) to arrive at the mark-up which they believe should be applied to related parties. The method is simplistic and does not account for the fact that functions in related and non-related party transactions may not receive the same weight, as some may be more important / provide more value than other. The fact that such different function and risk allocation (5 in related and 15 in unrelated) exists by itself suggests that the transactions are in fact not comparable was also ignored.

The court decision suggests it is essential to determine the importance of each function performed and each risk assumed.

Portugal

There are several cases judged in arbitration court in which the use of internal comparable data has been rejected. In all those cases, the taxpayers were conducting transactions both with independent and related parties, the Tax authorities used internal comparables to adjust the price of the controlled transactions. The taxpayers went to arbitration court, and the arbitration court ruled that the operations were not truly comparable. It is important to state that in some of those cases, the internal comparable data seemed quite comparable to the controlled transactions under analysis, but the arbitration court, nevertheless, decided they were not sufficiently comparable. These rulings imply that the level of comparability required is very high, basically requiring nearly identical operations.

A sample of some of the cases judged in arbitration court are:

- Processo nº 55/2012-T.
- Processo nº 160/2013-T.
- Processo nº 230/2013-T.
- Processo nº 300/2013-T.

- Processo nº 644/2014-T.
- Processo nº 660/2014-T.

There was one recent case decided by a judicial court (not arbitration court), whereby the court ruled in favour of the Tax authorities, validating the use of internal comparable data.²⁶

In a recent case, the court applied the CUP method to test a transaction recharacterised by the Portuguese administration as a loan. In Tax authority v. Global Notícias Publicações SA, Appeal 833/13 of 14 May 2015, the Portuguese Tax authority recharacterised a transaction consisting of a sale of shares by Jornalgeste SGPS SA against three yearly payments by Global Notícias Publicações SA, as a non-remunerated loan agreement, not in accordance with the arm's length principle because the parties did not use market interest rates based on comparable loan transactions. The Court, notwithstanding accepting the recharacterization argument presented by the Portuguese Tax authority, decided in favour of the taxpayer on the grounds that the value of the shares sold by Jornalgeste and their subsequent appreciation was an appropriate market remuneration for the loans granted by Global Notícias.

Although the Tax authorities in this last case may have used internal comparable data to determine their proposed correction to the remuneration of the transaction, the use of the internal comparable data (the way the Tax authorities determined the arm's length remuneration) was not what was ultimately judged by the court. As a result, it is not completely clear whether the Tax authorities used internal or external comparables as this is not described in detail in the court decision. The methodology applied was not the focus of the analysis of the court.

The court decision suggests that the level of comparability needs to be very high, even close to identical, when assessing the quality of internal comparable data for the use as internal comparable prices.

Spain

Some specific cases mention that using internal comparable data to support the use of the internal comparable prices is appropriate. The main examples concern the use of internal comparable data for interest rates, sales of products (consumer products), and commissions.

The cases of interest could be viewed as precedents / best practices. The other cases are assessed case by case, in function of the comparability factors.

With regard to the comparability factors, the conditions have to be similar. There is no in-depth analysis regarding the comparability factors, given that there is a limited number of cases. No specific adjustments were made.

²⁶

<http://www.dgsi.pt/jtca.nsf/170589492546a7fb802575c3004c6d7d/6ebb1411ac1c65a580257f880035b35a?OpenDocument&Highlight=0,pre%C3%A7os,transfer%C3%AAncia>

A few cases referring to the use of an internal comparables, under the CUP method, have been listed below. The majority of the cases are rather old. The following cases mention the use of internal comparable prices:

- Tribunal Superior de Justicia de Castilla-la Mancha (Supreme Court of Castilla-La Mancha):
Sentence 489/2007, December 7, 2007 – A loan with a financial institution is used as internal comparable data.
- Tribunal Superior de Justicia del Pais Vasco (Supreme Court of Basque Country):
Sentence 332/2007, June 18, 2007 – Internal comparable data are used to determine the fair value of the transaction.
- Tribunal Superior de Andalucia (Supreme Court of Andalucia):
Reference NFJ038574, March 16, 2009 – A loan with a financial institution is used as internal comparable data.
- Audiencia Nacional (National Court):
Reference 1095/2001, Feb. 12, 2004 – Internal comparable data used to determine commissions.
- Audiencia Nacional (National Court):
Reference 1057/2001, March 11, 2004 – Internal comparable data used for interest.

The court decisions suggest that the conditions of the transaction need to be similar in general. The cases make no reference to the full assessment of each individual comparability factor. There is no reference either to the application of adjustments to increase the comparability.

United Kingdom

Reference 1057/2001, March 11 2004 – internal comparable price for interest. Tax tribunal decision – DSG Retail and others v. HMRC (TC00001) 2009:²⁷ this case concerns DSG International that is the owner of Dixons (a large retail chain in the UK selling white goods and home electrical appliances) and their arrangements to provide extended warranty cover. More specifically, it concerns the sale of extended warranties to third party customers of Dixons. The warranties were offered as service contracts that were 100% insured by the DSG Group captive (re)insurer (DISL). The dispute concerned the level of sales commissions and profit commissions received by DSG.

The First Tier Tax Tribunal rejected potentially comparable contracts that the taxpayer had used to benchmark sales commissions on similar contracts on the basis that the commission rate depended on profitability, that itself depended on the different level of loss ratios expected in relation to the products covered. A much more robust-looking comparable provider of extended warranty cover offered as a benchmark for the market return on capital of DISL was also rejected owing to its differing relative bargaining power compared to DISL. This third party re-insurer was considered to be a powerful brand providing extended 'off-the-shelf' warranty cover through disparate distributors – the tribunal noted that DSG had a strong brand, powerful point of sales advantage through access to customers in their shops and could easily have sourced

²⁷ <http://www.financeandtaxtribunals.gov.uk/judgmentfiles/j4358/TC00001.doc>

the basic insurance provided by DISL elsewhere. Because reliable adjustments were not possible, the CUP method could not be applied.

The overall finding of the tribunal was that, to the extent that 'super profits' were available, these should be distributed between the parties according to the ability of each party to protect itself from normal competitive forces and each party's bargaining power. The tribunal noted in this context that DISL was entirely reliant on DSG for its business. According to the facts of this case, the super profits were deemed to arise because of DSG's point-of-sale advantage as the largest retailer of domestic electrical goods in the UK and also DSG's past claims data. DISL was considered to possess only routine actuarial know-how and adequate capital, both of which DSG could find for itself.

As a result, the tribunal ruled that a profit split approach was the most appropriate, whereby DISL was entitled to a market return on capital, with residual profit over and above this amount being returned to DSG via a profit commission.

When considering the HMRC guidelines, publications on this case law, it seems that an analysis would be useful:²⁸ "The UK case of DSG Retail Ltd vs HMRC (2009) UK FTT 31 (TC) 1 reveals that the OECD Guidelines did not require that the only comparables that might be considered were those in identical circumstances to the taxpayer. Rather, it required that only material differences be taken into account through a process of adjustment."

The court decision suggests that material differences need to be taken into account when determining comparability, and that adjustments may need to be considered to factor in these material differences.

²⁸ C. van der Lith or R. Thompson Ainsworth §p 6 & seq.

1.4. #4: Relevant examples

Scope

For each of the 28 Member States, a maximum of 2 examples and cases on the use of internal comparable data have been collected based on the experience of the interviewed practitioners. Therefore, this list of cases cannot be viewed as exhaustive. A description of the sector and the internal comparable is provided by the local practitioners. Critical analysis leads to a conclusion regarding the use of internal comparable data.

Summary

Most Member States generally have a preference for the use of CUPs, including internal comparable data. However, the survey suggests that good internal comparable data is often not available for the majority of intercompany transactions. As a result, due to the lack of internal comparable data, most practitioners use external data sources to determine the arm's length price of intercompany transactions.

The survey verified in which industries internal comparable data had been used. The cases described are specific, and the number of cases in each Member State are often limited to five or fewer industries. Even though internal comparable data appears to have been used across transaction types and industries throughout the EU-28 Member States, we note there is a higher frequency on (1) transactions of products like raw materials or semi-finished products that are standardised and therefore easier to compare, and (2) financial transactions. Furthermore, it may be an illusion to expect that a more prescriptive approach to the use of internal comparable data would lead to a higher frequency of their use, because the availability of internal comparable data is more fact-dependent than regulation-dependent.

The information received from the practitioners is based on experience and is not available in the public domain.

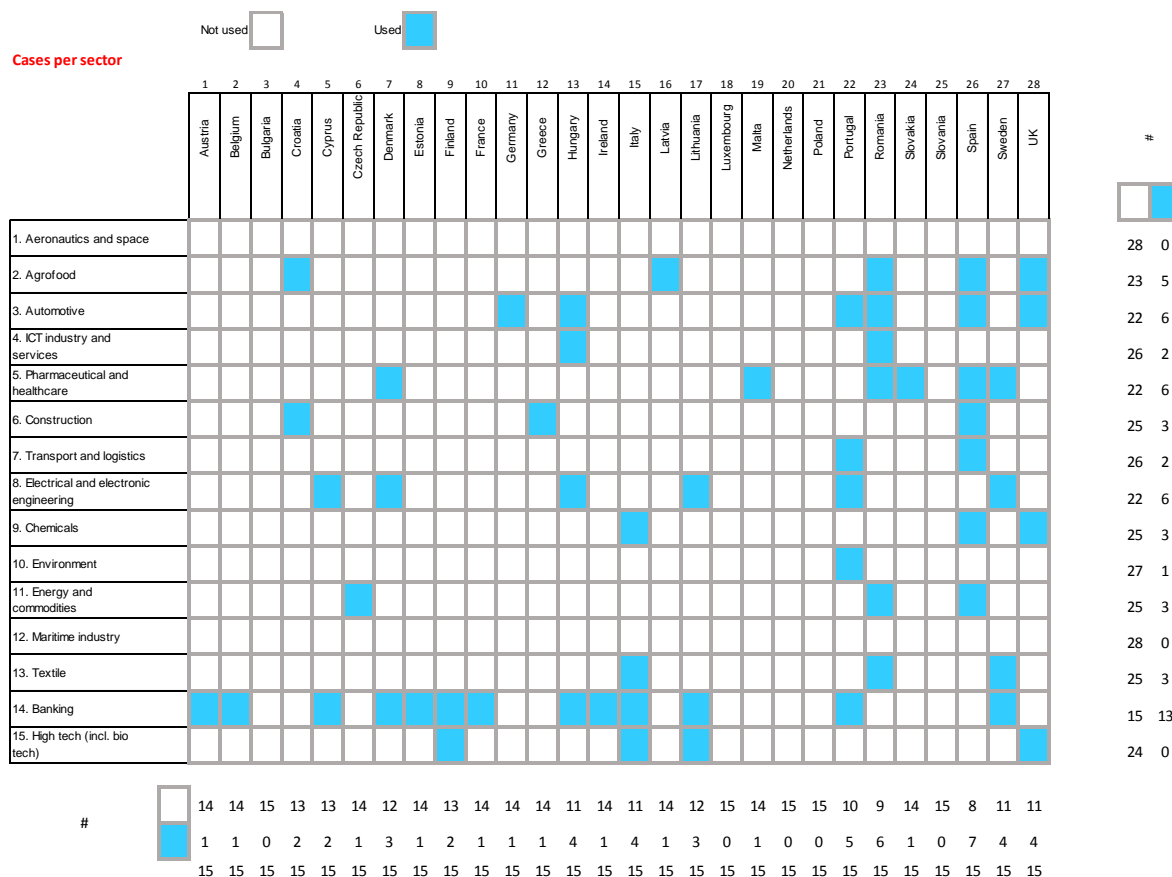
Methodology

The analysis is based on the answers from the EU-28 Member States in the survey. During the interview, we verified in what industry practitioners had observed internal comparable data which could be used under the CUP method.

Analysis

Even though the use of internal comparables appears to be a preferred approach in the eyes of quite a few Tax authorities, there are only relatively few cases where the taxpayer is actually successful at identifying and using internal comparables under the CUP method, for transfer pricing purposes. The availability of internal comparables has been observed in sectors that may tend to be more focused on generic, commodities-like products or services, such as: banking, agro food, chemicals, pharma, ICT, automotive (expectedly parts, engineering), textile, and metals. The table below provides a full overview of the use of internal comparable data for the different sectors tested in the survey per Member State.

Table 9: Use of internal comparable data for different sectors by Member State



The following may help enhancing the use and availability of internal comparable data:

- Increase awareness of transfer pricing and the use of internal comparables at the level of the taxpayer.
- Providing guidance on how to identify and use internal comparable data.
- Requesting taxpayers keep a repository of agreements and transactions with third parties.
- Providing guidance on how to make the assessment based on the five OECD comparability factors.
- Allow some (minor) differences between the tested transaction and the internal comparable when the assessment is made.
- Providing guidance to apply adjustments.
- Exploring the possibilities of 'big data' combined with mathematical / statistical approach.
- Allow more flexibility to accept the use of internal comparables from other EU Member States.
- Consider applying another method to justify the use of an internal comparable.

The identification of internal comparable data sometimes requires analysing large volumes of data. This could be the case for a financial institution interested in providing a loan to group company, since there are usually many agreements with third parties that may possibly qualify as internal comparable. Putting in place the

'help' needed does not appear to be evident without imposing expensive systems for the taxpayers or coercive measures for the regulating authorities. Further, there are some voices questioning the opportunity to define more prescriptive approaches as situations may be very specific and existing guidance allows for sufficient interpretation. However, it may be helpful if some additional guidance is available to facilitate the comparability assessment and to explain how adjustments are applied.

Finally, a few other ideas have been put forward like: accept internal comparables in other Member States (more explicitly) and relax acceptance criteria. The application of strict acceptance criteria often results in the rejection of internal comparable data. The assessment of all five comparability factors to ensure comparability is often difficult, and some factors such as quantifying the impact of business strategies may not be measurable at all. The relaxation of acceptance criteria may be tentative though, as internal comparable data need, by design, high comparability to be good. Small comparability shortcomings inducing price differences may likely translate into relatively sizeable bottom line (tax) impact, as measurements take place at a price (sales or purchase) level rather than at a profit level.

The field experience discussed below provides a detailed overview by Member State. The overview often relates to information obtained through taxpayers. Most cases provided have also been discussed with the local Tax authorities.

Austria

Internal CUPs are used on a more frequent basis to assess the pricing of intercompany loans. Data derived from internal comparables was also used for determining the range of an exit compensation.

Belgium

Internal CUPs were used in the following cases.

Ruling n° 2012.412 dd. 18.12.2012: in the context of a cash pooling arrangement, company A acts as the cash pool leader. Since there are agreements concluded between company A and external banks for short term loans and deposits, the cash pool conditions are based on the conditions concluded between company A and external banks. Indeed, these agreements were deemed comparable to the cash pooling activities that company A performs for the other group companies. Consequently, these agreements could be used as internal CUPs. The interest rate that is applicable between company A and the group companies, is based on the weighted average interest rates applied by the external banks. The Belgian Tax authorities concluded that this interest rate is therefore arm's length.

Ruling n° 2012.542 dd. 11.06.2013: company X performs agency services for a group company Y with regard to the sale of products in Belgium and Luxembourg. For these agency services, company X receives a commission of 7% on the basis of an agreement that was amended in 2008. The 7% commission rate was determined on the basis of two agreements concluded with third-parties that were used as internal CUPs. In these two agreements a commission rate of, respectively, 5.9% and. 6.5% is applied. The Belgian Tax authorities have accepted a commission rate of 7%, arguing it is in line with the commissions concluded with third-parties.

Audit case for commodities: a trading company compared prices applied to group companies with prices applied to third parties. Markets tend to be more global,

decreasing the necessity for adjustments. As a consequence, no adjustments were made.

Bulgaria

Internal CUPs were used for cement production. Because cement is a standardised, commodity-like product, it allows more reliable comparability. An adjustment was made regarding the transport which was part of the price. The cost of transport was embedded in the price to the customer, irrespective of whether the distance to deliver was 10 or 15 kilometres. In order to use the CUP method for the related party transaction, an adjustment was made to exclude the transport component from the sales price used towards third party clients.

Croatia

Internal CUPs were used for an agricultural producer that was setting prices in the same fashion to third parties and to group companies. However, experience has shown in Croatia that often the internal comparable price cannot be used when the difference in volume is too large making adjustments tentative.

With regard to services, internal comparables have been used under the form of price lists (pricing for man-day rates). However, cases have been seen where Tax authorities were selecting the prices in the list that best fit their purpose.

Cyprus

Internal CUPs were used for intellectual Property ('IP') in the web-based video gaming industry. There were different licensing agreements with third parties in the US that could be used as CUPs. The intercompany transaction with China made use of the same licensing remuneration. There were different markets involved (US versus China) and no adjustments were made.

Another example of an internal CUP consists of shareholder loans. Bank rates in the same currency as the shareholder loans have been used. The investments made were analysed. Typically, no adjustments are made, except for currency difference as long as the impact on the margin remains limited.

Czech Republic

Internal CUPs are used in the energy and commodity sectors. In practice, adjustments to the aforementioned CUPs are rarely observed in the Czech Republic. If the application of adjustments is possible and justification is available that these are based on the arm's length principle, then adjustments are applied. Otherwise, another method is applied.

Denmark

Internal CUPs are used for banking, energy and commodities, life science, pharma and healthcare.

An internal comparable price was used for the sale of consumer goods from a Danish subsidiary to a foreign subsidiary and a third party. The pricing was based on global price lists. Ultimately, the transactions were deemed not comparable because the price lists were based on historic prices. They never managed to identify a good CUP for this case.

Another internal comparable prices was disregarded by the Tax authorities for the transfer of goods. It was a price to independent distributors. The transaction with the independent distributor and the intercompany transaction were denominated in different currencies. Therefore, the pricing in EUR was not deemed to be comparable to the pricing in DKK. No adjustment was made to factor in the foreign exchange differences. The TNMM was used as an alternative method, with a targeted operating margin.

For IP, an internal comparable price was accepted by the Tax authorities. It concerned licensing of IP to third parties and the same license was given to the group. The agreements were not the same, but the same percentage was applicable.

Estonia

Internal CUPs were used in a tax audit to justify that the same royalty was paid after a change in ownership. The royalty was a payment for the use of a trademark in the hotel business.

In another case, the Tax authorities accepted an iP for a loan. It was derived from a loan agreement with a bank. The intercompany agreement stipulated the application of a lower interest rate. The court indicated that the interest rates provided by the statistical section of the Estonia Central Bank should be the starting point. The comparable loan with the bank was a secured loan, while the related party transaction was an unsecured loan. The question became then: how much should the adjustment be to factor in the difference.

Finland

In theory, internal CUPs could be used in all sectors (aeronautics and space, agro food, automotive, information and communication technology ('ICT') industry and services, pharmaceutical and healthcare, construction, transport and logistics, electrical and electronic engineering industries, chemicals, environment, energy and commodities, maritime industry, textile, banking, high tech – including biotech).

However, in practice, internal CUPs has only been used in rare cases, e.g. services like leasing of real estate.

The Tax authorities also accepted the use of internal comparable prices in certain financing, royalty, and real property leasing cases. For loans, in one case, heavily adjusted internal CUPs were combined with an external benchmarking study on interest rates, which was accepted by the Tax authorities. However, the tested loan was extraordinary in nature (subordinated, unsecured, high capital amount, and a high fixed interest rate).

France

An internal CUP can be used for transactions related to IP, ICT, media companies where a taxpayer licenses their programs to third parties and especially for loans (not specific to a sector).

Loans are the only transaction where internal CUPs are used on a rather common basis. However, it remains difficult to obtain firm loan offers that could serve as internal CUP from third party banks. The position of the French Tax authorities is that an internal CUP can only be accepted when this relates to a real loan offer. A real loan offer by a bank is considered as a firm loan offer when the case has also been

presented and accepted by the credit committee of a bank. If the credit committee of the bank does not approve the loan offer, then the French Tax authorities will only consider this as an indicative offer and will not accept this as a valid internal CUP.

Germany

Examples of internal CUPs can be found in the automotive industry for IP (brand). In some cases, it is difficult to obtain access to the data since the information may contain trade secrets.

Internal CUPs have also been used in the machinery industry for the sale of a similar type of product. Upon tax audit, no adjustments were made in the case at hand.

In practice, even though the internal comparable transaction referred to under the CUP method are a preferred method by the German Tax authorities, the number of cases available remains limited because internal CUPs are not often available. The nature of the industry does not appear to play a significant role.

Greece

Typically, internal CUPs are used in special sectors. Internal CUPs have been used for goods like fuel (oil and gas industry), metal (aluminium), and the cement industry. It is important to verify the characteristics and type of product. Adjustments are implemented to factor in differences in quantity and product characteristics. No other adjustments have been made. Several of these internal CUPs were audited and accepted by the Tax authorities.

The internal CUPs are commonly used for loans. Adjustments have been made to factor in differences in the tenor of the loan.

Hungary

Internal CUPs are used for banking (financial transactions), energy (trade transactions), and sometimes automotive, usually without making any additional adjustments.

Internal CUPs have also been used in the automotive sector for engineering services. In the case at hand, the engineering services within an automotive company were provided within the group and to third party companies, which created an internal CUP. As the engineering services provided were similar, no adjustments were made.

For goods, internal CUPs may be used when a price list is available. A price list details the pricing of goods towards third parties, for each product being sold. The prices indicated on the price list could be used as a source of internal comparable data. This has been the case for wholesale, distribution, retail and the telecommunication sector.

Ireland

Internal CUPs are mostly used for IP and loans.

Internal CUPs have also been used for goods. Namely, raw materials and semi-finished goods from another jurisdiction (suppliers). Typically, the terms, conditions and the quantity are reviewed in order to apply the CUP method.

Finally, internal CUPs have been used for services including internal management and procurement services. Most of the time, there are no similar transactions and the CUP method cannot be applied.

These cases were not assessed by the Tax authorities. Additionally, there is very little guidance from the Irish Tax authorities related to the assessment and the use of internal CUPs.

Italy

Internal CUPs are mostly used in the chemical industry for semi-finished chemical products. Typically, internal CUPs are also used for semi-finished non-customised products.

In Italy, internal CUPs are also used in the fashion industry, when they concern the same brand and collection. In these cases, the clothes are sold to both a related party retailer and a third party boutique.

Internal CUPs are also used for technical engineering services and for IP (license of formulas to produce similar goods in other countries) in the chemical sector.

Internal CUPs are seldom used for loans. They are used when a company initially borrowed from a third party and then on-lent to a group company.

In most of these cases, the Tax authorities accepted the use of internal CUPs.

Latvia

Internal CUPs have been used for goods like grain and pasta and for rental services. There is a preference to use internal CUPs 'as is', without making any adjustments. Comparability adjustments to internal CUPs are often seen as too complicated. There is then a preference to use other benchmarking methods in case of comparability differences.

Lithuania

Internal CUPs are especially used in banking, but also in the technology and engineering sectors.

In the technology sector, internal CUPs have been used for a service provider of optical coating on laser elements which were later used in machines and equipment. A formula was used to determine the price of the coating for different lengths (i.e. 5 and 10 centimetres).

Internal CUPs were also used for shared services that were performed to the benefit of group companies and third parties. The price for the services to group companies was derived from the services performed to the third party. The price for the services was based on the type of services provided.

Internal CUPs are sometimes used for real estate when a company is leasing office space in the same building to related and third parties. The price per square meter was used as an internal CUP. No adjustments were made since the rental related to the same location and building.

Luxembourg

An internal CUP was used to determine the arm's length price for fund administration where a management company was performing services for both third parties and related companies. The basis points that were charged to the third parties were used as a basis. This has been accepted by the Tax authorities.

In case there is a big gap between the market conditions of the internal CUP and of the intercompany transaction, practitioners in Luxembourg would generally favour using a different method rather than making adjustments.

Malta

Internal CUPs have been used in the pharmaceutical sector for manufacturers of goods. The goods were identical so no adjustments were needed. Tax authorities accepted these internal CUPs.

Other examples where internal CUPs were used consist of the purchase of software and IP linked to software or royalty arrangements. The software consisted of a platform, and there was no difference in software or type of users. As a result, the product was identical and no adjustments were made.

Additionally, internal CUPs have also been used to determine royalties for trademarks and brands in the food / retail sector.

The Tax authorities have a preference to use internal CUPs in the same geographic area. If the internal CUPs are based on a transaction in Malta, then it is easier to consider the use of these internal CUPs. If the internal CUPs relate to a sister company providing services in a different geographic area, it is generally not considered as a good internal CUP.

The Netherlands

Internal CUPs can be used for commodity pricing and for joint ventures, when certain royalties are applied.

The CUP method requires detailed comparability (i.e. minor differences may already have a material impact on prices) and in most cases comparability adjustments are required that have an effect on prices and that may be very difficult to execute. Further, in practice, the internal CUPs are only occasionally accepted and may tend to be used for ex-post rather than ex-ante transfer pricing documentations.

Poland

There exists an example on the use of an internal CUP for an affiliate to a large multinational. There was a typical cost allocation model that was applicable to the whole group. The allocation model was not suitable because of differences between the entities, so an internal CUP was used based on hours registered in time sheets. The Polish entity provided HR services to other group companies. Global agreements with other large companies existed that resulted in the time sheet data, hence quite a big data pool. This is not a typical approach, but in this case it was accepted. It was noted that this is not a very practical approach as it requires quite a bit of administration.

Portugal

Internal CUPs have been used in transport and logistics, electricity, environment, and banking. Internal CUPs were used for different kind of goods.

In one case, in the waste business, there were transactions with third parties detailing how waste was treated. In another case concerning an equipment contract manufacturer in the automotive industry, the sale of car radios took place to the end customer and other group entities located somewhere else in Europe. In both cases, internal CUPs were deemed to be available.

For services, internal CUPs were used for logistics operators in transport, where the internal and external services were identical.

Internal CUPs were also used by a Portuguese brewer. Next to brewing its own beer, the Portuguese brewer was brewing and retailing, under license, Belgian and Dutch beer. Royalties were being paid to the third parties for the right to produce and sell foreign beer brands. Conversely, the Portuguese brewer was also allowing third parties in Belgium and in the Netherlands to brew and sell its own brand. For the latter transactions, the same royalty rate was charged. No adjustments were made.

Internal CUPs are also being used in the finance industry, in cases like management commissions or commercial commissions that banks can charge or management fees.

The Portuguese Tax authorities have been expressing a marked preference for Iberian internal CUPs. Hence, the comparability of non-Iberian comparables is likely to be challenged by the Portuguese Tax authorities. Rather than embarking on geographic adjustments to make an internal CUP useable, there is then a tendency to favour the use of other methods.

Romania

Internal CUPs have been applied in multiple sectors including agro food, ICT, pharmaceutical industry, energy and textile.

Internal CUPs within the agro food industry concerned a producer of meat in integrated farms. The meat was being sold within their own network of stores and supermarkets, but also to other independent distributors.

Within the Pharmaceutical industry, drugs can be sold through their own and third party franchisee's networks, which provide an internal CUP.

For IT services, hourly rates have been used as internal CUPs. When an internal CUP is used to determine hourly rates, it may be important to look into geographic differences. The hourly rate applied in Romania may be similar to hourly rates applied in e.g. Greece, but not in e.g. Germany, suggesting the need for adjustments to factor in geographical differences.

Internal CUPs are often used for consumer goods, e.g. producer of clothes or IT equipment, automotive industry, etc. They are also used for IT services and in the pharmaceutical industry for IP.

Slovakia

Internal CUPs are used for commodities like producers of steel or basic precious metals (such as copper). In these cases, it tends to be easier to use internal CUPs

because the processing that generates the added value is standardised, and does not differ when performed to the benefit of a third party or a related party.

Another example on the use of internal CUPs is in the healthcare industry, where an insurance group owned its own hospital. The hospital provided identical healthcare services to individuals, regardless of whether they were insured or not by the related-party insurance group. Since the hospital provided identical medical services to patients without insurance from the related party insurance provider, these services are considered services provided to third parties and amount to an internal CUP.

Slovenia

Internal CUPs were used for bulk paper production. The average sales price to unrelated parties was used, rather than the per unit prices by type of paper. No adjustments were performed, because the contractual terms were similar.

Internal CUPs have also been used for consulting services and have been subject to a tax audit. Average hourly rates charged to third party clients were for similar services rendered within the group.

Both internal CUPs were accepted by the Tax authorities.

Spain

Internal CUPs have been used in agro-food, IT, pharmaceutical industry, healthcare, construction, transport and logistics, energy and electricity, and chemicals and commodities.

Internal CUPs are used on a frequent basis for fruit and seafood. In a tax audit regarding the sale of seafood, the Tax authorities accepted the use of internal CUPs. The taxpayer will usually need to evidence why prices are comparable and justify that there are no differences due to the geography of the markets.

Internal CUPs have also been used for franchising in the hotel business, for the use of software, TV shows (content – common to have internal CUPs), for lease of real estate and energy. In the energy industry, adjustments have been seen to incorporate the impact on price of the dates of the transactions.

Sweden

Internal CUPs have been used for engineering, banking, pharmaceutical industry, and commodities.

Internal CUPs were used in two different cases in the fashion industry for the retail of clothing. For the sale of clothing, the use on an intercompany transaction of the sales price to a third party resulted in a loss position for the group company, which then was challenged by the local Tax authorities. In that case, the Tax authorities were very strict in assessing the comparability.

Internal CUPs were also used for engineering services and in the automotive industry to determine the compensation of the dealers. The same rates were applied for external and internal dealers, resulting in a loss position for the group company. This seemed to be due to efficiency differences.

Adjustments are made when needed, if there are big differences between the Nordic countries.

Internal CUPs are not used on a frequent basis and there are not many cases where the Tax authorities accepted them.

United Kingdom

Internal CUPs have been used for technology companies (printing companies that sell products overseas), agro-food (meat products), chemicals (bulk material), and commodities.

Internal CUPs were used for a data provider selling data internally and externally, in the sports betting industry. Two adjustments were made to factor in a slightly different distribution position and the absence of marketing and sales costs. The first adjustment was related to the fact that the internal sales took place at a different level in the market, whereby the sales was directly to the bookmakers, while the other transaction was a sale to distributors first, that thereafter sold data to bookmakers. The second adjustment was to factor in the absence of marketing or sales costs when the internal sale took place, which resulted in an adjustment of the cost base. The price was adjusted when the data was sold to related parties, whereby the price to related parties was reduced to factor in the fact that the related parties had to take care of marketing and sales themselves. The Tax authorities accepted this internal CUP.

For IP, more internal CUPs appear to be available for technology than for brands.

2. External data under the CUP method (#5 – #7)

Key findings for #5, #6 and #7

For intellectual property and loans, external CUPs databases such as RoyaltyStat, Bloomberg, and LoanConnector are commonly used. However, for goods and services transactions, databases are rarely used. The databases analysed are regularly updated and are generally publicly accessible for a subscription fee. Even though most Member States use databases and practitioners report that most Tax authorities accept their use, there appears to be room for improvement, as some databases do not have the option of performing sufficient screening tests, like the independence test.

Due to the general lack of comparable data at local Member State or regional level, the search to identify comparables at global level is commonly applied by practitioners. There does not seem to be a systematic reporting obligation and subsequent collection of (potentially comparable) agreements within the EU-28 Member States. Some data is however systematically available in the US through the SEC filing requirements.

No Member States have been identified where export prices have been used as market references for transfer pricing purposes.

2.1. #5: International and local databases

Scope

For each of the 28 Member States, an overview of external databases has been provided, that are used to identify external CUPs. The databases available in each Member State and the identification of the transactions for which these databases are used have been verified during the survey. A brief description of the databases is provided based on desk research and specific data collection. The availability of an independence test, and the accessibility to the databases has also been verified. The availability of legislation in place to facilitate the collection of data is mentioned as well.

Summary

The survey indicated that external CUP databases are almost never used for goods transactions, while just a few Member States make use of databases for services transactions. However, for IP and loans, databases such as RoyaltyStat, Bloomberg, and LoanConnector are commonly used. We also note that practitioners in Member States with a higher TP activity tend to make use of more databases.

Many websites, which may contain usable external CUP data, do not specify the availability of an independence test²⁹. The application of an independence test ensures that data can be used for transfer pricing purposes, by excluding companies having material shareholding in each other and hence, possibly, transact at prices other than arm's length. The lack of the availability of an independence indicator makes it difficult to use the source data for the application of the CUP method, without further analysis. For quite a few databases, especially those related to financial transactions, the data are deemed as being market data, which would mean the independence test is irrelevant.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey. The survey was used to identify the databases used to identify external comparables within the Member State. Additional desk research is performed to assess content of the databases. Additional verification was made during the survey to identify the transactions where external comparables are frequently used. The practitioners were also questioned on other sources of information available to them, which could be used as external comparable. For RoyaltyStat, ktMine and RoyaltySource, the content of their databases was verified directly with them.

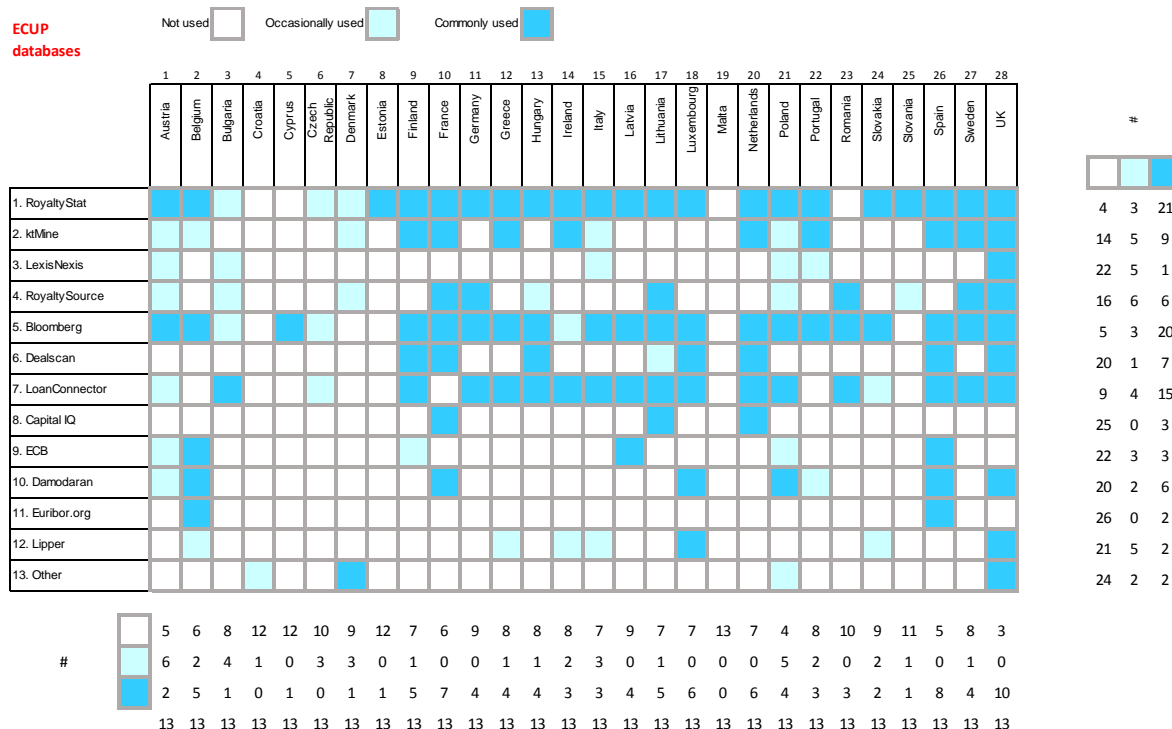
Analysis

International databases

The table below provides an overview of the availability of international databases and the frequency of usage in the different Member States markets to identify external CUPs.

²⁹ A transaction price – or a profit earned on a transaction – is deemed market-driven when it can be evidence that the participating parties are independent from one another. The 'independence test' is the test allowing, broadly speaking, to verify that.

Table 10: External comparable data in the context of the CUP databases



These databases are almost never used for goods transactions. The survey highlights that practitioners from a handful of Member States make use of the databases for services transactions. For IP and loans on the other hand, these databases are commonly used. Especially RoyaltyStat, Bloomberg and LoanConnector. The analysis of the responses obtained through the survey of the 28 Member States indicates that Member States with larger and longer transfer pricing experience make use of more databases.

In addition to the databases discussed above, the sporadic use of other databases has been noted: BLATTS (goods: gas & oil), FEACO (services), Moodys (loans), Eikon Thompson Reuter (loans).

The section below provides an overview and brief description of the various international databases that are frequently used by practitioners. The content of the external comparable database and the availability of an independence screening possibility is also documented.

RoyaltyStat³⁰

RoyaltyStat is a subscription-based online database that includes a license and service agreements database and a company financials database.

RoyaltyStat is used worldwide for transfer pricing compliance and intangible property valuation. The license and service agreements database are self-developed and proprietary, and data is sourced from the US Securities and Exchange Commission ('SEC') filings. The company financials database is licensed from Standard & Poor's Capital IQ Compustat and enhanced with RoyaltyStat's proprietary transfer pricing

³⁰ <https://www.royaltystat.com/> visited on 22 January 2016

tools. All three databases include agreements and financial information covering all countries in the world, and users can perform searches based on territory (country, sub-region or region).

RoyaltyStat's license agreements database contains over 19,300 records extracted from license agreements and the service agreements database contains over 11,000 records.

On 20 September 2016, the database contained 692 records with EU Member States as the licensed territory. A total of 303 records are included in the database with both parties (licensee and licensor) based in EU Member States. Also, the license agreements database has 1,211 records with a European licensor, and 1,158 with an European licensee.

As described below, RoyaltyStat makes 26 agreement types available in its license agreements database:

Table 11: Categories of agreements in RoyaltyStat³¹

Agreement Type	Count All	Count Europe
Amendment	2 102	85
Asset Purchase	2 379	46
Consulting	131	4
Copyrights	2 957	138
Cross-License	319	16
Distribution	775	85
Franchise	2 900	17
Joint Venture	422	14
Know-How	4 522	218
Liabilities	298	9
Marketing	209	12
Mineral Rights	2 089	25
Option	1 013	23
Patent	7 862	362
Process	2 037	108
Proprietary Info	499	13
Research	766	24
Services	641	17
Shares	196	7
Software	2 699	77
Sublicense	460	22
Supply	427	48
Technology	4 752	219
Trade Name	4 181	68
Trademark	6 604	234
Web content	229	7

³¹ Source RoyaltyStat

Regarding European agreements, RoyaltyStat classifies each agreement per license territory, which refers to the territory in which the Licensee will explore the rights conferred by the Licensor, and the country of incorporation of either the Licensee or Licensor. Below is provided the count for each of these categories:

Table 12: European agreements in RoyaltyStat³²

All Records	19 302
License Territory - Europe	692
License Territory - Eastern Europe	171
License Territory - Northern Europe	279
License Territory - Southern Europe	212
License Territory - Western Europe	225
Licensor's Region - Europe	1 211
Licensee's Region - Europe	1 158

The royalty rates and service fees are extracted from original and unredacted full-text license and services agreements filed with the SEC and other public-available sources. The subscribers have access to the full-text license agreements and its corresponding summary and extracted fields.

RoyaltyStat's license agreements database has recently integrated current and historical financial information for the filer company and for the Licensor and Licensee to the license agreements database. When available, the subscriber has access to the company profile, the list of disclosed corporate subsidiaries, the income statement, the balance sheet, the cash flow statement, and accounting footnotes for the companies involved in the license agreements. Over 35,000 publicly-traded companies worldwide are available, out of which almost 8,500 are located in Europe.

Anyone can subscribe online and make use of the data for a fee. The license for intangibles and services agreements databases are usually combined. With an online subscription, clients can search online for comparable agreements by selecting filters, including the application of an independence test by using a filter to exclude related parties.

ktMINE³³

ktMINE is a public database of agreements and royalty rates. ktMINE provides market data of a variety of transactions, including intangibles licensing, contract manufacturing, distributions, and other services. The database is used worldwide by Tax authorities and practitioners.

ktMINE is used worldwide for transfer pricing, business valuation and expert witness services. The database provides global data coverage across all industries. The database claims over 100,000 license agreements³⁴ and over 60,000 royalty rates³⁵. There are approximately 40,000 royalty rate structures that include EU Member States. Of this number, over 14,000 royalty rate structures are specific to EU Member States.

³² Source RoyaltyStat

³³ <http://www.ktmine.com/>

³⁴ <http://www.ktmine.com/ip-data/license-agreements/> visited on 3 August 2016

³⁵ <http://www.ktmine.com/ip-data/royalty-rates/> visited on 3 August 2016

The agreements are between parties from any country and the EU Member States. They include US to the EU Member States as well as agreements between two or more EU Member States. Furthermore, the ktMine database includes data from private companies and public companies. Agreements are found through regulatory bodies, such as US SEC, Canada SEDAR, UK Companies House. They are also found on company websites, trade association sites, etc.

ktMINE offers the ability to access agreements based on the following categories:

- Manufacturing intangibles, including patents, know-how, technology, and trade secrets.
- Marketing intangibles, including trademarks, tradenames, copyrights, service marks, and brand names.
- Software, including source code, programs, object code, and firmware.
- Asset purchases.
- Joint developments.
- Cross licensing.
- Services, including contract manufacturing, management services, sales agent, R&D, commissionaire, and similar services.
- Franchise.
- Distribution.

The distribution of agreements and categories by region is proportional to the total set of agreements.

ktMINE offers full supporting documentation for all agreements in the database. The financials related to the parties involved are not available.

LexisNexis³⁶

LexisNexis is a public database which contains knowledge and information solutions for professionals in different sectors. It provides information to customers in the Benelux, France, Germany, the United Kingdom, Northern Europe, Eastern Europe, Middle East and Latin America. LexisNexis is part of the RELX group, which is a world-leading provider of information solutions for professional customers across industries.

The LexisNexis database contains more than 36,000 international sources: online, offline, social media, (inter)national and regional newspapers, magazines, market and company information.

The information gathered does not allow to positively conclude whether an independence test is available. Given its occasional use for transfer pricing, it is however assumed the test is available.

³⁶ <https://www.lexisnexis.nl/LexisNexis/bronnen/bronnen>; <http://www.relx.com/AboutUs/Pages/Home.aspx>
https://www.lexisnexis.nl/over-lexisnexis/over_lexisnexis

RoyaltySource³⁷

RoyaltySource is a public database created from publicly available information. It has been tracking intellectual property news and licenses related to technology (patent, know-how, trade secret, and business method), software, trademark, trade name, brand or logo, copyright and right of publicity for 30 years. The reports are used for license agreement negotiation, valuation, litigation, infringement damage measurement, and transfer pricing. RoyaltySource is a research service and not a database open for user search. Only internal staff of specialists have direct access to their internal database.

RoyaltySource is a global database, featuring licensing agreements that were executed across the globe. There is no focus on a single geographic region. However, the majority of the records were sourced from records made public by the US-based SEC, aware that SEC-based records include licensing agreements from multiple regions of the globe.

On 30 August 2016, the database contained 467 licensing transactions in EU Member States. These transactions are both for trademark and technology. They do not include transactions where the territory was worldwide or undisclosed. The territory / location of the 467 license agreements is related to the Member State where the licensing is / was in effect. They do not relate to the parties' state of residency. At the moment, RoyaltySource does not track parties' state of residency, although they plan to include this detail in the short term due to requests from their clients.

The 467 license agreements were sourced mainly from public filings, which include documents like annual reports and the actual agreements between parties. They also source some agreements from news articles and other sources. Out of the 467, 394 were sourced from public filings, from which 266 were based on the actual license agreement between the parties. The remainder were sourced from other publicly available information detailing the agreement.

RoyaltySource only tracks the relationship between parties if it is disclosed in the source document. This means that if they mark a record as not being at arm's length, those that are unmarked do not necessarily mean they are at arm's length. Out of the 467, it is known that 36 license agreements are between related parties, while the remainder is unknown.

In the database, the records are marked with a variety of tags that help out search specialists to drill down to relevant data. For example:

Agreement Type Tags:

- License agreements.
- Franchise agreements.
- Fee agreements (like services fees etc.).
- Sales agreements (IP).
- Distribution agreements.

³⁷ <http://www.royaltysource.com/>

- Other agreements.

Agreement sub-type Tags (about 100 different tags):

- Collaboration / joint ventures.
- Court decisions.
- Sublicense.
- Per Unit.
- etc.

IP Tags:

- Is Trademark?
- Is Patent?
- Is Proprietary Technology?
- Is Software?
- Is Copyright?

A report from RoyaltySource includes the following information:

- Royalty rates or payments.
- Licensee and Licensor information, including their industry description.
- Description of the property licensed or sold.
- Other compensation, such as milestone and upfront payments.
- Transaction terms, such as exclusivity and geographical restrictions.
- Arm's length or related party status as available.
- Source of information (SEC filings, news articles, company news releases).

As the report contains the arm's length or related party status, it is possible to verify the independence of the contracting parties in the database. Moreover, RoyaltySource does not offer any additional details about the parties involved to the agreement. However, the full agreement / data source related to each record is made available.

Bloomberg³⁸

Bloomberg is a publicly available database that offers financial insights, data, news and information to its customers including communication platforms, secure biometric access capabilities, real-time data, analytics, trading solutions, news, and other information.

³⁸ <http://www.bloomberg.com/>

Anyone can subscribe online following payment of a fee. Subscribers can search for interest rates applicable on bonds between companies and / or banks and a variety of other data originating from financial markets. More than 60 billion market ticks pass through the Bloomberg Professional service each day. There is no independence test available. The data are however deemed as being global market data, which would mean the independence test is irrelevant.

DealScan³⁹

DealScan is a publicly available database and provides comprehensive, reliable historical deal information on the global loan markets. A web-based service gives access to Thomson Reuters LPC's complete terms and conditions database, covering hundreds of thousands of loan and bond transactions from around the world.

There does not appear to be an independence test available.

LoanConnector⁴⁰

LoanConnector is Thomson Reuters LPC's web-based loan information platform. It is a source of comprehensive and real-time and historical news, data and analysis on the global loan markets. LoanConnector includes access to DealScan.

There does not appear to be an independence test available.

S&P Capital IQ (*European research only*)⁴¹

This is a publicly available database that contains weekly, monthly, quarterly research detailing virtually every metric of the leveraged loan market, including structure, pricing, yield, volume, along with secondary market performance and LBO / private equity activity.

There does not appear to be an independence test available.

ECB⁴²

The European Central Bank ('ECB') gathers data and provides statistics for the Euro area which are available free of charge on the ECB website. It is a public database, and the statistics can be downloaded online from the Statistical Data Warehouse.

The following information is available:

- Monetary and financial statistics.
- Statistics on the international reserves of the Eurosystem.
- Statistics on the nominal and real effective exchange rates of the euro.
- General economic statistics.

³⁹ http://old.loanconnector.com/dealscan/LPC_WEB_DS_SecurID.html

⁴⁰ <https://www.loanconnector.com/>

⁴¹ <https://www.lcdcomps.com/lcd/f/aboutus.html>

⁴² <https://www.ecb.europa.eu/ecb/tasks/statistics/html/index.en.html>

Statistical data available are general indicators of sectors or the economy overall, but they include also going interest rates in a variety of situations.

There is no separate independence test available either.

Damodaran⁴³

Professor Aswath Damodaran releases regularly updated financial information through his website page at the University of New-York, free of charge. It contains global data on the following topics:

- Corporate governance.
- Discount rate estimation.
- Return measures.
- Capital structure.
- Dividend Policy.
- Cash flow estimation.
- Growth rate estimation.
- Multiples.
- Option pricing models.

Data sources for Damodaran are: Bloomberg, Morningstar, Capital IQ, and Compustat. There is no independence test available.

Euribor.org⁴⁴

Euribor.org contains different public benchmarks, like Euribor and Eonia. Euribor is the rate at which EUR interbank term deposits (loans) are being offered by one prime bank to another within the EMU zone. Eonia is an effective overnight rate computed as a weighted average of all overnight unsecured lending transactions in the interbank market, initiated within the euro area by the contributing panel banks.

The rates are available free of charge. Long historical series are available.

There is no independence test available, as all rates are deemed being market references.

Lipper⁴⁵

Lipper is a public database and provider of independent research, global collective investment content and evaluation tools that enable investors and financial professionals to understand and communicate the value of investment products. It contains an array of benchmark data articulated around investment funds.

⁴³ <http://pages.stern.nyu.edu/~adamodar/>

⁴⁴ <http://www.euribor.org/>

⁴⁵ <http://thomsonreuters.com/en/products-services/financial/lipper.html>

Lipper allows access to the industry's most comprehensive global fund coverage. Lipper data includes mutual funds, closed-end funds, ETFs, hedge funds, retirement / pension funds and insurance products. Prices like fund management or distribution commissions are available.

References provided are assumed to be between independent parties.

Local databases

In order to make a database usable for transfer pricing purposes, one will need to collect data on a consistent basis to ensure sufficient data points are available. By preference, there is legislation in place that requires financial reporting on an annual basis, to facilitate the availability of sufficient reliable source data. Ideally, the source data is also verified by an independent auditor, which increases the reliability of the data. The database needs to be 'screenable' as well on multiple criteria, such as independence, industry sector, key financials and geography.

As duplication of past searches is desirable, previous data should remain available to the taxpayer and Tax authorities to justify the identification of comparables at a certain point in time.

In general, we note the sporadic availability of local databases, often depending on the activities within a Member State whereby the data collection is limited to that particular Member State only. For example, some Member States may use local data available that are provided by an industry organisation.

Some data available may be structured, while other are clearly much less structured. In many instances, it appears that these databases are used occasionally for specific purposes. As an example, we identified the use of local data available on the real estate sector in several Member States. We also identified the use of hourly rates for services provided occasionally in a few Member States, which were made available through an industry organisation. The access to local databases may be free of charge, making it – if less universal – more accessible to taxpayers and Tax authorities.

1. Goods: it is worth noting that commodities exchanges may provide spot and historical prices of commodities. In addition, databases on real estate prices are available in several Member States providing CUPs, even sometimes by region.
2. Services: Member States mentioned of franchise fees databases (assimilated to services), construction services, engineering services and marketing services. Occasionally, hourly rates appear to be organised in databases. These databases seem to be very Member State-specific.
3. IP: unanimously, the practitioners of the different Member States declare not having knowledge of local databases accessible to identify IP CUPs. Therefore, practitioners use external comparable data retrieved from worldwide databases. Due to the lack of local data being available, Tax authorities generally accept the use of global databases to retrieve reliable external comparable data as indicated in the survey.
4. Loans: the survey suggests that the majority of the practitioners have a similar approach. Most have access to databases that include financial statistics that can possibly be used as CUPs for TP purposes. ECB – see previous question – is also regularly publishing a sizeable amount of financial data that can readily be used.

For specific transactions, it may also be possible to find external comparable data in the context of the CUP data in newspapers or through trade organizations.

The use of data prepared by national centres for statistics does not seem to be common place. Often, the data are amalgamated, and the underlying data regarding companies, independence, etc. is not publicly available.

Other sources of information not organised as databases

Most Member States would occasionally and on an ad hoc basis, search diverse sources of prices that could be used as external CUPs. The sectors and / or sources that appear to be the most frequently used are: industry reports, companies / professional organization websites, real estate reports, stock prices, news articles, publications by universities, publications by the central bank etc. It appears difficult to draw a clear line on what might be a trend on the topic, as:

- The data appears to be available in a non-uniform way across the 28 Member States. Each organisation has its own approach to collect data, and data collection may not be performed on a consistent basis.
- The reliability of the data is often questioned. Data can be amalgamated, providing no view on the underlying data points, and on whether these underlying data are retrieved from transactions between related or unrelated parties.
- The continuity of the data may not be guaranteed. The data may not be retrieved on a regular basis, and may only be available for a particular period when the news article or particular study was published.

2.2. #6: Specific firm-level data and intra-firm export prices

Scope

For each of the 28 Member States, the use of specific firm-level data and intra-firm export prices by economists as possible external comparables has been investigated. Comments are provided regarding the availability, the reliability and the feasibility of using this data for traditional transfer pricing analysis. Only databases organised in such a way that they can be used for transfer pricing purposes are considered.

Summary

For several reasons, no Member States have been identified where export prices have been used as market references for transfer pricing purposes.

The survey did also not allow to identify the existence of any other intra-firm data which could have been used for transfer pricing purposes.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey. The survey tried to identify whether practitioners are familiar with the use of any other specific firm-level data or intra-firm export prices.

Analysis

Intra-firm export prices are defined as price of goods that are exported to another company.

An article published in June 2014 described an analysis of comparability of export prices.⁴⁶ For this analysis, export prices of French exporters filed for customs purposes in 1999 were used. The analysis concluded that export prices towards lowly taxed jurisdictions tended to be lower, implying that profit had been shifted to these jurisdictions.

One can wonder if said prices might be useful references for transfer pricing purposes. That has been investigated among the 28 Member States.

No practitioners having used – or seen used – export prices for transfer pricing purposes, were identified. The reasons for the lack of availability are thought to be:

- Data are not sufficiently detailed for TP purposes. Typically, the goods characteristics are not defined, as for customs purposes codes are used for product categories, rather than for specific products. Therefore, it appears not possible to clearly identify the goods traded, let alone operate comparability adjustments. For example, when a designer table is being exported, the classification code will identify that it is a table and that the table is made out of wood. However, the customs declaration does not provide for a more specific description. As such, the custom declaration form will not clarify whether the export price is related to a designer item. Of course, there will be a price difference between a regular table and a designer table. Therefore, it is not possible to drive the price for a particular good based on export prices. Typically, export prices are determined on a case-by-

⁴⁶ Knocking on Tax Haven's Door: Multinational Firms and Transfer Pricing.

case basis. As a result, export prices may vary depending on product, country of destination, volume, market evolutions, etc.

- There is no information on the dependence between the transacting parties, whereby intercompany and third party sales are mixed.
- Customs data is not publicly available. Export prices are confidential and they are unknown to the Tax authorities. There are no databases or lists available that contain export prices.
- Custom prices may be composed of different elements (e.g. cost, overhead cost and profit margin) and / or situated at different stages of the supply chain.
- There appears generally to be little interaction between customs and direct tax administrations.

Any of the first three reasons seems compelling enough to reject customs prices as potential external CUPs. It seems that only more stringent rules on customs filing allowing broader identification of the transactions would allow considering using the latter as possible external CUPs for TP purposes. But still, given the possible multitude of goods and services being transacted, and the variety of differences in economic set-up, a universal comparison of intercompany prices to third party customs prices is illusory.

It may also not be realistic to have databases with export prices, which would create a significant additional burden on the administration of these prices.

The survey also verified whether practitioners have witnessed the use of any other intra-firm data. It was not possible to identify any other source of intra-firm data that has been used from transfer pricing purposes in any of the Member States surveyed.

Data may be available at macro level, but the practitioners indicated that they have not seen data being retrieved at micro-level within a firm that was used for transfer pricing.

2.3. #7: Quality testing of the databases

Scope

For each of the 28 Member States, the assessment and analysis of the quality of the external databases that can be used for obtaining external CUPs has been tested.

Summary

There are several databases that are widely used by most practitioners. They are generally large and include market transactions on loans and IP. These databases are regularly updated and are generally publicly accessible for a subscription fee. Even though most practitioners use the databases and most Tax authorities accept their use, there appears to be room for improvement, as some databases do not have the option of performing sufficient screening tests, like the independence test.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey and a comparison of the description of the databases.

Analysis

A local database typically contains data related to one particular Member State. The local databases could cover a particular industry, or could cover all companies filing annual accounts in a particular Member States.

The analysis of the different databases suggests that several local external CUP databases are available that are regularly updated. Some databases are updated on a daily basis, others on a monthly or less frequent basis. All the databases are publicly available, some are freely accessible, and other require a subscription fee. The analysis of the input received during the survey suggests the local databases are generally a helpful complement of data for specific situations (e.g. to determine the pricing of a particular transaction in one specific country, the considered transaction appears to have comparables in the database) rather than systematically obvious sources of information for the following reasons:

- Disparate availability across the different Member States. Often, local databases will only collect data from one particular Member State.
- Limitation in breadth and depth of transactional data. Not all industry sectors may be covered in the database. The database may for example only provide an overview of data related to a particular industry within one Member State.
- Lack of independence screen. Some databases do not provide independence data, and the screening for independence is not possible within the tool.
- At times, costly, especially if the taxpayer must consider multiple country database searches to support consistent pricing. If a taxpayer performs similar transactions in different Member States, then the use of different local databases is needed to justify the arm's length nature of the pricing in the various member States.
- At times, limited in geographical scope. Local databases often collect data related to one particular Member State. This would imply that a taxpayer needs to perform a similar analysis in different local databases to cover comparable activities performed in different Member States.

Following the analysis of the various databases available, it seems that only a systematic obligation to consistently file information within the EU could allow wider usability of local databases for external CUPs. The systematic obligation to file data remains a primary source of information to populate the databases, such as in RoyaltySource and RoyaltyStat cases. The main questions that arise then relate to the possible additional compliance burden for companies and, possibly, the request to file data considered confidential until then. The content of intercompany agreements may then become available to direct competitors.

The survey suggests most frequent use of RoyaltyStat, Bloomberg, and LoanConnector databases to perform external CUP searches. Based on the frequency of use, these databases seem to be considered by practitioners as the most reliable source of information in most Member States. General quality testing of databases such as Bloomberg and LoanConnector are difficult due to the variety of information available. However, the prevalent use of Bloomberg and LoanConnector data, for purposes other than transfer pricing should be a clear indication of the reliability of the information provided by both databases.

If local databases are used, the main reason seems to be that they are free of charge and therefore more accessible. Of course, this assumes that the local database is structured in such a way that sufficient data is (regularly) available to represent the tested industry or sector.

3. Internal data under TNMM (#8 – #9)

Key findings for #8 and #9

Identifying relevant data on internal comparables under TNMM or other profit-based methods appears unusual throughout the 28 Member States, supposedly due to serious limitations in obtaining reliable data.

No legal bases or case law appears to be available to provide additional guidance on how to access data in any of the Member States. In theory, however, some cases can be considered in which internal comparable data under TNMM could be used.

3.1. #8: Use and availability

Scope

For the 28 Member States, the use of internal comparable data under the Transactional Net Margin Method ('TNMM') has been assessed, across the different Member States.

Summary

Surveyed practitioners confirmed that internal comparables under TNMM or other profit based methods are seldom used due to the difficulty of assessing the 'net margin' at transaction level; subjectivity in segmenting accounts; or differences in fact patterns between intragroup, third party functions, and risk allocations. However, it cannot be excluded that internal comparable data under TNMM is helpful, in certain circumstances, to support another method.

Cases considered in which an internal comparable data under TNMM could be used are:

- Production entities selling to dependent and independent entities.
- Selling entities buying from dependent and independent entities.
- Case of a joint venture (either manufacturer or distributor).

There appears to be no legal bases or case law available to provide additional guidance in any of the Member States.

Methodology

Data was collected by means of a survey including questions aiming to identify field experience by practitioners, verification of existing legislation or guidelines, and whether there was any case law available related to the use of the internal comparable data under TNMM. The survey was followed by one or several telephone calls / emails with the local Member States in case additional clarification was needed following analysis of the initial input received during the survey. A copy of the full survey questionnaire is included in appendix 2. A didactical example has been prepared.

Analysis

Definition of the TNMM

According to paragraph 2.58 of the OECD TPG, the TNMM examines the net profit relative to an appropriate base (e.g. costs, sales, assets) that a taxpayer realises from a controlled transaction (or transactions that are appropriate to aggregate) under the principles of paragraphs 3.9-3.12 of the TPG.

The TNMM operates in a manner similar to other transfer pricing methods like the cost plus and resale price methods. This means, in the case of internal comparable data under TNMM, that the net profit margin earned by the taxpayer from the controlled transaction should be established by reference to the net profit margin that the same taxpayer earns on comparable uncontrolled transactions.

Development – theoretical framework

As the data collected during the survey was rather limited, different cases have been developed to illustrate what data is needed for the application of the internal comparable data under TNMM. The cases represent classical situations where both a manufacturing activity and a distribution activity are considered:

Figure 1: Case 1 – A group manufacturer would produce and sell to both related and unrelated parties

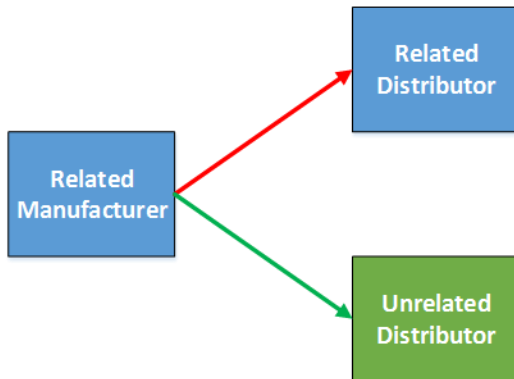


Figure 2: Case 2 – A group distributor would distribute goods purchased from both related and unrelated manufacturers

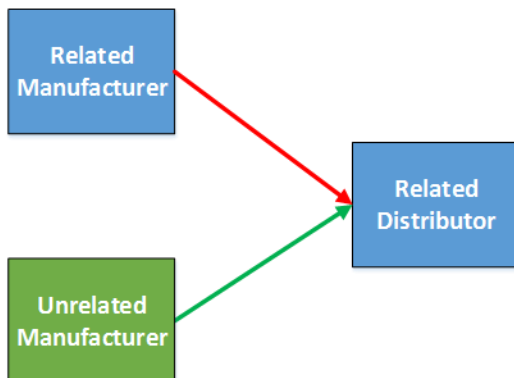


Figure 3: Case 3 – The manufacturer is a joint venture

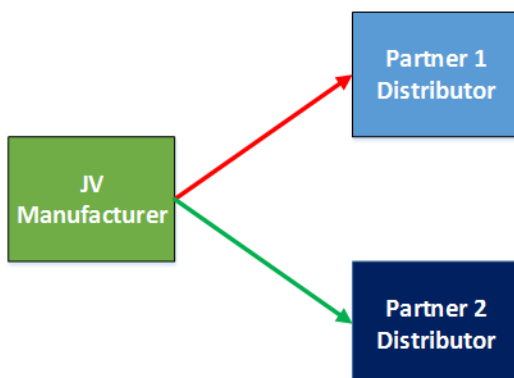
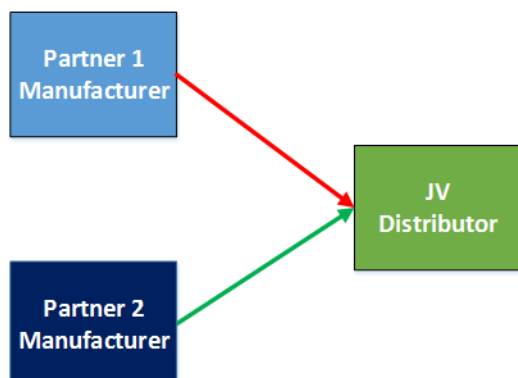


Figure 4: Case 4 – The distributor is a joint venture



Case 1.

With reference to the internal comparable data under TNMM definition above, under Case 1, the Related Manufacturer should, theoretically be capable of comparing the net profit earned on its sales of goods to the Related Distributor to the net profit earned on its sale of goods to the Unrelated Distributor. The limitations to obtain reliable comparable data are:

- Goods (in case of goods transactions): there needs to be some difference between the goods traded (otherwise the internal data could be considered to qualify for the application of the CUP method).
- Related Manufacturer accounts have to be segmented to allow observation of bottom-line profitability by product (group) and transaction category, implying the use of assumptions in allocating expenses.
- Fact patterns have to be similar between intragroup and third party functions and risk allocations (group tends to organise their operations differently when dealing with other group companies or independent parties, whereby it is more likely that functions are centralised in a group context, impacting the profitability).
- Fact pattern needs to suggest the Related Manufacturer has the 'leanest' profile, the one assuming less strategic functions and bearing rather limited risks, on both transactions, as it is then indeed its (net) profitability that will be tested.

Alternatively, still under Case 1, the Related Manufacturer should theoretically be capable of comparing the net profits its Related Distributor earns to the net profit its Unrelated Distributor earns to assess if the price applied on the related transaction is arm's length. The limitations here to obtain reliable comparable data are:

- Goods (in case of goods transactions): there needs to be some difference between the goods traded.
- Related Manufacturer must have access to the relevant profitability of the Unrelated Distributor – the one realised on the goods the former sold to the latter.
- Fact patterns have to be similar between intragroup and third party functions and risk allocations.
- Fact pattern needs to suggest the Distributors have (both) the 'leanest' profile, the one assuming less strategic functions and bearing rather limited risks, on both transactions, as it is then indeed its (net) profitability that will be tested.

Case 2.

With reference to the internal comparable data under TNMM definition above, under Case 2, the Related Distributor should theoretically be capable of comparing the net profit earned on its sales of goods purchased from the Related Manufacturer to the net profit earned on its sale of goods purchased from the Unrelated Manufacturer. The limitations to obtain reliable comparable data are:

- Goods (in case of goods transactions) need to be, simply expressed, different.
- Related Distributor accounts have to be segmented to allow observation of bottom-line profitability by product (group).
- Fact patterns have to be similar between intragroup and third party functions and risk allocations.
- Fact pattern needs to suggest the Distributor has the 'leanest' profile, the one assuming less strategic functions and bearing rather limited risks, on both transactions, as it is then indeed its (net) profitability that will be tested.

Alternatively, still under Case 2, the Related Distributor should theoretically be capable of comparing the net profit its Related Manufacturers earned to the net profit its Unrelated Manufacturer earned to assess if the price applied on the related transaction is arm's length. The limitations here to obtain reliable comparable data are:

- Goods (in case of goods transactions): there needs to be some difference between the goods traded.
- Related Distributor must have access to the relevant profitability of the Unrelated Manufacturer – the one realised on the goods the former purchased from the latter.
- Fact patterns have to be similar between intragroup and third party functions and risk allocations.
- Fact pattern needs to suggest the Manufacturers have the 'leanest' profile.

Cases 3 & 4.

Assumptions, for application of the internal comparable data under TNMM, in the illustrations below:

- The JV will have to be the tested party as its (net) profit will be assessed on the sales of goods to each Partners.
- The JV will earn identical (net) profit / margins on its sales to either Partner.

At first sight, obtaining same profit when selling to unrelated parties suggests arm's length prices. However, in the case where both JV Partners have equal financial (e.g. 50/50 equity stakes) and industrial (e.g. buy 50/50 from or sell 50/50 to the JV) relative interests, they may be indifferent between:

- Having the JV selling expensively to the two Partners and distributing thereafter high dividends
- Or
- Having the JV selling cheaply to the two Partners and distributing thereafter low dividends

Indeed, aside from possible corporate tax or withholding tax considerations, both Partners may very well each end-up in the two situations with the same amount of money / profit in their hands, whilst different (set of) prices have been applied.

In such a situation, questions can then theoretically be raised on the arm's length character of the prices actually applied.

But, whenever the financial and industrial interests diverge, one can expect that theoretically the transfer prices will converge to market values to mitigate conflictual interests. Then, reliable internal comparable data under TNMM should be available, although still subject to the same limitations expressed above.

Hence, from a theoretical point of view, many limitations exist that suggest the availability of internal comparable data under TNMM may be rather infrequent.

Development –survey

Internal comparable data under TNMM does not appear to have been widely used by practitioners for transfer pricing purposes across Member States. Supposedly because of the difficulty to access reliable internal comparable data under TNMM, all practitioners who expressed an opinion, based on their regulatory framework or field experience, mention that internal comparable data under TNMM cases must be solidly supported. This amounts to preparing documentation as would be the case under any other approach. However, we have noted no specific aversion to using internal comparable data under TNMM.

The practitioners highlighted experience with one case in the agro industry where products were slightly different and the analysis of the underlying profitability was used as a basis. There is one other case related to a JV, and one related to IT services. The survey also identified one Member State's practitioner who would occasionally use internal comparable data under TNMM as a second method.

Development – conclusion

In conclusion, we note that some technical limitations are likely to prevent obtaining regularly and smoothly internal comparable data under TNMM. The limitations are:

- Need for segmented account to assess (net) profit when the tested party is party to the related and the unrelated transaction.
- Need to access the (net) transactional profitability of the unrelated party when the tested party is party to the related transaction only.
- The set of transactions must be in different goods / services to impede the use of of the CUP method.
- Fact pattern must support the use of TNMM on the correct party and further allow comparability to the unrelated party.

That is further confirmed in the survey by the rare use of internal comparable data under TNMM by practitioners.

3.2. #9: Examples & cases

Scope

For each of the 28 Member States, examples and cases should be provided on the use of internal comparable data under TNMM to derive profit margins deemed to be arm's length for transfer pricing purposes.

Summary

There does not appear to be any case law and very limited experiences available where the internal comparable data under TNMM has been used, except for one old case in Poland. If the use of internal comparable data under TNMM can be found in theory, as mentioned above, there appears to be very little experience with the use of this approach in practice. However, we note that not a single Member State's practitioner has seen a systematic rejection of internal comparable data under the TNMM method. Only Denmark mentioned a case where internal comparable data under TNMM would have been rejected by the Tax authorities due to a lack of comparability.

Methodology

Data was collected by means of a survey including questions addressing the availability of legislation or guidelines related to the use of internal comparable data under TNMM. The survey also verified the existence of case law. The data collection during the survey was followed by one or several telephone calls / emails with the local Member State practitioners in case additional clarification was needed following analysis of the initial input received during the survey. A copy of the full survey questionnaire is included in appendix 2.

Analysis

In theory, internal comparable data under TNMM would be available in Case 1 and 2 above. Further, it may theoretically be possible to apply this approach in joint venture situations as described in cases 3 and 4 above. However, there seems to be very little experience with the use of this approach, and the general acceptability with the local Tax authorities has hence not really been broadly tested to date. If it is not for one old exception related to Poland and an ongoing case in Denmark, there appears not to be any case law on internal comparable data under TNMM for any of the Member States.

Only one Member State (Denmark) mentioned a case about consumer goods where the use of internal comparable data under TNMM had been rejected by the Tax authorities by lack of comparability rather than for the approach itself. This case is still pending final decision by the Danish court. No other Member States are aware of any case where the use of internal comparable data under TNMM would have been rejected by Tax authorities.

4. External data under TNMM: #10 – #31

Key findings for #10, #11, #12, #13

The study suggests that the current level of data availability, accessibility, and reliability is generally sufficient and satisfactory to conduct comparable studies under the external profit-based method (TNMM). That level of general availability allows then selecting, testing, and adjusting data on various items, where needed.

In general, the use of local databases versus Amadeus or Orbis is not expected to have a material impact on the search result. Further, it is noted that the availability of data has consistently increased since 2010.

There are generally many data points available across EU Member States that should allow for consistent application of the TNMM throughout the EU and to screen the data with multiple comparability criteria.

Almost all the Member States report financials in a consistent way for the three sectors reviewed (Pharmaceutical and Healthcare, Textile and Transport and Logistics).

4.1. #10: Recent data availability

Scope

An overview is provided of the data availability for each Member State within the whole EU-28 region, using the most prevalent databases and covering specific financial information. The analysis provides an overview of qualitative and quantitative data available by Member State for each year between 2011 and 2014.

Summary

Under #10, the search processes and databases reviewed are discussed. The qualitative and quantitative information retrieved in each database is also reviewed.

The table below provides an overview of the relative availability of data (companies with more than EUR 5 million in sales), across the Member States.

Table 13: Categorisation cumulative data available in Member States for FY 2013⁴⁷

Total availability of data	Data available in Member States with cumulative reporting of independence, turnover and operating profit data for 2013
40 000 - 65 000	France, Italy, UK
20 000 - 40 000	Germany, Spain
10 000 - 20 000	Belgium, Poland, Sweden
5 000 - 10 000	Austria, Czech Republic, Finland, Portugal, Romania, the Netherlands
2 000 - 5 000	Bulgaria, Denmark, Greece, Ireland, Slovakia, Slovenia
0 - 2 000	Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Luxembourg, Malta

It is noted that the availability of data, expressed in number of companies, in some Member States is quite limited. This makes a reliable application of the TNMM based on a search within a Member State impractical and unreliable. After application of a few search screenings, the likelihood to obtain sufficiently close comparables is, technically, very limited. However, across the EU there are plenty of data points available to ensure the reliable application of the TNMM.

For the overview of data availability, reference can be made to Appendix 3. The conclusions of our findings are provided in #13.

Methodology:

The analysis is based on the answers from the EU-28 Member States in the survey. The responses of the survey were used to identify the databases most commonly used in each of the EU-28 Member States.

Further, the data availability in the following databases is analysed in greater detail: Amadeus, Orbis, Bel-First, Diane, Dafne, Fame, Aida, Reach, and Sabi through desk research.

The counting of the available data included detailed testing of quantitative and qualitative fields (typically, profit & loss accounts data) reported in the database. The counting should inform on the availability – or lack of availability – of comparable data

⁴⁷ For this overview table, the year 2013 has been used as it is believed to be fairly representative of the most recent state of play (we noted that not all 2014 data had been released at the time of the analysis). The rest of the analysis covered the years 2011 – 2014.

under TNMM, by Member States. Given the large amount of data fields tested, the counting was done on a field-by-field basis, individually.

Further, counting of companies presenting cumulatively specified data fields has been performed. Only the cumulative availability of limited number of data fields – those most typically used under the TNMM – has been performed to allow ending up with meaningful, interpretable 'final' sets' data. For the analysis, FY 2013 has been used as a reference.

Analysis

General considerations

The majority of the Member States use the Amadeus database from Bureau van Dijk as a primary source to retrieve financial information on potential comparables. A few Member States use Orbis, which incorporates Amadeus information plus financial data from other non-European countries, as a primary source. The main reason for the use of these databases is that they are typically used by both the industry and the Tax authorities, which provides a common platform to perform any analysis. The information usable for TP purpose on EU companies within Orbis is understood to be closely similar to that in Amadeus for companies other than financial services providers. Orbis would include also information on companies located outside Europe.

A small number of Member States also make use of the local databases provided by Bureau van Dijk. For the (few) Member States where a local database is used, it is observed that it can be for a variety of reasons. Mainly: number of reference points, detail of information, local market practice, and a lower subscription fee. Also, outdated / different Nace-codes or (possibly) slower update of financial information in regional databases prompt some Member States to also refer to local databases.

There have been quite a few discussions about the generally high level of price paid for access to databases in general, questions raised chiefly by the practitioners from the Eastern Europe Member States. All the practitioners mentioned that a local database was used also accept / use regional databases.

Local databases other than those of Bureau van Dijk may be available, but they generally lack detailed screening capabilities. A typical example of such local databases consists of the repository of corporate financials. The majority of the Member States surveyed have such a registry available. Almost all Member States make the information available free of charge, while a few Member States ask a fee to access the information. Practitioners in all Member States surveyed indicated that the repository of corporate financials is only searchable on the basis of company name or a registration number. Additional screening capabilities are needed to make such repository a useful tool for transfer pricing purposes.

In some Member States, practitioners proceed as follows to identify comparable companies, rather than performing 'traditional' data base screening on the basis of qualitative and quantitative criteria:

- They try to identify competitors based on industry reports.
- The financials of the competitors are then retrieved from the local repository
- The financials are analysed and typical selection criteria – like independence test – are then assessed.

That process, however, remains quite manual and burdensome and is subject to the availability of a competitors' list in the first place.

Most Member States have financial reporting filing requirements in place. The availability of data appears to increase when non-compliance leads to moderate penalties or increased liability of the administrators of a company.

Nevertheless, some practitioners complain about the lack of availability of local ('screenable') databases or of more choice in regional databases. Some Member States also praise the fact that databases are available in a disk format that, in principle, should allow to re-do the same search later in time, if ever necessary.

Database review

The availability of qualitative and quantitative data in sufficient number is paramount for the execution of a sufficiently reliable TNMM search. Therefore, Bureau Van Dijk databases have been reviewed and data available in selected data fields have been counted.

To allow for sufficient exhaustiveness, a (long) list of data fields has been used. That standard list, which has been used for the counting in all the surveyed databases, indeed contains numerous items, quantitative and qualitative which allow performing comparability screenings on multiple aspects, while assessing comparability and measuring profitability in a number of different ways.

In the subsequent paragraphs, the type of data available by database has been surveyed. Systematically, only data of companies having sales over EUR 5 million in at least one of the surveyed years (2011, 2012, 2013 and 2014) have been selected.

As data fields may be named differently in different databases, the standard list of data items has been prepared (left column), defined (central column) and their identification in the surveyed database retrieved (right column), when the data is actually available.

Then, for all data fields reviewed and the Member States considered, the amount of data has been determined. To do the counting, the fields showing a figure have been reported. The "N.a." and blank fields have been excluded. For the independence test, the "-" and "unknown" fields have been excluded, which means these data fields are considered as not reported.⁴⁸ For the operating assets and total liabilities, data were excluded when one component of the formula was missing.

⁴⁸ In order to assist users in identifying independent companies, BvD has created an Independence Indicator to characterise the degree of independence of a company with regard to its shareholders. The BvD Independence Indicators are noted as A, B, C, D and U.

Indicator A

Attributed to any company with known recorded shareholders none of which has more than 25% of direct or total ownership.

Indicator B

Attributed to any company with a known recorded shareholder none of which with an ownership percentage (direct, total or calculated total) over 50%, but having one or more shareholders with an ownership percentage above 25%.

Indicator C

Attributed to any company with a recorded shareholder with a total or a calculated total ownership over 50%.

Indicator D

Attributed to any company with a recorded shareholder with a direct ownership over 50%.

Data availability per Member State – Cumulative

The table below shows the availability of data in the Amadeus database in absolute terms in 2013, for the companies that reported all of the data fields listed, cumulatively. In chronological order, the availability of the following elements has been tested:

- Independence indicator
- Turnover (Sales)
- Operating profit

The availability of the gross profit data has been measured separately to illustrate the non-consistent reporting of CoGS or material cost in the EU, thus in Amadeus, allowing to compute gross profit only for some Member States.⁴⁹

The overwhelming use, in transfer pricing, of operating profit level in the EU, thus of the TNMM, can however expectedly only partially be attributed to that. Indeed, measuring comparable profit at operating profit level tends generally still to be a (more) solid approach, as the latter is less affected by possible differences in functional intensities than is gross profit.

Some countries are still lacking full reporting for FY 2014, as can be seen in the tables in appendix 3 highlighting the availability of data for the various Member States. Therefore, the analysis of the cumulative availability of data is based on reporting year FY 2013.

Indicator U

Attributed to companies that do not fall into the categories A, B, C or D – Indicating an unknown degree of independence.

⁴⁹ Has discussed further in this report, in some cases, Material Cost can substitute CoGS. Typically, for a distribution activity, where CoGS and Material cost are expected to be close values. That assessment is however the outcome of the interpretation of the analysts, rather the outcome of a common reporting system.

Table 14: Summary table of EU 28 data availability for the independence and profit and loss data in Amadeus database for 2013 in absolute terms

	EU 28	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland
Number of companies	506 209	11 568	14 491	3 994	2 407	369	12 647	4 927	1 904	10 632	87 382	66 776	4 469	6 879	4 756
And independent	435 941 86%	10 803 93%	10 838 75%	3 787 95%	1 878 78%	228 62%	10 133 80%	3 821 78%	1 854 97%	6 223 59%	75 153 86%	61 931 93%	3 890 87%	1 821 26%	4 544 96%
And turnover available	391 220 77%	9 160 79%	10 206 70%	3 651 91%	1 821 76%	93 25%	9 927 78%	3 303 67%	1 734 91%	5 800 55%	68 490 78%	51 589 77%	3 726 83%	1 558 23%	3 791 80%
And operating profit available	351 123 69%	5 335 46%	10 204 70%	3 629 91%	1 821 76%	93 25%	8 009 63%	3 303 67%	1 734 91%	5 618 53%	57 925 66%	29 154 44%	3 726 83%	1 557 23%	3 717 78%

	EU 28	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK
Number of companies	506 209	72 535	2 052	2 491	1 555	829	11 231	21 203	9 426	8 035	4 911	2 239	40 804	23 713	71 984
And independent	435 941 86%	67 739 93%	1 973 96%	2 081 84%	1 381 89%	612 74%	8 567 76%	16 182 76%	8 648 92%	7 875 98%	3 850 78%	2 088 93%	35 746 88%	16 549 70%	65 746 91%
And turnover available	391 220 77%	63 843 88%	1 842 90%	2 063 83%	1 114 72%	307 37%	6 536 58%	14 410 68%	8 195 87%	7 484 93%	3 496 71%	2 005 90%	32 943 81%	15 758 66%	56 375 78%
And operating profit available	351 123 69%	63 843 88%	1 842 90%	1 797 72%	1 114 72%	307 37%	6 526 58%	14 408 68%	8 195 87%	7 484 93%	3 462 70%	2 001 89%	32 928 81%	15 309 65%	56 082 78%

The tables above suggest the following comments:

- From the original number of companies, at EU level, approximately:
 - 86% are deemed independent.
 - 77% are deemed independent and release turnover data.
 - 69% are deemed independent and release turnover and operating profit data.
- The bottom line availability – 69% at EU level – varies quite widely across Member States, from 25% to 89%.
- More generally, some countries release relatively little data to start with – often related to the size of the economic – and the bottom-line quantity is even further decreased after the data availability screenings. That is before any comparability screening is performed.

If we assume that:

- Only 125 Nace-codes are available (approximately one eighth of the 996 EU Nace-code entries, including primary codes) for illustration purposes.
- 3 additional comparability screenings are needed, each eliminating 50% of remaining set – e.g. size, functional intensity, products or services.
- Final set must have 10 comparables.

A reasonable number to start with is $10 / [(1/125) * 50\%^3] = 10,000$ companies. Experience shows, however, that much more are needed, to achieve ultimately sufficient qualitative and quantitative comparability.

In the next table, the Member States have been ranked, from the one delivering the most data points (companies) after the cumulative application of the availability screenings to the one delivering the least data points:

Table 15: Ranking table of EU 28 data availability for the independence and profit and loss data in Amadeus database for 2013 in absolute terms

#	Country	Av. for independence and turnover data and operating profit data for 2013
1	Italy	63 843
2	France	57 925
3	UK	56 082
4	Spain	32 928
5	Germany	29 154
6	Sweden	15 309
7	Poland	14 408
8	Belgium	10 204
9	Portugal	8 195
10	Czech Republic	8 009
11	Romania	7 484
12	The Netherlands	6 526
13	Finland	5 618
14	Austria	5 335
15	Greece	3 726
16	Ireland	3 717
17	Bulgaria	3 629
18	Slovakia	3 462
19	Denmark	3 303
20	Slovenia	2 001
21	Latvia	1 842
22	Croatia	1 821
23	Lithuania	1 797
24	Estonia	1 734
25	Hungary	1 557
26	Luxembourg	1 114
27	Malta	307
28	Cyprus	93

Keeping in mind the basic computation above suggesting a minimum of 10,000 companies to start with, the following categories can be devised:

Table 16: Ranking of Member States based on cumulative data availability of independence, turnover and operating profit for 2013 in absolute terms

Total availability of data	Data available in Member States with cumulative reporting of independence, turnover and operating profit data for 2013
40 000 - 65 000	France, Italy, UK
20 000 - 40 000	Germany, Spain
10 000 - 20 000	Belgium, Poland, Sweden
5 000 - 10 000	Austria, Czech Republic, Finland, Portugal, Romania, the Netherlands
2 000 - 5 000	Bulgaria, Denmark, Greece, Ireland, Slovakia, Slovenia
0 - 2 000	Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Luxembourg, Malta

If the absolute values for this threshold are tentative, the relative positioning is expected to be correct and the bottom-line reality remains that when there are not

sufficient data in a specific market, conducting a TNMM analysis with reasonable reliability is illusory.⁵⁰

More empirically, the survey indicates that the majority of the EU-28 Member States accept the use of pan-European data. Some practitioners from relatively small Member States indicated, however, that local comparables were preferred. Topic 22 further details the use of pan-European searches, and tests the profitability for various industries in different Member States.

Data availability per Member State – Gross profit

The discussion on the availability of CoGS data that is engaged at several other places in this analyses is substantiated in the table below:

Table 17: Summary table of EU 28 data availability for gross profit data in Amadeus database for 2013 in relative terms

	EU 28	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland
Number of companies	506 209	11 568	14 491	3 994	2 407	369	12 647	4 927	1 904	10 632	87 382	66 776	4 469	6 879	4 756
Gross profit	78 586	1	47	0	0	162	54	4 457	501	197	525	1 117	4 215	0	2 803

	EU 28	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK
Number of companies	506 209	72 535	2 052	2 491	1 555	829	11 231	21 203	9 426	8 035	4 911	2 239	40 804	23 713	71 984
Gross profit	78 586	0	1 835	2 065	21	400	4 919	3 483	0	0	64	0	0	3 379	48 341

The table suggests:

- CoGS is not released as such by quite a few companies, across the Member States.
- Gross profit data is generally very scarce, in relative and in absolute values.
- The 'best' outlier is the UK that both delivers both high quantity and quality from that perspective.

As specific counting of data available by data field and by Member States is very extensive, it has been added in Appendix 3. The general conclusions are drawn in #13.

Analysis was performed to map the different data fields available in the databases. A comparison of data fields available was made between the data fields requested by the European Commission and the items reported in the database to ensure the same data field was extracted from the various databases to verify availability. For some data fields reported, additional verification was made based on local financial reports filed to ensure consistency between the data reported and the data field exported from the database.

The next table provides the details of the fields exported.

⁵⁰ Based on quite a few assumptions, a.o. sales are larger than EUR 5 million, 'only' 125 possible codes, 'only' three subsequent screenings.

Amadeus

Data availability has been assessed in Amadeus update 256 of January 2016;⁵¹ for each individual Member State.

⁵¹ For Belgium, the version of Amadeus from December 2015 has been used.

Table 18: Detailed steps of the financials selected for analysis in Amadeus

List format		
Term	Definition	Term used in Amadeus Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating revenue (Turnover)
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	P/L for the period
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit – other operating expenses)	Operating P/L
Financial profit	Result from financial activities of the company (financial revenue – financial expenses)	Financial P/L
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary and other P/L
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	Primary NACE codes
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Capital
Net equity	Total equity (capital + other shareholders funds)	Shareholders funds
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Non current liabilities
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets. Only the amount of cash at bank and in hand of the company	Within cash and cash equivalent
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buildings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stocks
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

Orbis

Data availability has been assessed in Orbis update 143 of 21 December 2016, for each individual Member State

Table 19: Detailed steps of the financials selected for analysis in Orbis

List format		
Term	Definition	Term used in Orbis Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating revenue (Turnover)
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	P/L for the period (=Net Income)
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating P/L (=EBIT)
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Financial P/L
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary and other P/L
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev. 2 Primary codes
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Capital
Net equity	Total equity (capital+ other shareholders funds)	Shareholders funds
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Non current liabilities
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the compav	Cash & cash equivalent
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buidlings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stock
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

Bel-first

For Belgium, data availability has been assessed in the Bel First the version of 3 February 2016. For Luxembourg, in the version of 4 May 2016.

Table 20: Detailed steps of the financials selected for analysis in Bel-first

List format		
Term	Definition	Term used in Bel-first Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating income
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	P/L for the period
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating P/L
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Financial P/L
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary P/L
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev. 2 Primary codes
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Capital
Net equity	Total equity (capital+ other shareholders funds)	Shareholders funds
Total liabilities	Total liabilities	Total liabilities
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Non current liabilities
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (2)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the compay	Cash & cash equivalent
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (3)	All tangible assets such as buidlings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stock
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Financial assets were selected in Bel-first instead of other fixed assets.
 (3) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

Diane

For France, data availability has been assessed in the Diane version of 12 January 2016.

Table 21: Detailed steps of the financials selected for analysis in Diane

List format		
Term	Definition	Term used in Diane Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Total operating revenue
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	Profit (loss) for the period
Gross profit	Operating revenue – cost of goods sold (1)	N.a. (2)
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating Profit
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Net Financ. Profit (loss) + sh. Of profit or loss transf. - sh. Of loss or profit transf.
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Net extr. Profit (loss) - employee profit-sharing + part of results put in equivalence + adjustment for provision for acquisition variation - allocation to provision for acquisition variation
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev. 2 Primary codes
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Share capital - uncalled share capital - Cap. Subscribed, called, unpaid: net figure
Net equity	Total equity (capital+ other shareholders funds)	Total shareholders funds + total minority interest + total other equity - uncalled share capital - cap. Subscribed, called, unpaid: net figure
Total liabilities	Total liabilities	N.a. (3)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Total prov. For liab. And ch. + financial debt: due between 2 & 5 years + financial debt: due beyond five years
Short term debt	Loans + creditors + other current liabilities	Financial debt: due within one year + total operating debt and saundry + liab. Conversion adjustments
Total assets	Total assets (fixed assets + current assets)	Total assets: net figure
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (4)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the company	Marketable securities: net figure + cash and banks: net figure
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Total current assets & prepaid exp.: net figure + deferred charges + bond redemption premiums + assets conversion adjustments - cap. Subscribed, called, unpaid: net figure
Immovable assets (5)	All tangible assets such as buidlings, machinery, etc.	Total tangible fixed assets: net figure
Inventories	Total inventories (raw materials + in progress + finished goods)	Total inventories: net figure
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Total intangible fixed assets: net figure
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database.
 (3) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (4) This item was not provided by the database. The formula has been built based on the definition of Operating assets.
 (5) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

Dafne

For Germany, data availability has been assessed in the Dafne version of 13 May 2016.

Table 22: Detailed steps of the financials selected for analysis in Dafne

List format		
Term	Definition	Term used in Dafne Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating revenue
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	Profit/loss for the period
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit - other operating expenses)	Operating profit/loss
Financial profit	Result from financial activities of the company (financial revenue - financial expenses)	Financial profit/loss
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary profit/loss
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	Primary NACE codes
Business description	Complete and exhaustive summary of the activities of a company	Trade description
Share capital	Issued share capital	Capital
Net equity	Total equity (capital + other shareholders funds)	Shareholders funds
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Non current liabilities
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets. Only the amount of cash at bank and in hand of the company	There of Cash and cash equivalent
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buildings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stocks
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Other fixed assets (incl. financial fixed assets) were taken in Dafne for the other fixed assets.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

Fame

For the United Kingdom, data availability has been assessed in the Fame version of 30 January 2016.

Table 23: Detailed steps of the financials selected for analysis in Fame

List format		
Term	Definition	Term used in Fame Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Turnover
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	Profit (Loss) for period - Minority interests
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit + Other operating income pre OP
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating profit
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Total other income & Int received + exceptional items Interest paid
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary items
Date of incorporation	This date indicates in most cases the creation date of the company	Date of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne. Rev.2	NACE Rev.2
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Issued capital
Net equity	Total equity (capital+ other shareholders funds)	Shareholders funds + Minority interests
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Long term liabilities + Balance sheet minorities
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Fixed assets + Current assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the company	Bank & deposits
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buildings, machinery, etc.	Tangible assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stocks & W.I.P
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	N.a. (5)
Account payables	Debts to suppliers and contractors (trade creditors)	Trade creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Other fixed assets were taken in Fame.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.
 (5) This item was not provided by the database. The formula has been built based on the definition of Working capital.

Aida

For Italy, data availability has been assessed in the Aida version of 27 January 2016.

Table 24: Detailed steps of the financials selected for analysis in Aida

List format		
Term	Definition	Term used in Aida Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Total value of production
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	Profit (Loss)
Gross profit	Operating revenue – cost of goods sold (1)	N.a. (2)
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating margin
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Total financial income and charges + total financial assets adjustments
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Total extraordinary revenues and charges
Date of incorporation	This date indicates in most cases the creation date of the company	Year of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev.2
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Capital stock
Net equity	Total equity (capital+ other shareholders funds)	Total shareholders'funds - Total receivables due from shareholders
Total liabilities	Total liabilities	N.a. (3)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Total provisions for risks and charges + severance indemnity reserve + payables due beyond 12 months
Short term debt	Loans + creditors + other current liabilities	Payables due within 12 months + total accrued expenses and deferred income
Total assets	Total assets (fixed assets + current assets)	Total assets - total receivables due from shareholders
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (4)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the company	Total liquid funds
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Total current assets + total accrued income and prepaid expenses
Immovable assets (5)	All tangible assets such as buildings, machinery, etc.	Total tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Total inventories
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Total intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	N.a. (6)
Account payables	Debts to suppliers and contractors (trade creditors)	Due to suppliers

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database.
 (3) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (4) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Total financial fixed assets were taken in Aida instead of other fixed assets.
 (5) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.
 (6) This item was not provided by the database. The formula has been built based on the definition of Working capital.

Reach

For the Netherlands, data availability has been assessed in the Reach version of 3 February 2016.

Table 25: Detailed steps of the financials selected for analysis in Reach

List format		
Term	Definition	Term used in Reach Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating income
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	Net result
Gross profit	Operating revenue – cost of goods sold (1)	Operating income – cost of sales
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit – other operating expenses)	Operating results
Financial profit	Result from financial activities of the company (financial revenue – financial expenses)	Financial results + balance of participations before taxes + balance of other inc./exp.
Extraordinary profit	All extraordinary result not belonging to the ‘ordinary’ activities of the company	Extraordinary results after taxes + balance of participations after taxes
Date of incorporation	This date indicates in most cases the creation date of the company	Year of incorporation
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev.2
Business description	Complete and exhaustive summary of the activities of a company	Full overview
Share capital	Issued share capital	Issued capital
Net equity	Total equity (capital + other shareholders funds)	Shareholders funds + minority interests
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Long term liabilities + equalization account + provisions
Short term debt	Loans + creditors + other current liabilities	Current liabilities + other liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets. Only the amount of cash at bank and in hand of the company	Liquid assets
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buildings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stocks
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors – creditors	N.a. (5)
Account payables	Debts to suppliers and contractors (trade creditors)	Trade creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Financial fixed assets + Other fixed assets were taken in Reach.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.
 (5) This item was not provided by the database. The formula has been built based on the definition of Working capital.

Sabi

For Portugal and Spain, data availability has been assessed in the Sabi version of 12 May 2016.

Table 26: Detailed steps of the financials selected for analysis in Sabi

List format		
Term	Definition	Term used in Sabi Database
Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders	BvD Independence indicator
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating revenue / turnover
Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	P/L for the period
Gross profit	Operating revenue – cost of goods sold (1)	Gross profit
Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating P/L
Financial profit	Result from financial activities of the company (financial revenue-financial expenses)	Financial P/L
Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company	Extraordinary P/L
Date of incorporation	This date indicates in most cases the creation date of the company	Date of establishment
FTE's	Total number of employees included in the company's payroll	Number of employees
Primary NACE codes	Nomenclature statistique des activités économiques dans la Communauté européenne, Rev.2	NACE Rev. 2 Primary code
Business description	Complete and exhaustive summary of the activities of a company	English trade description
Share capital	Issued share capital	Capital
Net equity	Total equity (capital+ other shareholders funds)	Shareholders funds
Total liabilities	Total liabilities	N.a. (2)
Long term debt	Long term liabilities of the company (long term financial debts + other long term liabilities and provisions)	Long term debts
Short term debt	Loans + creditors + other current liabilities	Current liabilities
Total assets	Total assets (fixed assets + current assets)	Total assets
Operating assets	Total assets – Other fixed assets – Short term financing (cash and cash equivalents)	N.a. (3)
Cash & Liquidity	Detail of the other current assets . Only the amount of cash at bank and in hand of the company	Cash & cash equivalent
Current assets	Total amount of current assets (stocks + debtors + other current assets)	Current assets
Immovable assets (4)	All tangible assets such as buildings, machinery, etc.	Tangible fixed assets
Inventories	Total inventories (raw materials + in progress + finished goods)	Stocks
Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect	Intangible fixed assets
Working capital	Indicates how much capital is used by day to day activities = stocks + debtors - creditors	Working capital
Account payables	Debts to suppliers and contractors (trade creditors)	Creditors

(1) Some companies will not report cost of goods sold but material costs.
 (2) This item was not provided by the database. The formula has been built based on long term debt + short term debt.
 (3) This item was not provided by the database. The formula has been built based on the definition of Operating assets. Other fixed assets were taken in Sabi.
 (4) In order to be consistent with the global format approach, tangibles (fixed) assets were selected instead of property, plant & equipment.

4.2. #11: Historic data availability

Scope

Evaluate the evolution in past availability of the same data fields identified in #10, for each Member State, within the whole EU-28 Member States region. The availability has been assessed with the use of the most prevalent databases for the years 2008, 2009, and 2010.

Summary

There has been a steady increase of data availability over the years. This increase in availability does not seem to be necessarily commensurate with the pre-existing volume of data. Some Member States with a relatively large volume of data available experience still a significant growth in availability, while other Member States with little data available experience just a limited growth in availability. Under 'Analysis' below, the table provides an overview of that availability.

For the overview of data availability, reference is made to Appendix 3.

Methodology

Based on the survey, it was possible to determine which databases are used most frequently by local practitioners.

The analysis of the availability of data is based on the following databases: Amadeus, Orbis, Bel-First, Diane, Dafne, Fame, Aida, Reach, and Sabi. These databases are the same as the ones used in #10.

The conclusions of the analysis can be found in #13.

Analysis

Appendix 3 includes an overview on the availability of a number of data fields, as available on the profit & loss accounts, the balance sheet or elsewhere.

Below is a summary overview of the average turnover data available, over the period 2008 to 2010. This allows comparison (cf. #10) of the availability of turnover data, for the period 2011 to 2013.

The rest of our findings are provided in #13.

Table 27: Availability of turnover data for 2008–2010 vs 2011–2013

Profit & Loss							
#	Country	Database	Number of companies	Average turnover			
				2011-2013	2008-2010	Difference	Increase
1	Austria	Amadeus	11 568	9 468	6 649	2 819	42%
2	Belgium	Amadeus	14 491	13 085	11 107	1 978	18%
3	Bulgaria	Amadeus	3 994	3 709	3 282	427	13%
4	Croatia	Amadeus	2 407	2 300	2 159	141	7%
5	Cyprus	Amadeus	369	235	178	57	32%
6	Czech Republic	Amadeus	12 647	11 975	10 067	1 909	19%
7	Denmark	Amadeus	4 927	4 118	1 085	3 032	279%
8	Estonia	Amadeus	1 904	1 766	1 587	179	11%
9	Finland	Amadeus	10 632	8 923	6 949	1 973	28%
10	France	Amadeus	87 382	73 852	66 381	7 471	11%
11	Germany	Amadeus	66 776	54 931	38 106	16 826	44%
12	Greece	Amadeus	4 469	4 210	3 896	315	8%
13	Hungary	Amadeus	6 879	6 377	5 666	711	13%
14	Ireland	Amadeus	4 756	3 877	2 938	939	32%
15	Italy	Amadeus	72 535	68 248	62 692	5 555	9%
16	Latvia	Amadeus	2 052	1 867	1 513	354	23%
17	Lithuania	Amadeus	2 491	2 383	2 162	222	10%
18	Luxembourg	Amadeus	1 555	1 299	1 004	295	29%
19	Malta	Amadeus	829	588	553	35	6%
20	The Netherlands	Amadeus	11 231	8 247	5 957	2 290	38%
21	Poland	Amadeus	21 203	18 873	16 673	2 200	13%
22	Portugal	Amadeus	9 426	8 841	8 096	746	9%
23	Romania	Amadeus	8 035	7 588	6 757	831	12%
24	Slovakia	Amadeus	4 911	4 526	3 745	781	21%
25	Slovenia	Amadeus	2 239	2 136	1 845	291	16%
26	Spain	Amadeus	40 804	37 846	34 732	3 114	9%
27	Sweden	Amadeus	23 713	22 031	19 511	2 520	13%
28	United Kingdom	Amadeus	71 984	58 741	42 685	16 056	38%

The table suggests:

- An overall increase in the availability of data over the years, across the EU.
- That steadily increase is also to be found in Member States releasing a significant amount of data, like France or the UK.
- Some Member States, releasing a limited amount of data, still show modest growth in the availability of data, like Croatia, Greece or Malta.

4.3. #12: Sectoral data availability

Scope

Identify relevant sectors to be tested. To appreciate the possible differences between selected industrial sectors, data availability has been assessed, for each Member State within the whole EU-28 region, in the most prevalent databases for 2011, 2012, 2013, and 2014.

Summary

For the overview of data availability, reference is made to Appendix 4.

A sectoral screening seems often 'unescapable' to allow sufficient comparability. However, its application, as illustrated under #10, has very logically a significant impact on the total volume of data available for further screening. Hence, applying both a sectoral screening and a country screening may, in quite a few cases, leave only a modest volume of comparables available for further comparability screening.

Methodology

The conclusions of the analysis can be found in #13. The assessment of the availability of data per sector is based on data from Amadeus.

Analysis

Selection of sectors

Sectors have been selected from a pre-defined list, when they were represented by a sizeable number of companies and when they were not expected to be closely related to one another. This should allow (1) meaningful counting and (2) diversified conclusions.

The table below provides an overview of the number of companies available per sector at pan-European level within the Amadeus database. The sectors were then organised into low, medium, and high in function of the number of companies available. From each of these categories, one sector has been selected and analysed to verify whether there are differences between the Member States in terms of data availability.

Table 28: Overview of the number of companies per sector in Amadeus

Low # of companies		Medium # of companies		High # of companies	
Sectors	# of companies	Sectors	# of companies	Sectors	# of companies
High Tech	8 997	Textile	14 739	Construction	41 772
Pharmaceutical and healthcare	7 587	Electrical and Electronic	14 651	Transport and logistics	25 624
Banking	6 390	Agrofood	14 190	Automotive	24 315
Aeronautics and Space	3 051	Environment, Energy and	12 941	ICT industry and services	17 990
Maritime Industry	725	Chemicals	9 793		

The sectors selected, believed to provide a good balance between diversity and data availability, are:

- Pharmaceutical and Healthcare.
- Textile.
- Transport and Logistics.

Findings

The conclusions of our findings are provided in #13.

The table above suggests a relatively modest availability of data in some sectors. With reference to the conclusions of # 10, one can rightfully wonder whether the addition of a country screening to 'necessary' independence and sector screenings would often provide a final set of companies which would consist of sufficiently robust comparables.

4.4. #13: Data availability indicators/thresholds

Scope

An overview is provided of the indicators/thresholds characterising the lack or shortage/sufficient availability of data for each Member State and the whole EU-28 Region. Potential explanations and factors influencing the availability of data are also provided. Comments are provided at the level of the EU-28 region, for individual Member States or for selected sectors.

Summary

It is difficult to determine empirically thresholds that would determine whether a level of data availability – typically the number of companies publishing accounts – is sufficient. These thresholds can indeed be dependent of things such as the sector analysed, the operations of the tested entity and the level of comparability demanded. There is one certainty, however, the more companies data are available, the best practitioners can screen on comparability. Furthermore, if a few thousands companies will certainly not allow meaningful screening in many cases, experience has shown that screening can produce meaningful comparables, under TNMM, when a few hundreds of thousands or more companies are available.

From the database analysis, it can be said that there are generally a lot of data points available across EU Member States which should allow for consistent application of the TNMM through the EU, by either referring to:

1. The local market – for largest Member States.
2. The relevant market (see #25-#28) – for all Member States.
3. The EU market (#22) – for all Member States.

Also the portion of companies releasing useful data goes from average (above 60%) to excellent (above 95%), in the different Member States.

Overall, it is believed that further harmonisation of accounting standards and harmonised rules on the mandatory publication of annual accounts, within the EU, would allow further improving the general quality and availability of data for transfer pricing purposes, under TNMM.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey and data from the following databases: Amadeus, Orbis, Bel-First, Diane, Dafne, Fame, Aida, Reach and Sabi. The analysis was made for the EU-28 region, by Member State and by sector.

Analysis

The availability of selected data has been discussed with EU Member States practitioners and reviewed in all databases across Member States.

Qualitative availability

Below have been listed the highlights of the research regarding the availability of general company data, profit & loss data and balance sheet data. While reading this, one must also bear in mind that perfectly streamlined data availability may not possibly exist as annual accounts are filed and their data published at different times,

as two databases compared may have themselves different release dates, whereby one can contain published information that was not available at the time of release of the other. The conclusions when comparing data availability in # 10 – # 11 are:

- Industry codes or trade descriptions: some industry codes do not appear to be reflect the company's activities, companies may be classified under numerous industry codes, some being irrelevant, and n.e.c. (not elsewhere classified) codes that tend to include numerous different industrial activities.
- Independence test: a large group of Member States verify the independence criterion of the final sample through the use of the "OneSource" database, suggesting better quality in that database regarding this specific item. The OneSource database may also be used to verify independence criteria. A uniform approach for all Member States in this respect – independence criteria – could be very helpful to ease the burden on tax administrations and taxpayers.
- CoGS and MC: in some Member States, gross profit would be defined as sales less Material Cost ('MC') in other as Sales less CoGS. MC is generally defined as the cost related to only the materials purchased, while CoGS is generally defined more widely, including for a manufacturer all direct production costs. If the reporting is different, comparing gross profits or operating expenses between companies is more problematic. A comparison of operational intensity can possibly be done by analysing the ratio 'Operating Expenses' / 'Sales' of the comparables.
- Number of companies and general information: Italy, France, and Germany are the Member States reporting the highest number of companies in each of the 3 sectors in scope. The average availability of the general information (i.e. independence test, date of incorporation, business description, and primary NACE codes) is similar for each of the sectors in scope. The general trend is that primary NACE codes and the date of incorporation are always reported. The independence test and business description are slightly less available (around 75% to 85%) which is aligned with the overall sectors of #10 (around 77%).
- Profit and loss data: Overall, the same trend can be observed for the three sectors in scope. Gross profit is only available in a few Member States (around 25% of the companies reported gross profit for the overall period). For these three sectors, Denmark, Greece, and Latvia appear to report gross profit on a consistent basis compared to the other Member States. Half of the Member States are reporting extraordinary results. However, no extraordinary result is available for the three sectors for Cyprus, Denmark, Ireland, Portugal, Spain, and the United Kingdom. Lithuania seems to capture no data for the extraordinary results in the textile industry. Further, less data are available for 2014 compared to the period 2011 – 2013.
- Balance sheet data: When comparing liabilities, almost all the Member States report financials in a consistent way for the three sectors in scope. However, Cyprus and Malta report less financials compared to the other Member States especially for 2014 and 2013 (0% to 50% for Cyprus and 20% to 70% for Malta). The same comment applies for the asset data. In 2014, Germany reported less than 40% of the data of the balance sheet for the three reporting sectors whereas Slovenia reported less than 40% of the data only for the textile industry. For the accounts payable, fewer Member States are reporting data. For the pharmaceutical and healthcare industry, the Netherlands and Romania are reporting less than 70% of the data for the reporting period. For the transport and logistics industry, Cyprus, Germany, Lithuania, the Netherlands and Romania report less than 70% of the data. For the textile industry, Germany, the Netherlands, and Romania report less than 70% of the data.

- **Sectoral data:** For the transport and logistics industry, a few Member States seem to report less data for working capital and the number of employees compared to the other Member States. Indeed, Cyprus, Denmark, Germany, Lithuania, the Netherlands and Romania report less than 70% of working capital. Cyprus, France, Germany, Luxembourg, Malta and Poland report less than 60% of number of employees. For the pharmaceutical and healthcare industry and the textile industry, Germany, the Netherlands and Romania report less than 70% of working capital and Germany and Poland report less than 50% of number of employees. For the reporting period and for the three sectors in scope, Poland reports less than 45% of the number of employees.

Quality of data can generally still be improved at the level of the textual description of the activities of the companies. Also, some financial indicators in the profit and loss data are not consistently available for all Member States, especially at the Cost of Goods Sold ('CoGS') / Material Cost ('MC') level. Further, operating expenses are not uniformly characterised and sufficiently detailed: the absence of separate reporting of R&D and marketing expenses is criticised by quite a few practitioners (see also #24).

Quantitative availability

In more general terms, the use of local databases versus Amadeus or Orbis is not expected to have a material impact on the search result as:

- (1) It is typically the sufficiently large companies – be they still quite small, relative to comparables used in other regions of the world – that are used for TNMM purposes. The availability of the latter's data tends to be similar in local and regional databases.
- (2) The level of granularity in the data available does not vary significantly between local and regional databases (see #10)

Availability thresholds

The number of data points available is, however, critical for performing a comparables search. Indeed the more companies are available, the more screening criteria can be applied allowing then a final selection of better comparables. There is no absolute 'ideal' number of companies needed to do the screening. The more data points are available to start with, the finer the comparability screening can be and, ultimately, the better the selected comparables will be. Hence, if no consideration needs to be given on the relevant market, larger regional databases are preferred. If the relevant market is deemed being a mandatory criterion, possibly for some industries, one may be limited to have to screen on a relatively tiny amount of data, possibly jeopardising the quality of the conclusion of the TNMM, as the comparables selected may lack comparability by different other criteria (e.g. product or service sold, industry, functions performed, size, etc.).

General information

The number of EU companies available in Orbis is slightly higher than in Amadeus. The main reason for the difference is the availability of companies in the financial sector in the Orbis database. There may also be some additional financial details included in Orbis related to IFRS reporting. Overall, the majority of the data are similar, and Amadeus mirrors Orbis, or vice versa.

For the UK, we noticed in Amadeus a significant lower availability of data related to the general information section, the business descriptions, the date of incorporation and the independence test compared to the data available Orbis and Fame.

France and Germany have fewer companies available on the local database than in Amadeus. For Belgium, Ireland, and Portugal the difference between the number of companies available in the local database and Amadeus is negligible. The local database has slightly more companies available for Italy, the Netherlands, Spain, and the UK. When assessing the total number of companies available in each Member State, it may not create a material impact whether local databases, Amadeus or Orbis are used as a source.

The average availability of business descriptions hovers around 70 to 80 percent. Ideally, the availability of the business descriptions should increase to ensure data are available for the majority of the companies in the database. Some local databases seem to have a higher number of business descriptions available than in Amadeus / Orbis. On the contrary, Sabi appears to have fewer data available for Portugal and Spain.

It would be helpful that the business description includes the date of last update. The same comment applies to industry codes and trade descriptions, which do not seem to reflect systematically the latest activities.

The availability of full time equivalent ('FTE') data varies more between the Member States, where Germany and France report far less data compared to other financial indicators available. Other Member States report FTE data in volumes similar to other financials.

Profit and loss data

Gross profit data are only available in a few Member States. Gross profit can be obtained by deducting from sales either MC (strictly speaking, only the purchases) or CoGS (MC and, typically, direct production costs). Some Member States release the CoGS, other the MC, yet other nothing at all. It would be useful if CoGS / MC, Gross Profit, and other operating expenses were determined and reported in the various Member States in a similar way. This would allow the use of different PLIs and improve the quality of the comparability analysis by the application of meaningful diagnostic ratios, on a more consistent basis.

Operating profit is reported for a similar number of companies in the Amadeus and Orbis database. When assessing the relative figures, there is a slightly lower reporting availability in Orbis.

When assessing the availability of data in the period 2008 – 2010, we note a steep decline in some Member States in the availability of the turnover data and other financial indicators when comparing data availability in 2008 with 2010. We observe for some Member States a significant increase in data (then possibly companies' accounts), especially in the UK and Germany. The comments related to the period 2011 –2014 are generally applicable for the period 2008 – 2010.

Balance sheet data

Some local databases seem to have little information available regarding net equity, total liabilities, long-term debt, and short-term debt. This is the case for France (Diane) and the Netherlands (Reach). Spain (Sabi) also has fewer data available on

long-term debt and total liabilities. The other Member States seem to have similar volume of data reported when comparing Amadeus with local databases.

Almost all Member States have slightly more data reported in Orbis compared to Amadeus. The total number of companies available in the 28 Member States is 506,000 in Amadeus compared to 541,000 in Orbis. This is a 9% difference on the total number of companies. As discussed before, this may be related to additional financial information (IFRS) in Orbis for companies already available in Amadeus or the financial sector companies included in Orbis.

The Member States with the largest difference is Germany where we noticed an increase in number of companies and data on all reporting lines with more than 10,000 companies, while the financial info available increases for most items by about 6,000 on a total of 60,000 companies reported in Orbis. For most Member States, the difference between the number of companies available on both databases does not seem to be material.

The apparent lack of data in France to determine the operating assets, fixed assets, inventory, and intangibles on the local Diane database is simply caused by a different classification on the charter of account, as Diane provides more detailed information compared to Amadeus and Orbis. Contrary to the availability of detailed information in France, we noticed that the number of companies included in Amadeus and Orbis for France is significantly higher compared to Diane. For the other Member States where a local database is available, the number of companies was better aligned between the various data sources, which suggests that the use of a local database or Amadeus / Orbis should not materially impact the search result.

Illustration – absolute terms

The table below shows, for the Amadeus database, the availability of data in absolute terms for the turnover, net profit, and independence tests for the period 2011 – 2014 (companies with sales over EUR 5 million).

Table 29: Availability of data in absolute terms for the turnover, net profit, and independence test for the period 2011 – 2014

#	Country	Number of companies	Turnover				Net profit				Independence test
			2014	2013	2012	2011	2014	2013	2012	2011	
1	Austria	11 568	7 866	9 741	9 481	9 183	4 431	5 853	5 858	5 651	10 558
2	Belgium	14 491	13 243	13 479	13 165	12 611	13 325	13 826	13 789	13 615	10 302
3	Bulgaria	3 994	3 824	3 844	3 700	3 584	3 789	3 801	3 697	3 524	3 715
4	Croatia	2 407	2 269	2 336	2 324	2 239	2 269	2 336	2 324	2 239	1 776
5	Cyprus	369	35	161	247	296	35	162	247	296	226
6	Czech Republic	12 647	7 293	12 424	12 164	11 338	7 293	9 570	10 148	10 259	9 614
7	Denmark	4 927	4 273	4 224	4 145	3 984	4 741	4 674	4 535	4 348	3 585
8	Estonia	1 904	1 723	1 783	1 771	1 743	1 737	1 796	1 788	1 762	1 782
9	Finland	10 632	9 576	9 652	9 309	7 807	8 063	8 271	8 147	7 844	5 810
10	France	87 382	71 701	75 152	75 994	70 410	58 711	66 205	68 921	68 504	66 314
11	Germany	66 776	21 781	55 301	56 247	53 246	8 210	31 944	32 950	31 847	61 088
12	Greece	4 469	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 889
13	Hungary	6 879	6 219	6 465	6 480	6 187	6 219	6 491	6 531	6 269	1 308
14	Ireland	4 756	3 434	3 994	3 908	3 728	3 258	3 770	3 693	3 577	4 300
15	Italy	72 535	63 562	68 292	68 606	67 845	63 562	68 292	68 606	67 851	62 419
16	Latvia	2 052	1 848	1 917	1 880	1 803	1 848	1 917	1 880	1 803	1 845
17	Lithuania	2 491	1 793	2 461	2 352	2 337	1 703	2 059	2 049	2 135	1 925
18	Luxembourg	1 555	872	1 253	1 339	1 305	874	1 254	1 342	1 306	1 340
19	Malta	829	105	400	628	737	105	400	628	737	555
20	The Netherlands	11 231	6 381	8 528	8 411	7 801	7 120	9 641	9 660	8 987	8 047
21	Poland	21 203	14 134	18 768	19 185	18 667	14 134	18 785	19 226	18 739	16 106
22	Portugal	9 426	8 327	8 860	8 891	8 773	8 378	8 928	8 955	8 866	8 475
23	Romania	8 035	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 446
24	Slovakia	4 911	4 265	4 509	4 609	4 460	4 265	4 324	4 396	4 292	3 769
25	Slovenia	2 239	1 246	2 144	2 148	2 115	1 244	2 146	2 160	2 123	2 042
26	Spain	40 804	30 550	37 417	38 250	37 871	30 562	37 487	38 379	38 095	33 940
27	Sweden	23 713	21 918	22 392	22 231	21 469	20 972	21 453	21 331	20 597	15 555
28	United Kingdom	71 984	59 053	61 823	59 326	55 074	58 970	61 761	59 375	55 288	35 557

It is observed that:

- All data: some Member States release very few data points. At first glance, it would usually be a reflection of the size of the economy (e.g. Malta, Cyprus). The largest economies, expectedly release significantly more data points (France, Germany, Italy, Spain, the UK).

Illustration – relative terms

The table below shows the availability of data for the Amadeus database in relative terms for the turnover, net profit, and independence test for the period 2011 – 2014 (companies with sales over EUR 5 million).

Table 30: Availability of data in relative terms for the turnover, net profit, and independence test for the period 2011 – 2014

#	Country	Turnover				Net profit				Independence test
		2014	2013	2012	2011	2014	2013	2012	2011	
1	Austria	68%	84%	82%	79%	38%	51%	51%	49%	91%
2	Belgium	91%	93%	91%	87%	92%	95%	95%	94%	71%
3	Bulgaria	96%	96%	93%	90%	95%	95%	93%	88%	93%
4	Croatia	94%	97%	97%	93%	94%	97%	97%	93%	74%
5	Cyprus	9%	44%	67%	80%	9%	44%	67%	80%	61%
6	Czech Republic	58%	98%	96%	90%	58%	76%	80%	81%	76%
7	Denmark	87%	86%	84%	81%	96%	95%	92%	88%	73%
8	Estonia	90%	94%	93%	92%	91%	94%	94%	93%	94%
9	Finland	90%	91%	88%	73%	76%	78%	77%	74%	55%
10	France	82%	86%	87%	81%	67%	76%	79%	78%	76%
11	Germany	33%	83%	84%	80%	12%	48%	49%	48%	91%
12	Greece	88%	94%	95%	93%	88%	94%	95%	93%	87%
13	Hungary	90%	94%	94%	90%	90%	94%	95%	91%	19%
14	Ireland	72%	84%	82%	78%	69%	79%	78%	75%	90%
15	Italy	88%	94%	95%	94%	88%	94%	95%	94%	86%
16	Latvia	90%	93%	92%	88%	90%	93%	92%	88%	90%
17	Lithuania	72%	99%	94%	94%	68%	83%	82%	86%	77%
18	Luxembourg	56%	81%	86%	84%	56%	81%	86%	84%	86%
19	Malta	13%	48%	76%	89%	13%	48%	76%	89%	67%
20	The Netherlands	57%	76%	75%	69%	63%	86%	86%	80%	72%
21	Poland	67%	89%	90%	88%	67%	89%	91%	88%	76%
22	Portugal	88%	94%	94%	93%	89%	95%	95%	94%	90%
23	Romania	94%	95%	95%	93%	94%	95%	95%	93%	93%
24	Slovakia	87%	92%	94%	91%	87%	88%	90%	87%	77%
25	Slovenia	56%	96%	96%	94%	56%	96%	96%	95%	91%
26	Spain	75%	92%	94%	93%	75%	92%	94%	93%	83%
27	Sweden	92%	94%	94%	91%	88%	90%	90%	87%	66%
28	United Kingdom	82%	86%	82%	77%	82%	86%	82%	77%	49%

It is observed that:

- **Turnover data:** for two Member States (Cyprus and Malta), companies reported an average of less than 60% of the data for turnover during the period in scope. Six Member States (Austria, Czech Republic, Germany, Ireland, Luxembourg and the Netherlands) reported on average between 60% and 80% of data for turnover. The remaining Member States of EU-28 reported an average of more than 80% of data for turnover.
- **Net profit data:** for four Member States (Austria, Cyprus, Germany and Malta), companies reported an average of less than 60% of data for the net profit during the period in scope. Seven Member States (Czech Republic, Finland, France, Ireland, Lithuania, Luxembourg, and the Netherlands) reported an average between 60% and 80% of data for the net profit. The remaining Member States of the EU-28 reported an average of more than 80% of data for the net profit.
- **Independence indicator:** for four Member States (Cyprus, Finland, Hungary and the UK), companies reported an average of less than 60% of data for the independence test during the period in scope. Eleven Member States (Belgium, Croatia, Czech Republic, Denmark, France, Lithuania, Malta, the Netherlands, Poland, Slovakia,

and Sweden) reported an average between 60% and 80% of data for the independence test. The remaining Member States of the EU-28 reported an average of more than 80% of data for the independence test.

Member States ranking

The tables below show in absolute and relative terms a ranking of the Member States regarding data availability in Amadeus based on the average sales and net profit availability for 2011 – 2013 and the independence test availability.⁵²

Table 31: Ranking of the Member States regarding data availability, based on the average sales and net profit availability for 2011 – 2013 in absolute and relative terms

#	Country	Av. of sales & net profit availability 2011-2013, independence test availability
1	France	70 214
2	Italy	67 416
3	United Kingdom	55 458
4	Germany	46 089
5	Spain	37 348
6	Sweden	20 718
7	Poland	18 497
8	Belgium	12 970
9	Czech Republic	10 788
10	Portugal	8 821
11	The Netherlands	8 725
12	Finland	8 120
13	Austria	8 046
14	Romania	7 568
15	Hungary	5 676
16	Slovakia	4 337
17	Denmark	4 214
18	Greece	4 164
19	Ireland	3 853
20	Bulgaria	3 695
21	Croatia	2 225
22	Lithuania	2 188
23	Slovenia	2 125
24	Latvia	1 864
25	Estonia	1 775
26	Luxembourg	1 306
27	Malta	584
28	Cyprus	234

#	Country	Av. of sales & net profit availability 2011-2013, independence test availability
1	Slovenia	95%
2	Romania	94%
3	Portugal	94%
4	Estonia	93%
5	Greece	93%
6	Italy	93%
7	Bulgaria	93%
8	Croatia	92%
9	Spain	92%
10	Latvia	91%
11	Belgium	90%
12	Slovakia	88%
13	Lithuania	88%
14	Sweden	87%
15	Poland	87%
16	Denmark	86%
17	Czech Republic	85%
18	Luxembourg	84%
19	Hungary	83%
20	Ireland	81%
21	France	80%
22	The Netherlands	78%
23	United Kingdom	77%
24	Finland	76%
25	Malta	70%
26	Austria	70%
27	Germany	69%
28	Cyprus	63%

⁵² 2014 is not included as it is believed not all accounts were published and integrated in the database at the time of the analysis.

Data availability per Member State

The table below shows the availability of data for the Amadeus database in relative terms for the year 2013 for the companies that reported independence indicators and that had a turnover available and an operating profit available and a net profit available and a financial profit available and a gross margin available.

Table 32: Summary table of EU 28 data availability for the independence and profit and loss data in Amadeus database for 2013

	EU 28	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland
Number of companies	506,209	11,568	14,491	3,994	2,407	369	12,647	4,927	1,904	10,632	87,382	66,776	4,469	6,879	4,756
And independent	86%	93%	75%	95%	78%	62%	80%	78%	97%	59%	86%	93%	87%	26%	96%
And turnover available	77%	79%	70%	91%	76%	25%	78%	67%	91%	55%	78%	77%	83%	23%	80%
And operating profit available	69%	46%	70%	91%	76%	25%	63%	67%	91%	53%	66%	44%	83%	23%	78%
And net profit available	69%	46%	70%	91%	76%	25%	63%	67%	91%	53%	66%	42%	83%	23%	72%
And financial profit available	69%	46%	70%	91%	76%	25%	63%	67%	91%	53%	66%	42%	83%	23%	72%
And gross margin available	14%	0%	0%	0%	0%	25%	0%	64%	26%	2%	1%	2%	83%	0%	52%

	EU 28	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK
Number of companies	506,209	72,535	2,052	2,491	1,555	829	11,231	21,203	9,426	8,035	4,911	2,239	40,804	23,713	71,984
And independent	86%	93%	96%	84%	89%	74%	76%	76%	92%	98%	78%	93%	88%	70%	91%
And turnover available	77%	88%	90%	83%	72%	37%	58%	68%	87%	93%	71%	90%	81%	66%	78%
And operating profit available	69%	88%	90%	72%	72%	37%	58%	68%	87%	93%	70%	89%	81%	65%	78%
And net profit available	69%	88%	90%	72%	72%	37%	58%	68%	87%	93%	70%	89%	80%	65%	77%
And financial profit available	69%	88%	90%	72%	72%	37%	58%	68%	87%	93%	70%	89%	80%	64%	77%
And gross margin available	14%	0%	86%	72%	1%	37%	28%	14%	0%	0%	1%	0%	0%	11%	65%

Comparison #13, #15 and #16

Initially, the analysis measured whether a particular data field is sufficiently available in a Member State.

In general, every screening step will result in reducing the set of remaining comparables, while increasing the comparability with the tested party. As a result, when this screening is combined with the application of sector and geographical limitations, there may be quite a number of instances where very few or even no comparables are left in the set. Hence, relaxing sectoral or geographical screenings while maintaining screenings associated to comparability based on functionality, risks

and assets may allow still obtaining a reasonably sizeable and comparable final set. Topic #22 analyses the use of pan-European data for several sectors across Member States.

The tables below show the availability of operating profit data for the Amadeus database in absolute and relative terms for year 2013 after the application of two cumulative screening criteria:

- Start-up companies.
- Loss-making companies.

For further details on loss-making companies and start-up companies, we refer to topics #15 and #16.

Table 33: Comparison #13, #15 and #16 for 2013 in absolute terms

Comparison #13, #15 and #16 for 2013							
#	Country	Total number of companies	Operating profit available	Start-up companies	Loss-making companies	OP & Start-up companies	OP & Start-up companies & loss-making companies
1	Austria	11 568	5 898	593	1 225	5 305	4 080
2	Belgium	14 491	13 878	734	3 003	13 144	10 141
3	Bulgaria	3 994	3 801	558	654	3 243	2 589
4	Croatia	2 407	2 336	35	559	2 301	1 742
5	Cyprus	369	162	16	24	146	122
6	Czech Republic	12 647	9 570	1 120	1 589	8 450	6 861
7	Denmark	4 929	4 673	598	964	4 075	3 111
8	Estonia	1 904	1 796	236	279	1 560	1 281
9	Finland	10 632	8 271	1 150	1 761	7 121	5 360
10	France	87 382	65 724	5 210	14 717	60 514	45 797
11	Germany	66 776	32 844	3 656	5 119	29 188	24 069
12	Greece	4 467	4 215	202	1 021	4 013	2 992
13	Hungary	6 879	6 495	805	1 177	5 690	4 513
14	Ireland	4 756	4 044	989	830	3 055	2 225
15	Italy	72 535	68 292	6 259	13 698	62 033	48 335
16	Latvia	2 052	1 917	324	346	1 593	1 247
17	Lithuania	2 491	2 065	177	319	1 888	1 569
18	Luxembourg	1 555	1 254	154	297	1 100	803
19	Malta	829	400	156	59	244	185
20	The Netherlands	11 231	9 623	1 155	2 285	8 468	6 183
21	Poland	21 203	18 801	1 961	2 894	16 840	13 946
22	Portugal	9 426	8 929	549	1 651	8 380	6 729
23	Romania	8 035	7 623	1 266	1 649	6 357	4 708
24	Slovakia	4 893	4 327	586	821	3 741	2 920
25	Slovenia	2 239	2 146	153	371	1 993	1 622
26	Spain	40 804	37 591	2 224	8 597	35 367	26 770
27	Sweden	23 713	21 444	249	4 361	21 195	16 834
28	United Kingdom	71 984	62 137	10 409	11 937	51 728	39 791

Table 34: Comparison #13, #15 and #16 for 2013 in relative terms

Comparison #13, #15 and #16 for 2013							
#	Country	Total number of companies	Operating profit available	Start-up companies	Loss-making companies	OP & Start-up companies	OP & Start-up companies & loss-making companies
1	Austria	11 568	51%	5%	11%	46%	35%
2	Belgium	14 491	96%	5%	21%	91%	70%
3	Bulgaria	3 994	95%	14%	16%	81%	65%
4	Croatia	2 407	97%	1%	23%	96%	72%
5	Cyprus	369	44%	4%	7%	40%	33%
6	Czech Republic	12 647	76%	9%	13%	67%	54%
7	Denmark	4 929	95%	12%	20%	83%	63%
8	Estonia	1 904	94%	12%	15%	82%	67%
9	Finland	10 632	78%	11%	17%	67%	50%
10	France	87 382	75%	6%	17%	69%	52%
11	Germany	66 776	49%	5%	8%	44%	36%
12	Greece	4 467	94%	5%	23%	90%	67%
13	Hungary	6 879	94%	12%	17%	83%	66%
14	Ireland	4 756	85%	21%	17%	64%	47%
15	Italy	72 535	94%	9%	19%	86%	67%
16	Latvia	2 052	93%	16%	17%	78%	61%
17	Lithuania	2 491	83%	7%	13%	76%	63%
18	Luxembourg	1 555	81%	10%	19%	71%	52%
19	Malta	829	48%	19%	7%	29%	22%
20	The Netherlands	11 231	86%	10%	20%	75%	55%
21	Poland	21 203	89%	9%	14%	79%	66%
22	Portugal	9 426	95%	6%	18%	89%	71%
23	Romania	8 035	95%	16%	21%	79%	59%
24	Slovakia	4 893	88%	12%	17%	76%	60%
25	Slovenia	2 239	96%	7%	17%	89%	72%
26	Spain	40 804	92%	5%	21%	87%	66%
27	Sweden	23 713	90%	1%	18%	89%	71%
28	United Kingdom	71 984	86%	14%	17%	72%	55%

It is observed that:

- After application of the start-up screening criterion on the companies reporting operating profit for 2013⁵³, the availability of data stays rather high, above 70%, except for Austria, Cyprus, Czech Republic, Finland, France, Germany, Ireland and Malta. For the countries reporting data above 70%, the average availability of data is 83%.
- After application of the loss-making companies screening criterion on the companies reporting operating profit for 2013 which were not start-up companies, the availability of data drops significantly. Almost all the Member States have an availability of data below 70%. For these countries reporting data below 70%, the average availability of data is 55%.

The cumulative approach of screening criteria demonstrates the impact on the availability of comparables within a Member State. Once further screening is performed for a particular sector, the amount of comparables drops significantly. If the set of remaining comparables becomes too small, then one may need to relax some applied screening criteria, or alternatively broaden the scope beyond the boundaries of a single Member State. This is further discussed in #22 and #25-28.

The table in topic #25 provides an overview of the Member States accepting a pan-European approach. The restriction to limit the search to a local Member State is based on local practice, but not on hard coded legislation requiring to limit the search to a Member State (unless expected change in legislation for Poland as from 2017).

⁵³ There might exist a small overstating for those start-up companies that have not reported operating profit in 2013. The cumulative criteria has not been applied for determining the number of start-up companies in topic #16. However, the impact of the overstating is rather limited, since most companies reporting a start-up date are also the companies with operating profit reported.

5. External data under TNMM – Quality & quantity (#14 – #18)

Key findings for #15, #16 and #17

Conclusion in terms of **quantity**:

The three controls performed – number of loss-making companies, start-ups, and SMEs – confirm the general good availability of data for TNMM purposes. Indeed, a substantial number of companies report data which allows further screening. When assessing the availability of the individual items tested, there remains generally a fair amount of companies. However, the cumulative application of screening criteria based on loss-making companies (deemed to be subject to other specific economic circumstances) and start-ups (deemed not yet presenting going concern profit) reduces the set before any further detailed qualitative screening is performed. Once additional qualitative screening is applied, there may be a need to consider expanding the region surveyed to access a sufficient number of comparables to perform a meaningful statistical analyses. All MS report a large amount of SMEs, which are typically the pool of companies where comparables will be found in the EU.

Conclusion in terms of **quality**:

Loss-making companies: assessing the number of loss-making companies in a sector or market can be revealing on the nature of that sector or market. A sector or market in deep crisis is likely to show more loss-making companies, whereby questions can arise on the comparability of the sector or market to others, in the application of TNMM.

Start-ups: likewise, assessing the number of start-up companies in a sector or market can be revealing on the nature of the market. Again, that can then be used for comparability assessment purposes under TNMM.

SMEs: the generally large number of SMEs' data available in the different Member States is favourable to the application of the TNMM, as they often allow closer comparability to the tested party in size and functionality.

5.1. #14: Operating profit data

For the most recent 5-year period (2010 – 2014) for which data are available, the available data for operating profit over rolling periods of three consecutive years (2010 – 2012, 2011 – 2013, 2012 – 2014) is provided. The data is analysed for each Member State of the EU-28 region.

Summary

To assess the continuous availability of operating profit (EBIT) data, three different consecutive 3-year periods between 2010 – 2014 have been reviewed. The majority of the Member States have a similar volume of data available over the relevant periods, suggesting a continuous availability of data. Only a few Member States report a small volume of operating profit data. A continuous availability of data is obviously favourable to a reliable application of TNMM as in practice often three years of data are averaged to measure the profit level indicators.

Methodology

The availability of the EBIT over a 3-year period has been assessed for each Member State based on data retrieved from Amadeus.

Analysis

The availability of the operating profit (or Earnings Before Interest and Taxes, or 'EBIT,' which is defined as operating revenues minus operating expenses) has been verified in Amadeus considering its importance for the TNMM.⁵⁴

⁵⁴ For this analysis, 'operating losses' are considered.

In absolute terms: number of companies releasing operating profit data over considered periods:

Table 35: Data availability per Member State for 3 following periods in absolute terms

Data availability per memberstate for 3 following periods						
#	Country	Database	Number of companies	Operating profit		
				2012 - 2014	2011 - 2013	2010-2012
1	Austria	Amadeus	11 568	3 873	5 018	4 930
2	Belgium	Amadeus	14 491	12 780	13 183	13 033
3	Bulgaria	Amadeus	3 994	3 576	3 472	3 084
4	Croatia	Amadeus	2 407	2 200	2 173	2 162
5	Cyprus	Amadeus	369	28	89	121
6	Czech Republic	Amadeus	12 647	6 923	8 969	9 363
7	Denmark	Amadeus	4 929	4 356	4 276	3 591
8	Estonia	Amadeus	1 904	1 651	1 685	1 636
9	Finland	Amadeus	10 632	7 201	7 225	6 900
10	France	Amadeus	87 382	52 963	58 189	59 234
11	Germany	Amadeus	66 776	7 998	28 100	27 748
12	Greece	Amadeus	4 467	3 762	3 953	3 974
13	Hungary	Amadeus	6 879	6 010	5 932	5 809
14	Ireland	Amadeus	4 756	2 969	3 373	3 298
15	Italy	Amadeus	72 535	60 766	64 140	63 562
16	Latvia	Amadeus	2 052	1 722	1 724	1 672
17	Lithuania	Amadeus	2 491	1 572	1 823	1 834
18	Luxembourg	Amadeus	1 555	757	994	981
19	Malta	Amadeus	829	89	336	487
20	The Netherlands	Amadeus	11 231	5 924	7 772	7 617
21	Poland	Amadeus	21 203	12 833	16 400	16 624
22	Portugal	Amadeus	9 426	8 015	8 384	8 404
23	Romania	Amadeus	8 035	7 225	7 130	6 885
24	Slovakia	Amadeus	4 893	4 055	4 041	3 989
25	Slovenia	Amadeus	2 239	1 200	2 012	2 016
26	Spain	Amadeus	40 804	28 675	34 983	35 151
27	Sweden	Amadeus	23 713	19 574	19 856	19 544
28	United Kingdom	Amadeus	71 984	49 317	50 390	48 164

In relative terms: the number of companies releasing operating profit data as a percentage of the total number of companies over considered periods:

Table 36: Data availability per Member State for 3 following periods in relative terms

Data availability per Member State for 3 consecutive periods					
#	Country	Database	Operating profit		
			2012 - 2014	2011 - 2013	2010-2012
1	Austria	Amadeus	33%	43%	43%
2	Belgium	Amadeus	88%	91%	90%
3	Bulgaria	Amadeus	90%	87%	77%
4	Croatia	Amadeus	91%	90%	90%
5	Cyprus	Amadeus	8%	24%	33%
6	Czech Republic	Amadeus	55%	71%	74%
7	Denmark	Amadeus	88%	87%	73%
8	Estonia	Amadeus	87%	88%	86%
9	Finland	Amadeus	68%	68%	65%
10	France	Amadeus	61%	67%	68%
11	Germany	Amadeus	12%	42%	42%
12	Greece	Amadeus	84%	88%	89%
13	Hungary	Amadeus	87%	86%	84%
14	Ireland	Amadeus	62%	71%	69%
15	Italy	Amadeus	84%	88%	88%
16	Latvia	Amadeus	84%	84%	81%
17	Lithuania	Amadeus	63%	73%	74%
18	Luxembourg	Amadeus	49%	64%	63%
19	Malta	Amadeus	11%	41%	59%
20	The Netherlands	Amadeus	53%	69%	68%
21	Poland	Amadeus	61%	77%	78%
22	Portugal	Amadeus	85%	89%	89%
23	Romania	Amadeus	90%	89%	86%
24	Slovakia	Amadeus	83%	83%	82%
25	Slovenia	Amadeus	54%	90%	90%
26	Spain	Amadeus	70%	86%	86%
27	Sweden	Amadeus	83%	84%	82%
28	United Kingdom	Amadeus	69%	70%	67%

Notes:

- Some companies may not have filed the financials for 2014, or these may not have been added to the database yet, which may result in a lower availability of three consecutive years of data for the period 2012 – 2014. In particular, the following Member States still lack data for 2014: Austria, Cyprus, Germany, and Malta.
- The periods 2010 – 2012 and 2011 – 2013, which may provide a more reliable view on data availability, show fairly similar absolute values, suggesting operating profit data is continuously available.
- A few smaller Member States show very low data availability. A lack of data in volume or of continuity in availability may prompt the need for expanding the geographic scope of the comparables search to increase the number of reliable data points available, therefore allowing more screening in order to improve the ultimate quality of the comparables selected.
- Germany and Austria remain below 50% of data availability at all times (one reason may be the absence of a requirement to file data for private companies in Germany, or the soft penalty regime in case of non-compliance).

From the interviews, the following has been retained:

- Member States with high data availability tend to have more coercive systems in place (penalties, exclusion from the trade register).

- In some Member States, non-compliance is considered as a triggering event for tax audits.

5.2. #15: Loss-making companies

Scope

For each year (2010 – 2014) and rolling periods of three consecutive years (2010 – 2012, 2011 – 2013, 2012 – 2014), the number of entities in a loss position over three consecutive years is analysed, the overall data quality and availability has been assessed. The information is listed for each Member State of the EU-28 region.

Summary

The profitability of companies in all 28 Member States has been verified to identify loss-making companies on an annual basis, and over 3-year periods. Overall, based on relative figures, the portion of loss-making companies seems to be reasonably consistent within an individual Member State, over the reviewed periods, suggesting the data is fairly reliable. Further, the overall number of loss-making entities across the EU remains fairly limited (below 20% for any individual year, around 5% for companies with three consecutive loss years).

The data suggest that (1) after screening on loss-making companies, a sufficient number of companies should remain to apply other screening tests in application of TNMM and (2) that losses data is smoothly distributed over the years suggesting it is likewise reliable and fit for use under TNMM.

If assessing the general profitability in a certain sector or market may bring useful insight on the state of play there, and therefore somehow allow like-to-like analysis, questions can however be raised on the use of profit (or loss, for that matter) screenings in conducting TNMM. Indeed, specifying that (strictly) loss-making companies are inadequate for comparability purposes is somewhat arbitrary – what about the very slightly profitable comparables? Furthermore, one can question the combination of the exclusion of loss-making companies and the subsequent application of a range on the final results, whereby the less profitable remaining comparables will (again) generally be excluded in the assessment of arm's length profitability. One may argue the results are biased (towards higher values).

Methodology

The analysis is based on data from Amadeus. The assessment was made for each Member State, looking at a single year and at three year rolling periods.

Analysis

Definition of a company in a loss position: a company has been characterised as a loss-making entity if the operating result is negative. The operating result is the result after all operating expenses, also often referred to as EBIT (Earning Before Interest and Taxes). The company was not considered as a loss-making entity in case no data was provided.

The table below provides an overview of the number of entities in a loss position for the most recent 5 year-period:

- For any given year during 2010 – 2014, per Member State and for EU-28 as a whole)
- With permanent losses, over three 3-year periods (2010 – 2012, 2011 – 2013 and 2012 – 2014), per Member State

In absolute terms: number of companies showing operating losses over the reviewed periods:

Table 37: Companies in a loss making position in absolute terms

Companies in a loss position											
#	Country	Database	Number of companies	Loss position per year					Loss position over 3 years		
				2014	2013	2012	2011	2010	2014 - 2012	2013 - 2011	2012 - 2010
1	Austria	Amadeus	11 568	855	1 225	1 240	1 156	1 068	359	443	415
2	Belgium	Amadeus	14 491	2 661	3 003	2 936	2 586	2 438	1 033	1 030	970
3	Bulgaria	Amadeus	3 994	658	654	632	563	485	224	190	162
4	Croatia	Amadeus	2 407	489	559	563	481	520	203	195	204
5	Cyprus	Amadeus	369	5	24	56	48	28	3	1	6
6	Czech Republic	Amadeus	12 647	855	1 589	1 745	1 610	1 756	258	421	496
7	Denmark	Amadeus	4 929	884	964	931	924	869	290	315	307
8	Estonia	Amadeus	1 904	293	279	248	261	321	60	59	70
9	Finland	Amadeus	10 632	1 705	1 761	1 699	1 540	1 373	540	502	457
10	France	Amadeus	87 382	12 661	14 717	16 038	14 004	13 818	5 039	5 330	5 315
11	Germany	Amadeus	66 776	1 252	5 119	5 388	4 468	4 202	558	1 555	1 458
12	Greece	Amadeus	4 467	853	1 021	1 276	1 115	977	445	515	515
13	Hungary	Amadeus	6 879	950	1 177	1 356	1 224	1 160	401	433	442
14	Ireland	Amadeus	4 756	646	830	949	938	878	212	303	343
15	Italy	Amadeus	72 535	11 319	13 698	14 106	10 755	9 875	4 516	4 294	3 714
16	Latvia	Amadeus	2 052	332	346	348	374	417	85	107	115
17	Lithuania	Amadeus	2 491	223	319	280	318	373	61	71	72
18	Luxembourg	Amadeus	1 555	210	297	342	315	282	70	88	102
19	Malta	Amadeus	829	14	59	102	119	109	4	18	17
20	The Netherlands	Amadeus	11 231	1 363	2 285	2 933	1 844	1 684	441	621	596
21	Poland	Amadeus	21 203	1 950	2 894	3 451	3 081	3 018	613	827	913
22	Portugal	Amadeus	9 426	1 266	1 651	1 981	1 738	1 285	530	632	523
23	Romania	Amadeus	8 035	1 597	1 649	1 554	1 389	1 345	550	496	460
24	Slovakia	Amadeus	4 893	724	821	872	789	798	222	214	242
25	Slovenia	Amadeus	2 239	162	371	384	359	386	50	124	140
26	Spain	Amadeus	40 804	5 333	8 597	9 308	7 883	6 726	2 377	3 282	2 997
27	Sweden	Amadeus	23 713	3 775	4 361	4 247	3 457	3 258	1 338	1 281	1 121
28	United Kingdom	Amadeus	71 984	10 903	11 937	12 110	11 171	10 347	3 383	3 741	3 690

In relative terms: number of companies showing operating losses as a percentage of the total number of companies in the same Member State:

Table 38: Companies in a loss making position in relative terms

Companies in a loss position										
#	Country	Database	Loss position per year					Loss position over 3 years		
			2014	2013	2012	2011	2010	2014 - 2012	2013 - 2011	2012 - 2010
1	Austria	Amadeus	7%	11%	11%	10%	9%	3%	4%	4%
2	Belgium	Amadeus	18%	21%	20%	18%	17%	7%	7%	7%
3	Bulgaria	Amadeus	16%	16%	16%	14%	12%	6%	5%	4%
4	Croatia	Amadeus	20%	23%	23%	20%	22%	8%	8%	8%
5	Cyprus	Amadeus	1%	7%	15%	13%	8%	1%	0%	2%
6	Czech Republic	Amadeus	7%	13%	14%	13%	14%	2%	3%	4%
7	Denmark	Amadeus	18%	20%	19%	19%	18%	6%	6%	6%
8	Estonia	Amadeus	15%	15%	13%	14%	17%	3%	3%	4%
9	Finland	Amadeus	16%	17%	16%	14%	13%	5%	5%	4%
10	France	Amadeus	14%	17%	18%	16%	16%	6%	6%	6%
11	Germany	Amadeus	2%	8%	8%	7%	6%	1%	2%	2%
12	Greece	Amadeus	19%	23%	29%	25%	22%	10%	12%	12%
13	Hungary	Amadeus	14%	17%	20%	18%	17%	6%	6%	6%
14	Ireland	Amadeus	14%	17%	20%	20%	18%	4%	6%	7%
15	Italy	Amadeus	16%	19%	19%	15%	14%	6%	6%	5%
16	Latvia	Amadeus	16%	17%	17%	18%	20%	4%	5%	6%
17	Lithuania	Amadeus	9%	13%	11%	13%	15%	2%	3%	3%
18	Luxembourg	Amadeus	14%	19%	22%	20%	18%	5%	6%	7%
19	Malta	Amadeus	2%	7%	12%	14%	13%	0%	2%	2%
20	The Netherlands	Amadeus	12%	20%	26%	16%	15%	4%	6%	5%
21	Poland	Amadeus	9%	14%	16%	15%	14%	3%	4%	4%
22	Portugal	Amadeus	13%	18%	21%	18%	14%	6%	7%	6%
23	Romania	Amadeus	20%	21%	19%	17%	17%	7%	6%	6%
24	Slovakia	Amadeus	15%	17%	18%	16%	16%	5%	4%	5%
25	Slovenia	Amadeus	7%	17%	17%	16%	17%	2%	6%	6%
26	Spain	Amadeus	13%	21%	23%	19%	16%	6%	8%	7%
27	Sweden	Amadeus	16%	18%	18%	15%	14%	6%	5%	5%
28	United Kingdom	Amadeus	15%	17%	17%	16%	14%	5%	5%	5%

Notes:

- There is generally a consistent number of loss-making companies available across the Member States. Limited variation is noted indeed in the numbers from one year to the other, for any given Member State. That, in turn, suggests that the reported data are reliable. More variety exists across Member States where some, like Greece, show a consistently higher number of loss-making companies, which is very visible in the three consecutive year periods.
- It is ultimately generally a minority of companies that are showing losses (less than 20% for any given year and around 5% for three consecutive years) across the EU. Henceforth, if a practitioner deems it appropriate to exclude loss-making companies from a comparables set this should still leave a sufficient number of data to perform a TNMM analysis.
- There is little variation within a Member State when different 3-year periods are analysed to identify the impact of losses in consecutive years.
- Overall, there is a lower number of loss-making companies in Germany, based on relative figures.

5.3. #16: Start-ups

Scope

For each year (2010 – 2014), the number of companies defined as ‘start-ups’ has been analysed and the overall data quality and availability has been assessed. The information is listed for each Member State of the EU-28 region

Summary

The numbers of years in existence of companies in all 28 Member States has been verified to identify start-up companies on an annual basis. Overall, based on relative figures, the portion of start-up companies seems to be pretty consistent within an individual Member State, over the considered periods, suggesting the data is fairly reliable. Further, the overall number of start-up entities across the EU remains fairly limited (below 15% for any individual year).

The data suggest that (1) after screening on start-up companies, a sufficient number of companies should remain to apply other screening tests in application of TNMM and (2) that start-up data is smoothly distributed over the years, suggesting it is likewise reliable and fit for use under TNMM.

Methodology

The analysis is based on data from Amadeus and on the result of the survey. The assessment was made for each Member State, looking at single year periods.

Analysis

Definition of a start-up company: a company has been characterised as a start-up company it has been in existence for less than 3 years. The company was not considered as a start-up in case no data were provided, data were provided which are not referring to a specific date or year, data fields are recognised as a text fields rather than a numeric value.

During the interviews of practitioners within the EU-28 Member States, it has been established that in different Member States the start-up period was defined differently. Some apply a 3-year period, other a 5- or 7-year period. Additional information can be found in #21, which includes the detail of the deemed start-up period by Member State. To allow meaningful data counting (more data expected), the minimum start-up period has been selected for the purpose of performing this analysis.

The table below provides an overview of the number of entities in a loss position for the

In absolute terms: number of companies characterised as start-ups over considered periods:

Table 39: Overview start-up companies in absolute terms

Amadeus: Overview start-up companies						
#	Country	Total number of companies	Year			
			2014	2013	2012	2011
1	Austria	11 568	445	593	730	849
2	Belgium	14 491	520	734	823	887
3	Bulgaria	3 994	438	558	556	553
4	Croatia	2 407	31	35	34	30
5	Cyprus	369	10	16	26	30
6	Czech Republic	12 647	799	1 120	1 324	1 395
7	Denmark	4 929	485	598	656	708
8	Estonia	1 904	151	236	268	265
9	Finland	10 632	936	1 150	1 252	1 393
10	France	87 382	3 608	5 210	6 210	7 009
11	Germany	66 776	2 538	3 656	4 478	5 243
12	Greece	4 467	168	202	236	274
13	Hungary	6 879	582	805	900	1 017
14	Ireland	4 756	786	989	922	949
15	Italy	72 535	4 415	6 259	7 313	8 095
16	Latvia	2 052	237	324	334	330
17	Lithuania	2 491	110	177	255	312
18	Luxembourg	1 555	105	154	192	226
19	Malta	829	73	156	211	257
20	The Netherlands	11 231	894	1 155	1 277	1 413
21	Poland	21 203	1 235	1 961	2 438	2 602
22	Portugal	9 426	397	549	711	846
23	Romania	8 035	1 063	1 266	1 324	1 338
24	Slovakia	4 893	389	586	728	822
25	Slovenia	2 239	111	153	180	198
26	Spain	40 804	1 512	2 224	2 702	3 033
27	Sweden	23 713	153	249	285	330
28	United Kingdom	71 984	8 478	10 409	10 465	10 236

In relative terms: number of start-up companies as a percentage of the total number of companies in the Same member State:

Table 40: Overview start-up companies in relative terms

Amadeus: Overview start-up companies					
#	Country	Year			
		2014	2013	2012	2011
1	Austria	4%	5%	6%	7%
2	Belgium	4%	5%	6%	6%
3	Bulgaria	11%	14%	14%	14%
4	Croatia	1%	1%	1%	1%
5	Cyprus	3%	4%	7%	8%
6	Czech Republic	6%	9%	10%	11%
7	Denmark	10%	12%	13%	14%
8	Estonia	8%	12%	14%	14%
9	Finland	9%	11%	12%	13%
10	France	4%	6%	7%	8%
11	Germany	4%	5%	7%	8%
12	Greece	4%	5%	5%	6%
13	Hungary	8%	12%	13%	15%
14	Ireland	17%	21%	19%	20%
15	Italy	6%	9%	10%	11%
16	Latvia	12%	16%	16%	16%
17	Lithuania	4%	7%	10%	13%
18	Luxembourg	7%	10%	12%	15%
19	Malta	9%	19%	25%	31%
20	The Netherlands	8%	10%	11%	13%
21	Poland	6%	9%	11%	12%
22	Portugal	4%	6%	8%	9%
23	Romania	13%	16%	16%	17%
24	Slovakia	8%	12%	15%	17%
25	Slovenia	5%	7%	8%	9%
26	Spain	4%	5%	7%	7%
27	Sweden	1%	1%	1%	1%
28	United Kingdom	12%	14%	15%	14%

Notes:

- There is a generally consistent number of start-up companies available across-the Member States. Limited variation is noted indeed in the numbers from one year to the other, for any given Member State, suggesting the data are fairly reliable. More variety exists across Member States where some, like Ireland in relative terms and the UK in absolute terms, show a consistently higher number of start-up companies.
- It is ultimately a minority of companies that are tagged as start-ups (less than 15% for any given year) across the EU. Henceforth, if a practitioner deems it appropriate to exclude start-up companies from a comparables set, then this should still leave a sufficient number of data to perform a TNMM analysis.

5.4. #17: SMEs

Scope

The number of companies defined as 'SMEs' has been analysed and the overall data quality and availability has been assessed. The information is listed for each Member State of the EU-28 region

Summary

Practice shows that SMEs appear to be companies that typically will be used under the TNMM in the EU, as they may offer a closer comparability in size and, hence, functionality, to (individual) group companies. Indeed, one can suspect independence – which is one of the non-negotiable screening criteria – is more likely to be detected at SME level than at group level. If for comparables organised in groups, the alternative to meet the independence criterion is the use of consolidated accounts, that is likely then to be at the cost of functional comparability, as one can expect a (even small) consolidated group to have a functional profile different to that of an isolated group company. The general abundance of SMEs across the EU markets is at the same time the reason why, in practice they are widely used under the TNMM and, obviously, favourable to the application of the TNMM.

The concept of SME has been specified as per EU definition and companies meeting the definition have been identified in all 28 Member States. Overall, based on relative figures, the portion of SMEs seems to be pretty consistent within an individual Member State, over the considered periods, suggesting the data is fairly reliable. Further, the portion of SMEs across the EU relative to the total number of companies varies widely for reasons suspected to be linked to the size of the economy and the obligation (or not) to publish data.

Hence, the data suggest that (1) a good number of SMEs are available to apply traditional screening tests in application of the TNMM, at times considering the extension of the geographic area of investigation, and (2) that start-up data is smoothly distributed over the years, suggesting it is likewise reliable and fit for use under the TNMM.

Methodology

The analysis is based on data from Amadeus. The assessment was made for each Member State, looking at single year periods.

Analysis

For the purpose of the analysis, a company will be considered as an 'SME' if (i) it employs less than 250 FTEs and (ii) realises sales of EUR 50 million or lower or its balance sheet total is inferior or equal to EUR 43 million⁵⁵ and company was not considered as an SME in case no data was available for one of the elements that define an SME.

⁵⁵ With respect to the concept of "SME", EU SME definition has been used as per Recommendation 2003/361/EC
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:124:0036:0041:en:PDF>

In absolute terms: number of companies characterised as SMEs over considered periods:

Table 41: Overview SMEs in absolute terms

Amadeus: Overview SMEs						
#	Country	Number of companies	SMEs			
			2014	2013	2012	2011
1	Austria	11 568	6 542	7 375	6 834	6 544
2	Belgium	14 491	10 381	10 797	10 822	10 678
3	Bulgaria	3 994	3 096	3 045	3 005	2 871
4	Croatia	2 407	1 832	1 880	1 868	1 796
5	Cyprus	369	21	87	136	169
6	Czech Republic	12 647	4 825	9 225	9 220	8 810
7	Denmark	4 929	2 512	2 522	2 490	2 545
8	Estonia	1 904	1 288	1 318	1 302	1 276
9	Finland	10 632	7 359	7 393	6 933	5 440
10	France	87 382	31 560	29 574	26 363	29 868
11	Germany	66 776	7 159	16 543	16 506	16 277
12	Greece	4 467	3 392	3 564	3 574	3 351
13	Hungary	6 879	4 934	5 128	5 162	4 656
14	Ireland	4 756	1 474	1 815	1 811	1 800
15	Italy	72 535	53 793	57 341	57 501	55 790
16	Latvia	2 052	1 585	1 654	1 621	1 572
17	Lithuania	2 491	1 399	1 981	1 916	1 924
18	Luxembourg	1 555	354	485	513	518
19	Malta	829	57	174	284	288
20	The Netherlands	11 231	4 015	5 413	5 631	5 316
21	Poland	21 203	648	2 668	4 443	6 725
22	Portugal	9 426	6 828	7 214	7 317	7 154
23	Romania	8 035	6 097	6 208	6 266	6 145
24	Slovakia	4 893	3 298	3 449	3 390	3 329
25	Slovenia	2 239	1 082	1 826	1 829	1 821
26	Spain	40 804	25 177	30 865	31 435	31 111
27	Sweden	23 713	18 603	18 794	19 221	18 679
28	United Kingdom	71 984	37 968	40 154	38 588	35 665

In relative terms: number of SMEs as a percentage of the total number of companies in the Same member State

Table 42: Overview SMEs in relative terms

Amadeus: Overview SM Es					
#	Country	SMEs			
		2014	2013	2012	2011
1	Austria	57%	64%	59%	57%
2	Belgium	72%	75%	75%	74%
3	Bulgaria	78%	76%	75%	72%
4	Croatia	76%	78%	78%	75%
5	Cyprus	6%	24%	37%	46%
6	Czech Republic	38%	73%	73%	70%
7	Denmark	51%	51%	51%	52%
8	Estonia	68%	69%	68%	67%
9	Finland	69%	70%	65%	51%
10	France	36%	34%	30%	34%
11	Germany	11%	25%	25%	24%
12	Greece	76%	80%	80%	75%
13	Hungary	72%	75%	75%	68%
14	Ireland	31%	38%	38%	38%
15	Italy	74%	79%	79%	77%
16	Latvia	77%	81%	79%	77%
17	Lithuania	56%	80%	77%	77%
18	Luxembourg	23%	31%	33%	33%
19	Malta	7%	21%	34%	35%
20	The Netherlands	36%	48%	50%	47%
21	Poland	3%	13%	21%	32%
22	Portugal	72%	77%	78%	76%
23	Romania	76%	77%	78%	76%
24	Slovakia	67%	70%	69%	68%
25	Slovenia	48%	82%	82%	81%
26	Spain	62%	76%	77%	76%
27	Sweden	78%	79%	81%	79%
28	United Kingdom	53%	56%	54%	50%

Notes:

- There is generally a consistent number of SMEs available across-the Member States. The percentage of SMEs in any given Member State tends to vary modestly from one year to the other, suggesting the data are fairly reliable. More variety exists across Member States where relative number of SMEs can vary widely at first sight, irrespective of the size of the Member State and its geography. In absolute terms, unsurprisingly, the largest Member States where data publication is the highest show the highest number of SMEs.
- In a majority of the Member states, the portion of SMEs is larger than the portion of larger companies, even after the application of the size thresholds whereby SMEs with sales below EUR 5 million are not surveyed. About 16 Member States have a total number of SMEs at around 70% to 80% of all the companies available in the database.

5.5. #18: Data quality test

Scope

Using one 'EU' database, the quality of the data has been tested for each Member State and for the whole EU 28 region:

- Correlation between operating profit and operating assets in absolute terms.
- Correlation between operating profit and sales in absolute terms.

Summary

A positive correlation is generally expected between operating profit and operating assets: all other things being equal, in a competitive market, the more operating assets are (rationally) used, the larger the anticipated operating profit is. Indeed, investing in a larger industrial capacity (operating assets) should lead to higher nominal operating profit allowing a fair retribution of the investors. The test reveals that indeed the correlation tends to be strong, certainly when the data set is large. This is the case for large Member States and the EU as a whole. This strong positive relation, in conformity with economic theory, suggests that the data are generally reliable.

A similar positive correlation is generally expected between operating profit and sales data: all other things being equal, in a competitive market, the more a company sells, the more it is likely to generate nominal profit. The test reveals that indeed the correlation tends to be even stronger here, certainly when the data set is large. This is the case for large Member States and the EU as a whole. This strong positive relation, in conformity with economic theory, suggests again that the data are generally reliable.

Methodology

The analysis is based on data from Amadeus. Correlation is analysed for each Member State of the EU 28 region individually, and in the region as a whole.

The correlation between data retrieved has been performed through the use of the correlation functionality in Excel.

Analysis

In order to test the correlation between operating profit and operating assets and the correlation between operating profit and sales, data has been selected with the following search strategy in Amadeus:

Table 43: Search strategy in Amadeus

SEARCH STRATEGY		
<input checked="" type="checkbox"/>	1. ByD Independence Indicator: C, D	1,627,836
<input checked="" type="checkbox"/>	2. Cos owning at least one subs.: owned between 50% and 100%	447,706
<input checked="" type="checkbox"/>	3. Type of accounts: U1 (companies with unconsolidated accounts only)	2,597,758
<input checked="" type="checkbox"/>	4. Type of accounts: C1 (companies with consolidated accounts only), C2/U2 (companies with both types of accounts)	83,120
<input checked="" type="checkbox"/>	5. Region/Country/region in country: European Union [28]	2,401,597
<input checked="" type="checkbox"/>	6. Operating revenue (Turnover) (In EUR): 2014, 2013, 2012, 2011. min=50,000, for all the selected periods	44,206
Boolean search Not 1 And ((Not 2 And 3) Or 4) And 5 And 6		TOTAL : 7,940

A size threshold of EUR 50 million turnover has been applied on purpose (1) as it is expected that generally larger companies would have more reliable data / are more likely to be audited, increasing the reliability of the conclusions and (2) to limit the number of companies for computational purposes.

For the purpose of this study, the financials considered are calculated as follows:

- Operating profit: 'EBIT' (equal to all 'Operating revenue's – 'All operating expenses').
- Operating assets: 'Total assets' less 'Other fixed assets' Less 'Short term financial assets'.

The items tested are calculated for an average period of 5 years.

The Member States reporting fewer than thirty companies meeting the criteria above have been excluded from the analysis to improve the representativeness of the tested sample.⁵⁶ Furthermore, the companies that did not report one of the tested items have been excluded from the analysis.

It is expected that under both tests, the correlation between 'Operating profit' and 'Operating assets' on one hand, and 'Operating profit' and 'Sales' on the other hand will be positive. Indeed, the more a company sells (the higher its sales) the more it is expected to earn a profit (higher operating profit). Likewise the more a company invests (the higher its operating assets) the more it is expected to earn a profit (higher operating profit) from exploiting these assets. As a result, the more 'Operating profit' a company makes, the higher its level of 'Sales' and 'Operating assets,' which across a large sample will tend to result in a 1.00 (perfect correlation).

The summary of the results on the correlation between 'Operating profit' ('OP') and 'Operating assets' ('OA') is provided in the overview table below:

Table 44: Correlation between operating profit and operating assets

Correlation between operating profit and operating assets			
Country	# companies	# companies with known value for OP and OA	Correlation
Austria	136	131	0.04
Belgium	484	472	0.20
Czech Republic	44	42	-0.02
Denmark	313	305	0.13
Finland	288	281	0.25
France	808	784	0.51
Germany	595	574	0.64
Greece	107	104	0.07
Hungary	200	195	0.02
Ireland	90	88	0.08
Italy	1369	1325	0.31
The Netherlands	571	556	0.45
Poland	196	191	0.26
Portugal	61	57	0.94
Slovakia	44	38	-0.09
Spain	520	508	0.41
Sweden	502	490	0.27
United Kingdom	1500	1442	0.57
EU 28	7940	7415	0.76

⁵⁶ Bulgaria (13 companies), Croatia (5 companies), Cyprus (4 companies), Estonia (3 companies), Latvia (17 companies), Lithuania (24 companies), Luxembourg (19 companies), Malta (1 company), Romania (22 companies), and Slovenia (4 companies)

Notes:

- At an individual Member State level, it is observed that there is a strong positive correlation between OP and OA for the Member States where most data is available (e.g. more than 500 companies), which is in line with the expectations and suggests the data are fairly reliable. This cannot be said, however for Member States where the data sets are smaller where volatility in the correlation is much more important, undoubtedly caused by the more limited sample size.
- At the EU level, it is observed that there is a strong positive correlation between OP and OA, which is again in line with the expectations and suggests the data are fairly reliable. The analysis at EU level also actually appears to correct for sample size bias when observed at the individual Member State level.

The summary of the results on the correlation between 'Operating profit' ('OP') and 'Sales' is provided in the overview table below:

Table 45: Correlation between operating profit and sales

Correlation between operating profit and sales			
Country	# companies	# companies with known value for OP and sales	Correlation
Austria	136	134	0.35
Belgium	484	484	0.78
Czech Republic	44	44	0.40
Denmark	313	313	0.66
Finland	288	288	0.31
France	808	808	0.88
Germany	595	589	0.88
Greece	107	107	0.45
Hungary	200	200	0.62
Ireland	90	90	0.86
Italy	1369	1369	0.97
The Netherlands	571	571	0.75
Poland	196	196	0.27
Portugal	61	61	0.82
Slovakia	44	44	0.34
Spain	520	520	0.87
Sweden	502	502	0.68
United Kingdom	1500	1499	0.85
EU 28	7940	7928	0.85

Notes:

- On an individual Member State level, it is observed that there is a strong positive correlation between OP and Sales for the Member States where most data is available (e.g. more than 500 companies), which is in conformity to the expectations and suggests the data are fairly reliable. That cannot be said, however for Member States where the data sets are smaller where volatility in the correlation is more important, undoubtedly caused by the more limited sample sizes.
- At the EU level, it is observed that there is a strong positive correlation between OP and Sales, which is again in conformity to the expectations and suggests the data are fairly reliable. Again, the analysis at EU level also actually appears to correct for sample size bias when observed at the individual Member State level.

- As a side note, it is observed that the correlation between OP and Sales is generally stronger than the correlation between OP and OA. One possible reason is the OA book values deviate from market values.

6. External data under TNMM – Misc (#19 – #24)

Key findings for #19, #20, #21, #22, #23, #24

The sectors analysed are the following:

- Pharmaceutical and Healthcare.
- Transport and Logistics.
- Textile.

In relative terms, the items in the balance sheet and in the P&L accounts are reported in a consistent way in each of the sectors within the scope. In general, less data are available for 2014 (possibly due to late publishing) and 2010. In addition, less data are available for a consecutive period of 5 years.

This suggests that, for the sectors selected, data availability is generally good and continually available, across the member states.

For the three selected sectors, the availability of helpful information allowing screening on comparability factors has been reviewed.

'Characteristics of property and services' has been assessed through the availability of the so-called 'business overview' in Amadeus. Business overview consists of a rather complete description of goods, services and activities of any given company. Using keyword screenings, companies dealing in specific goods or services can be selected. The availability of 'business overview' in Amadeus is deemed to be generally fairly good across the sectors analysed and must generally allow informative screenings. In relative terms, it is noted that 'Pharmaceutical and Healthcare' provide access to slightly more business descriptions, in relative terms.

'Functional analysis' has been assessed through the availability of data allowing computation of the so-called 'diagnostic ratios' measuring the functional intensity of a company. The computation of aforementioned ratios is, however, impeded by the lack of harmonised availability of operating expense data. However, meaningful analysis can be done in specific cases by substituting 'CoGS' with 'Material cost'.

For the comparability criterion 'Economic circumstances', some reliable screening is possible on items such as industry codes and general profitability of an industry in a Member State.

For the last two criteria, 'Contractual terms' and 'Business strategies', databases would generally not help, as the information associated to these two comparability criteria tends to be non-public or confidential.

There is a general trend to apply first mechanical screenings that can be applied objectively and rather automatically in the databases. Manual screenings, requiring individual perusal comparable by comparable, are evidently left for the end of the process. Both quantitative (numerical) and qualitative (descriptive) screenings are applied. In some Member States, a preference for qualitative screenings is noted. Quantitative screenings are nevertheless recognised as more objectively applicable and easily traceable.

The performance of comparability adjustments, at the end of the screening process tend to be performed rather occasionally by practitioners of some Member States. If an adjustment is made, then it will typically be a working capital adjustment.

Member States may also apply accounting adjustments, but only in specific circumstances.

The updates of the two 2004 studies confirms that (1) pan-European searches produce comparable sets which are generally a fair representation of local profit expectations, (2) they tend to be more affordable than a series of local searches, and (3) at times, sectoral or industry differences may exist. The profitability in some industries may be affected by geographical differences. However, for the majority of sectors and Member States analysed, there seems to be generally some consistency in the profitability observed across Member States.

In terms of quality of financial data available, it is noted that CoGS and material cost data are not uniformly available and that operating expenses are not uniformly characterised and sufficiently detailed. Further, the absence of separate reporting of R&D and marketing expenses is criticised by quite a few practitioners.

In terms of quality of descriptive information available, it is noted that 'Business overview' is not uniformly available and the activity description in 'Trade description' and under NACE code classification is not always in line with the actual business activities.

In terms of other screenings used, it is noted that the independence criterion is not uniformly defined and that screening on start-up companies is common place.

Finally, in terms of search practice, it is noted that qualitative screenings are still frequently used sometimes to the detriment of quantitative searches which may nevertheless be regarded as objective, economically grounded and quicker.

6.1. #19: Sector data availability in #12

Scope

For each sector and over the last 5 years (2010 – 2014), an analysis of the continuity in the availability of key financial profit & loss and balance sheet information, per Member State, for the whole 5-year period and per year is provided.

Summary

The sectors analysed are the following:

- Pharmaceutical and Healthcare.
- Transport and Logistics.
- Textile.

In relative terms, the items in the balance sheet and in the P&L accounts are reported in a consistent way in each of the sectors within scope. In general, less data are available for 2014 (possibly due to late publishing) and 2010. In addition, fewer comparables are available when data availability is analysed over a 5 year consecutive period.

For the sectors selected, data availability is generally good and continually available across the Member States.

Methodology:

The analysis is based on data from Amadeus. The assessment was made for each Member State of the EU-28 region. The sectors are identical to # 12, where the identification of the three sectors is explained in greater detail.

Analysis

For the overview of data availability, reference can be made to Appendix 5.

We also refer to our comments in #13 detailing the conclusions related to the sector overview for the availability of data.

- Database used: the version of Amadeus update 256 from January 2016 has been used for this study.
- Search strategy: companies have been selected when they had more than EUR 5 million turnover for at least one of the selected years (i.e. 2011, 2012, 2013 and 2014).
- Mapping: the table below provides the detailed steps of the financials selected for analysis.
- Years selected: data is counted when available for any of the individual years selected, and when available in each of the 5 years considered (cumulatively).
- Data selected: the data selected is provided in the table below.

Table 46: Detailed steps of the financials selected for analysis in Amadeus

List format		
Term	Definition	Term used in Amadeus Database
Turnover	Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT	Operating revenue (Turnover)
Operating result	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses)	Operating P/L
Financial result	Result from financial activities of the company (financial revenue-financial expenses)	Financial P/L
Liability value	Total liabilities	Non current debt + current debt
Asset value	Total assets (fixed assets + current assets)	Total assets
P&L	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit)	P/L for the period

Overall, all the items listed above (i.e. turnover, operating result, financial result, liability value, asset value and P&L) are reported in a consistent way for each of the sectors in scope.

For 2014 and 2010, less data seems available. For the Pharmaceutical and Healthcare industry, the Member States reported around 65% of data consecutively for a period of 5 years. For Transport, Logistics, and Textile, the Member States reported around 60% of data consecutively for a period of 5 years except for the asset value where around 65% of the data was consecutively reported.

For all the sectors, Austria (except for the balance sheet items), Cyprus, Germany, Malta, and the Netherlands reported less than 50% of data consecutively for a period of 5 years. For Textile, Luxembourg and Poland reported less than 50% of data consecutively for a period of 5 years. For Pharmaceutical and Healthcare, Slovenia reported less than 50% of data consecutively for a period of 5 years.

Sample testing

The Pharmaceutical and Healthcare, Textile and Transport & Logistics sectors have been reviewed in detail. The tables below present the general availability of data, across the EU, on an average of 5 years (the availability of each item each year is averaged) and on a 5 year cumulative basis (each data item must be available for each of the 5 years cumulatively).

Table 47: General availability of data, across the EU, on an average of 5 years for 3 sectors

Pharmaceutical and healthcare													
#	Country	Turnover		Operating result		Financial result		Asset value		Liability value		P&L	
		5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.
1	Austria	76%	42%	54%	36%	50%	22%	93%	75%	93%	74%	54%	36%
2	Belgium	93%	80%	95%	86%	95%	86%	95%	86%	95%	86%	95%	86%
3	Bulgaria	95%	85%	94%	82%	94%	82%	94%	82%	94%	82%	94%	82%
4	Croatia	94%	86%	94%	86%	94%	86%	94%	86%	94%	86%	94%	86%
5	Cyprus	53%	0%	53%	0%	53%	0%	53%	0%	50%	0%	53%	0%
6	Czech Republic	89%	59%	82%	56%	82%	56%	82%	56%	82%	56%	82%	56%
7	Denmark	86%	69%	95%	84%	95%	84%	95%	84%	92%	74%	95%	84%
8	Estonia	95%	82%	96%	86%	96%	86%	96%	86%	96%	86%	96%	86%
9	Finland	82%	66%	77%	66%	77%	66%	77%	66%	53%	26%	77%	66%
10	France	90%	70%	79%	59%	79%	58%	79%	59%	79%	59%	80%	59%
11	Germany	73%	27%	45%	16%	45%	16%	77%	37%	77%	37%	40%	13%
12	Greece	95%	87%	95%	87%	95%	87%	95%	87%	95%	87%	95%	87%
13	Hungary	94%	82%	95%	82%	95%	82%	95%	82%	94%	82%	95%	82%
14	Ireland	81%	56%	86%	65%	86%	64%	88%	69%	88%	69%	86%	65%
15	Italy	96%	87%	96%	87%	96%	87%	96%	87%	96%	87%	96%	87%
16	Latvia	89%	81%	89%	81%	89%	81%	81%	81%	89%	81%	89%	81%
17	Lithuania	93%	69%	85%	63%	85%	63%	85%	63%	85%	63%	85%	63%
18	Luxembourg	92%	60%	92%	60%	92%	60%	96%	80%	96%	80%	92%	60%
19	Malta	72%	33%	72%	33%	72%	33%	72%	33%	72%	33%	72%	33%
20	The Netherlands	68%	27%	76%	33%	76%	33%	78%	37%	77%	36%	76%	33%
21	Poland	85%	54%	85%	55%	85%	55%	85%	55%	82%	47%	85%	55%
22	Portugal	93%	83%	93%	83%	93%	83%	93%	83%	93%	83%	93%	83%
23	Romania	92%	75%	92%	75%	92%	75%	92%	75%	92%	75%	92%	75%
24	Slovakia	96%	88%	94%	88%	94%	88%	94%	88%	94%	88%	94%	87%
25	Slovenia	86%	45%	86%	45%	86%	45%	86%	45%	86%	45%	86%	45%
26	Spain	90%	67%	90%	68%	90%	68%	90%	68%	90%	66%	90%	68%
27	Sweden	96%	88%	92%	85%	92%	85%	93%	86%	93%	86%	92%	85%
28	United Kingdom	86%	65%	86%	66%	86%	66%	91%	76%	91%	76%	86%	66%

Textile													
#	Country	Turnover		Operating result		Financial result		Asset value		Liability value		P&L	
		5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.
1	Austria	77%	40%	44%	27%	41%	17%	86%	65%	86%	65%	44%	27%
2	Belgium	89%	74%	94%	84%	94%	84%	94%	84%	94%	84%	94%	84%
3	Bulgaria	95%	89%	95%	87%	95%	87%	95%	87%	95%	87%	95%	87%
4	Croatia	93%	81%	93%	81%	93%	81%	93%	81%	93%	81%	93%	81%
5	Cyprus	51%	0%	51%	0%	51%	0%	51%	0%	51%	0%	51%	0%
6	Czech Republic	87%	57%	78%	56%	78%	56%	78%	56%	78%	57%	78%	56%
7	Denmark	83%	49%	90%	67%	90%	67%	90%	67%	83%	51%	90%	67%
8	Estonia	91%	81%	91%	81%	91%	81%	91%	81%	90%	76%	91%	81%
9	Finland	86%	65%	82%	65%	82%	65%	82%	65%	64%	36%	82%	65%
10	France	88%	66%	77%	54%	77%	54%	68%	54%	67%	54%	78%	55%
11	Germany	68%	22%	37%	10%	37%	10%	69%	31%	69%	31%	36%	9%
12	Greece	92%	78%	92%	78%	92%	78%	92%	78%	92%	78%	92%	78%
13	Hungary	91%	79%	91%	80%	91%	80%	91%	80%	91%	78%	91%	80%
14	Ireland	86%	61%	88%	66%	88%	66%	90%	70%	90%	70%	88%	66%
15	Italy	93%	82%	93%	82%	93%	82%	93%	82%	93%	82%	93%	82%
16	Latvia	88%	73%	88%	73%	88%	73%	88%	73%	88%	73%	88%	73%
17	Lithuania	92%	73%	82%	65%	82%	64%	82%	65%	82%	65%	82%	65%
18	Luxembourg	68%	38%	68%	38%	68%	38%	80%	50%	75%	38%	68%	38%
19	Malta	74%	21%	74%	21%	74%	21%	74%	21%	74%	21%	74%	21%
20	The Netherlands	66%	29%	77%	42%	78%	42%	82%	48%	81%	45%	78%	42%
21	Poland	79%	48%	80%	48%	79%	47%	80%	48%	76%	41%	79%	48%
22	Portugal	95%	85%	95%	86%	95%	86%	95%	86%	95%	86%	95%	86%
23	Romania	95%	88%	95%	88%	95%	88%	95%	88%	95%	88%	95%	88%
24	Slovakia	95%	87%	94%	87%	94%	87%	94%	87%	94%	87%	94%	85%
25	Slovenia	83%	30%	83%	30%	83%	30%	84%	30%	82%	28%	83%	30%
26	Spain	91%	70%	90%	71%	90%	71%	91%	71%	90%	68%	91%	71%
27	Sweden	95%	87%	93%	85%	93%	86%	93%	86%	93%	86%	93%	86%
28	United Kingdom	82%	59%	83%	60%	82%	59%	89%	72%	89%	72%	82%	60%

Transport and logistics													
#	Country	Turnover		Operating result		Financial result		Asset value		Liability value		P&L	
		5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.	5Y av.	5Y cum.
1	Austria	79%	45%	41%	24%	38%	16%	90%	71%	90%	70%	40%	24%
2	Belgium	92%	81%	96%	89%	96%	89%	96%	89%	96%	89%	96%	89%
3	Bulgaria	92%	83%	91%	79%	91%	79%	91%	79%	91%	79%	91%	79%
4	Croatia	95%	88%	95%	88%	95%	88%	95%	88%	95%	88%	95%	88%
5	Cyprus	47%	6%	47%	6%	47%	6%	47%	6%	43%	6%	47%	6%
6	Czech Republic	88%	55%	78%	54%	78%	54%	78%	54%	78%	54%	78%	54%
7	Denmark	78%	54%	88%	69%	88%	69%	88%	69%	82%	59%	88%	69%
8	Estonia	92%	82%	94%	83%	93%	83%	93%	83%	93%	82%	93%	83%
9	Finland	85%	65%	79%	65%	79%	65%	79%	65%	66%	42%	79%	65%
10	France	91%	74%	83%	64%	83%	64%	84%	64%	83%	64%	84%	64%
11	Germany	70%	23%	39%	10%	39%	10%	72%	30%	72%	30%	37%	8%
12	Greece	91%	78%	91%	78%	91%	78%	91%	78%	91%	78%	91%	78%
13	Hungary	93%	81%	94%	82%	94%	82%	94%	83%	94%	83%	94%	82%
14	Ireland	82%	57%	84%	61%	83%	60%	87%	65%	87%	65%	83%	60%
15	Italy	91%	74%	91%	74%	91%	74%	76%	74%	91%	74%	91%	74%
16	Latvia	92%	82%	92%	82%	92%	82%	92%	82%	92%	82%	92%	82%
17	Lithuania	90%	61%	78%	53%	77%	52%	78%	53%	78%	56%	78%	53%
18	Luxembourg	77%	35%	77%	35%	77%	35%	81%	42%	79%	41%	77%	35%
19	Malta	61%	13%	61%	13%	61%	13%	61%	13%	61%	13%	61%	13%
20	The Netherlands	70%	36%	79%	46%	79%	47%	86%	57%	86%	55%	79%	47%
21	Poland	84%	52%	84%	52%	84%	52%	84%	52%	80%	45%	84%	52%
22	Portugal	93%	80%	94%	82%	94%	82%	94%	82%	94%	82%	94%	80%
23	Romania	95%	86%	95%	86%	95%	86%	95%	86%	95%	86%	95%	86%
24	Slovakia	90%	76%	88%	76%	88%	76%	88%	76%	88%	76%	87%	74%
25	Slovenia	91%	64%	92%	65%	92%	65%	92%	65%	92%	65%	91%	64%
26	Spain	90%	69%	90%	69%	90%	70%	90%	70%	90%	69%	89%	69%
27	Sweden	94%	85%	90%	82%	90%	82%	90%	81%	90%	81%	90%	82%
28	United Kingdom	84%	63%	84%	63%	84%	63%	91%	76%	91%	76%	84%	63%

Notes:

- Not surprisingly, when data is needed for five consecutive years (5Y Cum.) it is generally less available than for any individual year (5Y av.).
- Across sectors, data availability is generally good to very good and it is hard to observe clear trends, with not one sector being clearly singled out as different. The low availability of the operating profit for Germany is noticeable.
- Drawing conclusion on the availability of data in smaller Member States is tentative, as for any specific sector, availability of data may be very limited in absolute numbers, making them statistically less representative.

6.2. #20: Data for assessing comparability factors

Scope

For the three given sectors in each Member State, the possibility to analyse them through the databases automatic functions on their comparability factors, as per the OECD TPG (characteristics of property and services, functional analysis, contractual terms, economic circumstances, business strategies) has been analysed.

Summary

Only a few of the comparability factors appear to be readily – thus automatically – ‘testable’ in the database:

- **Characteristics of property and services:** the availability of a business description informing, expectedly on the services or goods traded can be assessed.
- **Functional analysis:** functional intensity can be assessed for example by measuring the ratio operating expense on sales. The availability of the data allowing computation of the ratios can be assessed.
- **Contractual terms:** this information is typically not available in the database.
- **Economic circumstances:** again, this information is typically not available in the database, on a transactional basis. Larger sectoral trends or circumstances can however be observed. We refer to other analyses in this document (loss-making companies, start-up companies, sectors).
- **Business strategies:** likewise, this information is typically not available in the database

For the three selected sectors – Pharmaceutical and Healthcare, Textile, Transport and Logistics – the availability of helpful information allowing screening on comparability factors has been reviewed. Given the limitations described above, conclusions are drawn on ‘Characteristics of property and services’ and on ‘Functional analysis.’

‘Characteristics of property and services’ has been assessed through the availability of the so-called ‘business overview’ in Amadeus. Business overview consists of a rather complete description of goods, services and activities of any given company. Using keyword screenings, companies dealing in specific goods or services can be selected. The availability of ‘business overview’ in Amadeus is deemed to be generally fairly good across the sectors analysed and must generally allow informative screenings. In relative terms, it is noted that ‘Pharmaceutical and Healthcare’ seems to provide access to slightly more business descriptions, in relative terms.

‘Functional analysis’ has been assessed through the availability of data allowing computation of so-called ‘diagnostic ratios’ measuring the functional intensity of a company. The computation of said ratios is, however, often impeded by the lack of harmonised availability of operating expense data. However, meaningful analysis can be done, in specific cases, by substituting ‘CoGS’ by ‘Material cost’.

Overall, data availability seems to be fairly good to assess comparability items such as ‘Characteristics of property and services’ and limited to assess ‘Functional analysis’. This availability can be further increased through (1) a more systematic availability of a description of any company’s activities in the databases, and (2) more harmonisation in the reporting of CoGS or material cost, and thus a better identification and granularity of operating expenses.

For the comparability criterion 'Economic circumstances,' some reliable screening is possible on items such as industry codes and general profitability of an industry, in a Member State.

For the last two criteria, 'Contractual terms' and 'Business strategies' databases would generally not help, as the information associated to these two comparability criteria tends to be non-public, or confidential.

Methodology

The analysis is based on data from Amadeus. The assessment was made for each Member State of the EU-28 region. The sectors are identical to # 12, where the identification of the three sectors is explained in greater detail.

Comparability factors were reviewed and ways of testing them rather automatically in the database during a desk research were defined.

Analysis

For the years 2010 – 2014 the data available in Amadeus has been analysed for the following sectors: Pharmaceutical and Healthcare, Textile, and Transport and Logistics.

TPG: according to paragraph 1.36 and 1.38 of the TPG, there are 5 comparability factors that may be important when determining comparability:

- **Characteristics of property or services transferred:** differences in the specific characteristics of property or services often account, at least in part, to differences in their value in the open market.
- **The functions performed by the parties (taking into account assets used and risks assumed):** the functional analysis seeks to identify and compare the economically significant activities and responsibilities undertaken, assets used and risks assumed by the parties to the transactions. For this purpose, it may be helpful to understand the structure and organisation of the group and how they influence the context in which the taxpayer operates.
- **The contractual terms:** in arm's length transactions, the contractual terms of a transaction generally define explicitly or implicitly how the responsibilities, risks, and benefits are to be divided between the parties.
- **The economic circumstances of the parties:** arm's length prices may vary across different markets even for transactions involving the same property or services. Therefore, to achieve comparability requires that the markets in which the independent and associated enterprises operate do not have differences that have a material effect on price or that appropriate adjustments can be made.
- **The business strategies pursued by the parties:** business strategies would take into account many aspects of an enterprise such as innovation and new product development, degree of diversification, risk aversion, assessment of political changes, input of existing and planned labour laws, duration of arrangements and other factors bearing upon the daily conduct of business. Business strategies can also include market penetration schemes.

These comparability factors have been applied to the selected sectors.

Characteristics of property or services

Next to a 'business description' that is usually a very short, high-level and sometimes automatic description of the activities, Bureau van Dijk has developed what is called 'business overview'. The 'business overview' includes much more precise information on the products, services, and activities of the considered companies. It is understood that 'business overviews' are mainly fed by information already available on the Internet website of the companies. Next to providing relevant, standardised information, the 'business overview' allows screening more efficiently on items like the traded goods and service. Screening can be done using automatic keyword screenings. One can for instance specifically search for a company dealing in widgets. Such a screening must be followed by a thorough review of the 'business overview' for the companies selected to further ascertain appropriateness of the selection.

Finally, the 'business overview' is also a source of information that is equally and objectively available to any user of the databases.

The Amadeus database provides the 'business overview' for a large group of companies. The availability of the 'business overview' has been reviewed in absolute and relative terms for the three considered sectors. The label 'business overview available' in the table below actually verifies the availability of the 'business overview' for the total number of companies in a Member State.

The data availability in absolute terms:

Table 48: Characteristics of property or services – business overview in absolute terms

Characteristics of property or services - Business overview								
#	Country	Database	Pharmaceutical and healthcare		Transport and logistics		Textile	
			Total number of companies	Business overview available	Total number of companies	Business overview available	Total number of companies	Business overview available
1	Austria	Amadeus	264	186	707	446	328	199
2	Belgium	Amadeus	274	236	889	740	441	357
3	Bulgaria	Amadeus	94	62	206	124	109	83
4	Croatia	Amadeus	42	35	122	102	78	63
5	Cyprus	Amadeus	12	10	18	15	7	7
6	Czech Republic	Amadeus	207	161	632	430	215	167
7	Denmark	Amadeus	96	90	279	255	69	60
8	Estonia	Amadeus	28	16	190	123	42	25
9	Finland	Amadeus	136	91	592	369	159	105
10	France	Amadeus	1 038	878	4 171	3 204	1 904	1 492
11	Germany	Amadeus	949	690	3 352	2 351	1 350	959
12	Greece	Amadeus	270	243	214	177	209	176
13	Hungary	Amadeus	136	109	387	269	124	100
14	Ireland	Amadeus	96	86	135	115	44	36
15	Italy	Amadeus	1 063	905	3 821	3 160	4 590	3 785
16	Latvia	Amadeus	32	25	191	122	44	31
17	Lithuania	Amadeus	52	44	303	216	74	63
18	Luxembourg	Amadeus	5	3	98	73	8	6
19	Malta	Amadeus	18	13	30	24	14	8
20	The Netherlands	Amadeus	166	151	478	440	142	133
21	Poland	Amadeus	341	286	1 050	802	446	348
22	Portugal	Amadeus	232	207	542	471	687	589
23	Romania	Amadeus	173	118	493	342	255	222
24	Slovakia	Amadeus	93	76	328	221	100	82
25	Slovenia	Amadeus	44	30	149	101	67	57
26	Spain	Amadeus	639	563	2 315	1 863	1 250	1 006
27	Sweden	Amadeus	283	222	1 131	837	377	264
28	United Kingdom	Amadeus	710	635	2 567	2 247	1 397	1 248

The data availability in relative terms:

Table 49: Characteristics of property or services – business overview in relative terms

Characteristics of property or services - Business overview					
#	Country	Database	Pharmaceutical and healthcare	Transport and logistics	Textile
1	Austria	Amadeus	70%	63%	61%
2	Belgium	Amadeus	86%	83%	81%
3	Bulgaria	Amadeus	66%	60%	76%
4	Croatia	Amadeus	83%	84%	81%
5	Cyprus	Amadeus	83%	83%	100%
6	Czech Republic	Amadeus	78%	68%	78%
7	Denmark	Amadeus	94%	91%	87%
8	Estonia	Amadeus	57%	65%	60%
9	Finland	Amadeus	67%	62%	66%
10	France	Amadeus	85%	77%	78%
11	Germany	Amadeus	73%	70%	71%
12	Greece	Amadeus	90%	83%	84%
13	Hungary	Amadeus	80%	70%	81%
14	Ireland	Amadeus	90%	85%	82%
15	Italy	Amadeus	85%	83%	82%
16	Latvia	Amadeus	78%	64%	70%
17	Lithuania	Amadeus	85%	71%	85%
18	Luxembourg	Amadeus	60%	74%	75%
19	Malta	Amadeus	72%	80%	57%
20	The Netherlands	Amadeus	91%	92%	94%
21	Poland	Amadeus	84%	76%	78%
22	Portugal	Amadeus	89%	87%	86%
23	Romania	Amadeus	68%	69%	87%
24	Slovakia	Amadeus	82%	67%	82%
25	Slovenia	Amadeus	68%	68%	85%
26	Spain	Amadeus	88%	80%	80%
27	Sweden	Amadeus	78%	74%	70%
28	United Kingdom	Amadeus	89%	88%	89%

Notes:

- The availability of 'business overview' in absolute terms is directly depending from the number of companies available in any sector.
- In relative terms, the availability varies between good (around 70%) to very good (above 80%).
- There seems to be a slightly better relative availability of data in 'Pharmaceutical and Healthcare' compared to the other two sectors.
- There seems to be a general better absolute availability of data in 'Transport and Logistics' compared to the other two sectors, which can be simply linked to the number of companies available in that sector.
- Like in other analyses, interpreting relative availability of data in Member States showing only few data points must be done with care, given their lower statistical representativeness.

Based on these findings, it appears that the 'characteristics of property or services' comparability factor should be reasonably assessable.

Functional analysis

The Amadeus database provides information about the different functions performed by a company in the 'business overview' section. There can be relevant information about the general activity of the selected company – like activities related to distribution or manufacturing – but the information that would allow understanding the structure and the organisation of the group in which the company operates would generally be more limited. In all instances, the conclusions on the availability of screenings on 'characteristics of property and services' above apply *mutatis mutandis* to the functional analysis as well.

Another option available to assess 'functional analysis' is through the use of so-called 'diagnostic ratios.' Diagnostic ratios define numerically economic characteristics of a company. For transfer pricing purposes, they are typically based on profit & loss accounts or balance sheet material.

An aspect of the functional analysis is the functional intensity. All other things being equal, the more operating expenses a company makes, the more functions it is assumed to perform. To measure the intensity of activities, the following items can be measured:

- Operating Expenses on Total Costs.⁵⁷
- Operating Expenses on Total Sales.

Functional intensity is then estimated by dividing operating expenses by sales or total cost.

The data availability in absolute terms by sector is provided in the overview tables below:

⁵⁷ Defined as 'Sales' less 'Operating profit'

Table 50: Data availability of the Pharmaceutical and Healthcare industry in absolute terms

Pharmaceutical and healthcare												
#	Country	Number of companies	Operating expenses on total costs					Operating expenses on total sales				
			2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	264	0	0	0	0	0	0	0	0	0	0
2	Belgium	274	1	2	2	2	2	1	2	2	2	2
3	Bulgaria	94	0	0	0	0	0	0	0	0	0	0
4	Croatia	42	0	0	0	0	0	0	0	0	0	0
5	Cyprus	12	0	6	9	10	7	0	6	9	10	7
6	Czech Republic	207	0	2	1	1	1	0	2	1	1	1
7	Denmark	96	84	83	83	88	73	84	83	83	88	73
8	Estonia	28	4	4	4	4	4	4	4	4	4	4
9	Finland	136	9	8	8	7	7	9	8	8	7	7
10	France	1 038	10	10	10	9	9	10	10	10	9	9
11	Germany	949	24	38	39	45	41	24	38	39	45	41
12	Greece	270	255	266	261	253	249	254	265	261	253	249
13	Hungary	136	0	0	0	0	0	0	0	0	0	0
14	Ireland	96	75	79	79	80	69	75	79	79	80	69
15	Italy	1 063	0	0	0	0	0	0	0	0	0	0
16	Latvia	32	30	30	25	25	25	30	29	25	25	25
17	Lithuania	52	37	41	45	49	49	37	41	45	49	49
18	Luxembourg	5	0	0	0	0	0	0	0	0	0	0
19	Malta	18	6	12	16	16	15	6	11	15	15	14
20	The Netherlands	166	80	132	135	115	103	80	132	135	116	103
21	Poland	341	50	67	68	77	70	50	67	68	77	70
22	Portugal	232	0	0	0	0	0	0	0	0	0	0
23	Romania	173	0	0	0	0	0	0	0	0	0	0
24	Slovakia	93	2	1	1	2	0	2	1	1	2	0
25	Slovenia	44	0	0	0	0	0	0	0	0	0	0
26	Spain	639	0	0	0	0	0	0	0	0	0	0
27	Sweden	283	73	71	73	71	73	73	71	73	71	73
28	United Kingdom	710	588	637	624	590	564	588	637	625	591	564

Table 51: Data availability of the Transport and Logistics industry in absolute terms

Transport and logistics												
#	Country	Number of companies	Operating expenses on total costs					Operating expenses on total sales				
			2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	707	0	0	0	0	0	0	0	0	0	0
2	Belgium	888	0	0	0	0	0	0	0	0	0	0
3	Bulgaria	206	0	0	0	0	0	0	0	0	0	0
4	Croatia	122	0	0	0	0	0	0	0	0	0	0
5	Cyprus	18	2	9	11	12	8	2	9	11	12	8
6	Czech Republic	632	6	5	7	3	2	6	5	7	3	2
7	Denmark	279	213	202	187	174	133	211	201	185	174	133
8	Estonia	190	20	24	25	25	24	20	23	25	25	24
9	Finland	592	1	1	1	1	1	1	1	1	1	1
10	France	4 171	5	5	5	5	5	5	5	5	5	5
11	Germany	3 352	10	28	43	43	35	10	28	43	43	35
12	Greece	214	186	199	202	193	191	186	199	201	192	189
13	Hungary	387	0	0	0	0	0	0	0	0	0	0
14	Ireland	135	94	108	108	108	96	95	109	109	109	97
15	Italy	3 821	0	0	0	0	0	0	0	0	0	0
16	Latvia	191	176	178	174	164	157	176	178	173	163	157
17	Lithuania	303	194	235	241	256	239	194	235	241	256	239
18	Luxembourg	98	0	0	0	0	0	0	0	0	0	0
19	Malta	30	6	15	23	24	22	6	15	23	22	19
20	The Netherlands	478	267	376	361	350	316	267	376	361	350	317
21	Poland	1 050	62	92	98	105	105	62	92	98	105	105
22	Portugal	542	0	0	0	0	0	0	0	0	0	0
23	Romania	493	0	0	0	0	0	0	0	0	0	0
24	Slovakia	328	5	7	4	4	0	5	7	4	4	0
25	Slovenia	149	0	0	0	0	0	0	0	0	0	0
26	Spain	2 315	0	0	0	0	0	0	0	0	0	0
27	Sweden	1 131	50	49	48	46	45	51	50	49	46	45
28	United Kingdom	2 567	2 074	2 212	2 141	2 031	1 900	2 083	2 219	2 150	2 040	1 906

Table 52: Data availability of the Textile industry in absolute terms

Textile												
#	Country	Number of companies	Operating expenses on total costs					Operating expenses on total sales				
			2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	328	0	0	0	0	0	0	0	0	0	0
2	Belgium	441	1	1	1	1	0	1	1	1	1	0
3	Bulgaria	109	0	0	0	0	0	0	0	0	0	0
4	Croatia	78	0	0	0	0	0	0	0	0	0	0
5	Cyprus	7	0	1	4	7	6	0	1	4	7	6
6	Czech Republic	215	0	0	0	0	0	0	0	0	0	0
7	Denmark	69	58	59	61	62	45	58	59	61	61	44
8	Estonia	42	7	7	7	7	7	7	7	7	7	7
9	Finland	159	2	2	2	2	2	2	2	2	2	2
10	France	1 904	7	8	8	8	8	7	8	8	8	8
11	Germany	1 350	8	25	25	22	22	8	25	25	22	22
12	Greece	209	176	194	201	198	192	176	194	201	198	192
13	Hungary	124	0	0	0	0	0	0	0	0	0	0
14	Ireland	44	29	34	38	41	37	29	34	38	41	37
15	Italy	4 590	0	0	0	0	0	0	0	0	0	0
16	Latvia	44	37	37	37	34	33	37	37	36	34	33
17	Lithuania	74	53	59	61	64	64	53	59	61	64	64
18	Luxembourg	8	0	0	0	0	0	0	0	0	0	0
19	Malta	14	3	10	11	12	9	3	10	11	12	9
20	The Netherlands	142	66	102	108	103	87	66	102	109	104	87
21	Poland	446	71	80	83	84	81	71	80	83	84	81
22	Portugal	687	0	0	0	0	0	0	0	0	0	0
23	Romania	255	0	0	0	0	0	0	0	0	0	0
24	Slovakia	100	0	0	0	0	0	0	0	0	0	0
25	Slovenia	67	0	0	0	0	0	0	0	0	0	0
26	Spain	1 250	0	0	0	0	0	0	0	0	0	0
27	Sweden	377	42	42	42	41	40	43	42	42	41	40
28	United Kingdom	1 397	1 129	1 204	1 192	1 122	1 041	1 129	1 205	1 193	1 122	1 041

The availability in relative terms by sector is provided in the overview tables below:

Table 53: Data availability of the Pharmaceutical and Healthcare industry in relative terms

Pharmaceutical and healthcare											
#	Country	Operating expenses on total costs					Operating expenses on total sales				
		2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	Belgium	0%	1%	1%	1%	1%	0%	1%	1%	1%	1%
3	Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Croatia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Cyprus	0%	50%	75%	83%	58%	0%	50%	75%	83%	58%
6	Czech Republic	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%
7	Denmark	88%	86%	86%	92%	76%	88%	86%	86%	92%	76%
8	Estonia	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
9	Finland	7%	6%	6%	5%	5%	7%	6%	6%	5%	5%
10	France	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
11	Germany	3%	4%	4%	5%	4%	3%	4%	4%	5%	4%
12	Greece	94%	99%	97%	94%	92%	94%	98%	97%	94%	92%
13	Hungary	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Ireland	78%	82%	82%	83%	72%	78%	82%	82%	83%	72%
15	Italy	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
16	Latvia	94%	94%	78%	78%	78%	94%	91%	78%	78%	78%
17	Lithuania	71%	79%	87%	94%	94%	71%	79%	87%	94%	94%
18	Luxembourg	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Malta	33%	67%	89%	89%	83%	33%	61%	83%	83%	78%
20	The Netherlands	48%	80%	81%	69%	62%	48%	80%	81%	70%	62%
21	Poland	15%	20%	20%	23%	21%	15%	20%	20%	23%	21%
22	Portugal	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Romania	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
24	Slovakia	2%	1%	1%	2%	0%	2%	1%	1%	2%	0%
25	Slovenia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
26	Spain	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
27	Sweden	26%	25%	26%	25%	26%	26%	25%	26%	25%	26%
28	United Kingdom	83%	90%	88%	83%	79%	83%	90%	88%	83%	79%

Table 54: Availability of data in the Transport and Logistics industry in relative terms

Transport and logistics											
#	Country	Operating expenses on total costs					Operating expenses on total sales				
		2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	Belgium	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Croatia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Cyprus	11%	50%	61%	67%	44%	11%	50%	61%	67%	44%
6	Czech Republic	1%	1%	1%	0%	0%	1%	1%	1%	0%	0%
7	Denmark	76%	72%	67%	62%	48%	76%	72%	66%	62%	48%
8	Estonia	11%	13%	13%	13%	13%	11%	12%	13%	13%	13%
9	Finland	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	France	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Germany	0%	1%	1%	1%	1%	0%	1%	1%	1%	1%
12	Greece	87%	93%	94%	90%	89%	87%	93%	94%	90%	88%
13	Hungary	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Ireland	70%	80%	80%	80%	71%	70%	81%	81%	81%	72%
15	Italy	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
16	Latvia	92%	93%	91%	86%	82%	92%	93%	91%	85%	82%
17	Lithuania	64%	78%	80%	84%	79%	64%	78%	80%	84%	79%
18	Luxembourg	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Malta	20%	50%	77%	80%	73%	20%	50%	77%	73%	63%
20	The Netherlands	56%	79%	76%	73%	66%	56%	79%	76%	73%	66%
21	Poland	6%	9%	9%	10%	10%	6%	9%	9%	10%	10%
22	Portugal	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Romania	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
24	Slovakia	2%	2%	1%	1%	0%	2%	2%	1%	1%	0%
25	Slovenia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
26	Spain	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
27	Sweden	4%	4%	4%	4%	4%	5%	4%	4%	4%	4%
28	United Kingdom	81%	86%	83%	79%	74%	81%	86%	84%	79%	74%

Table 55: Data availability in the Textile industry in relative terms

Textile											
#	Country	Operating expenses on total costs					Operating expenses on total sales				
		2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
1	Austria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	Belgium	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	Croatia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	Cyprus	0%	14%	57%	100%	86%	0%	14%	57%	100%	86%
6	Czech Republic	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
7	Denmark	84%	86%	88%	90%	65%	84%	86%	88%	88%	64%
8	Estonia	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
9	Finland	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
10	France	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	Germany	1%	2%	2%	2%	2%	1%	2%	2%	2%	2%
12	Greece	84%	93%	96%	95%	92%	84%	93%	96%	95%	92%
13	Hungary	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	Ireland	66%	77%	86%	93%	84%	66%	77%	86%	93%	84%
15	Italy	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
16	Latvia	84%	84%	84%	77%	75%	84%	84%	82%	77%	75%
17	Lithuania	72%	80%	82%	86%	86%	72%	80%	82%	86%	86%
18	Luxembourg	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	Malta	21%	71%	79%	86%	64%	21%	71%	79%	86%	64%
20	The Netherlands	46%	72%	76%	73%	61%	46%	72%	77%	73%	61%
21	Poland	16%	18%	19%	19%	18%	16%	18%	19%	19%	18%
22	Portugal	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Romania	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
24	Slovakia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
25	Slovenia	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
26	Spain	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
27	Sweden	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
28	United Kingdom	81%	86%	85%	80%	75%	81%	86%	85%	80%	75%

Notes:

- Most strikingly, the ratios cannot be calculated at all for companies located in specific Member States in any of the industries analysed. This is simply due to the non-availability of 'operating expenses' data in these Member States. With reference to the earlier analyses, the non-availability is attributed to different accounting systems in different Member States making a uniform definition of CoGS or operating expenses within the databases tentative. Hence, for Member States in which companies do not appear to provide operating expense data in the database, the latter provides actually no detail on total (operating) expenses at all. However, for quite a few Member States another item is made available (outside the profit and loss accounts): material costs that may be defined as a subset of CoGS including only the cost of purchased material.
- No distinction needs to be done between the two diagnostic ratios defined. One could actually compute the ratios with the same items: sales and operating profit. The total cost can indeed be defined as sales less operating profit.
- For the Member States in which 'operating expenses' data is available, we observe in relative terms, some disparity in the availability of the diagnostic ratio, from very low (below 20%) to very high (more than 80%).
- One outlier is the UK that not only scores very well on relative availability, but also is the Member State in which most data is available.

- There seems to be a general slightly better relative availability of data in 'Pharmaceutical and Healthcare' than in the other two sectors.
- There seems to be a general better absolute availability of data in 'Transport and Logistics' than in the other two sectors, which can be simply linked to the number of companies available in that sector.
- Like in other analyses, interpreting relative availability of data in Member States showing only few data points must be done with care, given their lower statistical representativeness.

Based on these findings, it appears that the functional analysis comparability factor can only be reliably assessed in specific circumstances. As mentioned earlier in the study, an alignment of accounting system and harmonised reporting rules could remedy this issue. In the meantime, it is relevant to acknowledge the availability of the 'material cost'⁵⁸ line that in some circumstances can possibly substitute the CoGS line and further allow meaningful screening on functional analysis. Indeed, if operating expenses is defined as sales less CoGS or material cost, which should be measurable in quite a few cases, screening on functional analysis would be feasible. That screening may also be meaningful for functions such as distribution, where one can expect a more limited, if any, difference between CoGS and material cost.

Contractual terms

In practice, information concerning the contractual terms of potentially comparable uncontrolled transactions is privately held information that would not be available in the databases.

The availability of data to analyse this comparability factor cannot be assessed here.

Economic circumstances

The Amadeus database does not give any information regarding the economic circumstances e.g. size of the market, competitiveness within the market, level of supply/demand, substitution of products, etc. However, economic circumstances like profitability within a specific Member State or region or maturity of a sector can be assessed. For a discussion on the availability of data, reference is made to prior analyses on e.g. loss-making companies or start-up companies.

Business strategies

Similar to the contractual information, business strategies are expected to be essential private and confidential information that one cannot expect to be available in databases.

Therefore, the availability of data to analyse this comparability factor cannot be assessed.

⁵⁸ The '**material cost**' consists mainly of the cost of direct materials which can be easily identified with the unit of production, and which are used to manufacture a product or provide a service. This cost does not include the cost of labour to transform the product. The material cost is also known as 'raw material cost'. The '**cost of goods sold**' includes the raw material cost, the processing cost which consists of direct labour costs and direct overhead. The CoGS includes all costs of purchase, conversion and other costs to bring the inventory to their present location and condition.

6.3. #21: Indicators, tests or thresholds to assess the acceptability of comparables

Scope

The definition of indicators, tests, or thresholds that are used in each Member State in order to assess the acceptability and reliability of comparables in light of the tested transactions and, where appropriate, possible adjustments are collected and analysed.

Summary

Comparables selection tend to be generally deductive⁵⁹ throughout the EU, whereby practitioners start from a relatively large set of potentially comparable companies to arrive at a final set, materially more limited in size, after the application of a series of screening criteria.

There is a general trend to apply first mechanical screenings that can be applied objectively and rather automatically in the databases. Manual screening, requiring individual checks of tested comparables, are naturally left for the end of the process. Both quantitative (numerical) and qualitative (descriptive) screenings are applied. In some Member States, a preference for qualitative screenings is noted. Quantitative screenings are nevertheless recognised as more objectively applicable and easily traceable.

The performance of comparability adjustments, at the end of the screening process tend to be performed rather occasionally, by practitioners of some Member States. If an adjustment is made, then it will typically be a working capital adjustment. Member States may also apply accounting adjustments, but only in specific circumstances.

Various accounting regulations apply in different EU Member States. Bureau Van Dijk analysis the financial statements and reporting in all Member States, and compares these with the reporting in other Member States. In order to enter financial data of different Member States into one database, Bureau Van Dijk applies certain harmonisation to the data. The harmonisation could consist of categorising separate reported financial data in a different way, which would then allow comparison of financial data between Member States. Such categorisation could also entail adding certain separate reported elements together to allow comparison with other Member States.⁶⁰

It has been noted that the combination of strict independence and size thresholds – two (almost) systematically applied screenings – materially decreases the size of the set of companies available for further screening.

⁵⁹ According to the OECD Guidelines §3.38, the 'deductive approach' starts with a wide set of companies that operate in the same sector of activity, perform similar broad functions and do not present economic characteristics that are obviously different. The list is then refined using selection criteria and publicly available information (e.g. from databases, Internet sites, information on known competitors of the taxpayer). In practice, the 'deductive approach' typically starts with a search on a database.

⁶⁰ An example could be the 'other shareholder funds' reported in Amadeus, which is the sum of the following separate reported items in the Belgian account: Share premium account + Revaluation surpluses + Consolidated reserves + Negative goodwill + Translation differences + Investment grants + Minority Interests. This formula is different for other Member States. In Italy, the formula would be as follows: Total shareholders' funds - Total receivables due from shareholders - Capital stock

In general, and importantly, if the screening processes across the EU appears to be generally conceptually and directionally aligned, many variations are observed across the EU. A more prescriptive, still sufficiently flexible, guidance on the search process, especially to screenings such as independence, may simplify discussions between the taxpayers and Tax authorities.

Methodology

The analysis is based on the answers from the EU-28 Member States obtained from the survey and general experience of the authors. The information has been organised in a discussion on the screening process, the comparability adjustment and special considerations on independence and size.

For the special considerations, measurement of data availability has been performed in the Amadeus database.

Analysis

Screening process

Practitioners generally apply screening to identify comparables under TNMM, also referred to as 'deductive' approach in the OECD TPG. The approach consists in starting with a wide set of potentially comparable companies and gradually narrowing down the size of the set through the application of screening criteria. The application of screening criteria allows to progressively improve the general comparability of the companies left in the set to the tested party (the related party to the transaction that is tested). Screening criteria can be broadly defined as qualitative or quantitative and as mechanical or manual.

- Quantitative screenings refer to screenings whereby the comparability criterion is numerically defined, like turnover thresholds or diagnostic ratios.
- Qualitative screenings refer to screenings whereby the comparability criterion is word-based, like location, business description or industry classification.
- Mechanical screenings refer to screenings that can be defined in the database and mechanically applied.
- Manual screenings refer to screenings that are applied one by one, and cannot be automated. They typically consist in the review of full business descriptions, website information, and annual accounts.

A systematically applied qualitative screening, that can be mechanically applied in the 'good' databases is independence. Independence from majority corporate shareholders is unanimously seen as a prerequisite to avoid discussion of possible impact of non-arm's length prices on the profit.

A commonly and mechanically applied quantitative screen is the 'Sales thresholds' whereby companies not reaching a certain level of sales would be rejected. The application of the sales threshold helps (1) calibrate the sales / size of the comparable companies to the tested party and/or (2) objectively and swiftly decrease the size of a large set of potential comparables and/or (3) exclude comparables of which the small size may add doubt to their general representativeness. The majority of the practitioners within the Member States apply a turnover threshold as quantitative screen. The range goes from EUR 1 million to EUR 10 million, and depends on the facts and circumstances. One typical focus is the size of the tested party itself being its sales.

Few practitioners within the EU claim using statistical tools during the (quantitative) screening process, but they are nevertheless regarded as a helpful option. These statistical tools tend to be quite basic, like the use at some point in the screening process of an interquartile range. As an example, comparables could be excluded if an inventory ratio they report is above the lower quartile or the median of the ratios of the then remaining comparables when trying to identify comparables not bearing significant risks on their inventories.

The use of diagnostic ratios (e.g. level of inventory, level of property plant and equipment, asset or functional intensity) to test the functional or risk profile does not appear to be used consistently throughout the EU-28 Member States. It seems that several practitioners put more weight on the manual review than on the use of these quantitative ratios during the screening process. The latter are nevertheless recognised as being efficient (robust and quick screening), traceable (easy to verify their application), and objective (a series of economically valid screening ratios can be devised).

Most practitioners favour a manual screening at some stage in the screening process, but typically (and logically) rather at the end of that process to identify the final set of comparables. An inherent weakness of qualitative manual screening is their lower degree of traceability, and their possible objectivity (how to remain perfectly consistent in reviewing hundreds of sometimes poorly expressed business descriptions?).

In several Member States, practitioners will verify the independence status of the final set of accepted companies using the OneSource database (from ThomsonReuter).

The functionality of the comparables is also verified through research on the Internet. Typically, screen shots (copy of computer screenings) are kept on file as evidence, but are not included in the final report. Most practitioners would experience the additional screenings through Internet as a burdensome endeavour, as it is more convenient to solely rely on the descriptive data from the databases. The 'business description' in databases does not seem to provide sufficient comfort in this respect to date. Amadeus provides a 'business overview' that is prepared by Bureau van Dijk based on information available on the Internet (see previous discussion in this respect). This business overview provides significantly more relevant information. It would be helpful if a date stamp were available indicating when the last verification/update of the business overview took place.

Comparability adjustments

Comparability adjustments are adjustments applied, typically on the final set of comparables selected, which aim at improving the comparability of the latter to the tested party.

Among EU practitioners, there is a tendency to apply adjustments to the results obtained to enhance comparability only in case these are 'really needed'. Indeed, rather than making adjustments, there seems to be a preference to justify why a different position in the final profit level indicators range may be appropriate, as it appears 'easier' to explain / justify. Still, performing adjustments appears to generally be accepted in most Member States by the Tax authorities, if the reason to perform the adjustment is well documented.

The acceptability of the following comparability adjustments has been reviewed:

- **Working capital adjustments**: they adjust for differences in working capital – typically, inventory, accounts receivable, and accounts payable – between the tested party and the comparables. They are applied by practitioners in several Member States and are in general accepted by Tax authorities, provided the reason for the adjustment is specified. These adjustments appear not to be performed on a systematic basis. A preference is generally given to adjust screening criteria rather than making the adjustments.
- **Accounting adjustments**: they adjust for difference in accounting principles applicable to the tested party and comparables. A typical example of accounting adjustment is the treatment of leasing or similar arrangements that can be, depending on the accounting systems and the type of arrangement, on- or off-balance, where the interest cost can be treated as an operating expense, part of the 'rent', or a financial costs. These differences will impede comparability as they would impact the assets size and the level of operating profit. They tend, however, not to be widely applied within the EU, supposedly given the lack of detailed accounting data available in the databases. Adjustments on other accounting elements are, however, performed by practitioners from several Member States, to factor in particular circumstances that are known at the level of the tested party and expectedly inexistent at the level of the comparables. Adjustments are occasionally performed on the following elements:
 1. Restructuring expenses/exceptional items
 2. Start-up expenses
 3. Foreign exchange differences
- **Other adjustments**: other adjustments like risk-related adjustments, functional intensity adjustment, market adjustments appear to only be performed occasionally.

The survey indicates that there are some differences in the comparable selection approaches, as applied by different practitioners within the EU. Some practitioners implement a slightly different search step for a particular screening, but the ultimate goal is usually similar and comparable to other Member States (e.g. accepting comparable companies with certain independence criteria vs. rejecting companies that exceed certain independence criteria).

Specific considerations for size and independence threshold

As discussed earlier in the analysis, (1) independence is paramount for selected comparables and (2) sufficient size is desirable to improve quality (and comparability). Independence is typically specified by the percentage of equity interest a corporate shareholder holds. Common percentages used in the EU are 50% and 25%. Size is commonly measured in level of sales. In the EU, sales thresholds situated between EUR 1 million and EUR 10 million appear to be commonly used by practitioners.

In an attempt to measure the impact on the number of comparable companies left in the set if non-independent companies generally defined as 'too small to be reliably comparable' are excluded, the availability of data in Amadeus using two common independence and size thresholds has been tested:

Table 56: Availability of data using two common independence and size thresholds

Independence threshold	Number of companies	
	Sales > EUR 5.0 million	EUR 2.5 million < Sales > EUR 5.0 million
No corporate shareholder > 50%	187,248	340,517
No corporate shareholder > 25%	21,706	32,914

We observed that, when looking at the largest companies (sales larger than EUR 5 million), strengthening the independence criterion from a maximum stake by any corporate shareholder of 50% to 25% would decrease the number of potential comparables approximately sevenfold. When looking at companies with smaller sales volumes (sales between EUR 2.5 and 5.0 million), the stricter independence would decrease the number of potential comparables approximately tenfold.

This illustrates clearly that if thresholds to screen on independence that are too stringent, the number of potentially comparable companies can dramatically decrease. Therefore, an independence threshold of 50%, which arguably is the only one objectively determinable, appears to be the preferable approach. Deviations should still be acceptable on a case-by-case basis, provided solid argumentation is available to support the deviation.

Other general remarks regarding the search process to identify comparables:

- Guidance on applicability and use of search criteria within the EU may be helpful. This may help avoiding lengthy discussions about the application and validity of a particular search step.
- There is a regulatory change in Poland: performing a benchmark study at the very outset to identify pan-European comparables will still be accepted until the end of 2016. However, starting in 2017, the law will require identifying Polish comparables first. Only in case where there are not sufficient Polish comparables, then a pan-European search could be justified.

6.4. #22: Update of two studies presented to the JTPF in 2004

Scope

Update at EU-28 Member States level the qualitative contribution study analysis presented during the JTPF meeting in March 2004. The two studies are the following:

- Is Europe One Market? A Transfer Pricing Economic Analysis of pan-European Comparables Sets ([Doc JTPF/007/BACK/2004/EN](#)).
- Pan-European versus Country Specific Search and pan-European versus country-Specific databases: not a clear-cut issue. ([Doc JTPF/006/BACK/2004/EN](#))

An update of the conclusions of the 2004 study has been performed to include financial data of the most recent years available. Additionally, the initial group of the EU-15 Member States in 2004, whereby 10 Member States have effectively been tested, has been expanded to include all EU-28 Member States. Four other non-EU countries have been selected as well on top of the EU-28 Member States. Three sectors have been added to the analysis.

The purpose of the analysis consisted of verifying whether the conclusions reached in 2004 are applicable today, considering that the region has expanded to include 32 countries.

Summary

The update allows maintaining all three historic conclusions that (1) searches using pan-European databases produce comparable sets that are generally a fair representation of local profit expectations, (2) they tend to be more affordable than a series of local searches, and (3) at times, sectoral or industry differences may subsist.

The profitability in some industries may be affected by geographical differences⁶¹. However, for the majority of sectors and countries analysed, there is generally some consistency in the profitability observed across Member States. That may be helpful to support the use of searches using pan-European databases rather than specific local databases when circumstances warrant it. Additionally, this may also support the use of foreign comparables in Member States where little TNMM data are available.

Update of the 'Is Europe One Market' study

General remarks:

- The version of Amadeus used for the different exports is the update 256, January 2016.
- The study is performed on a 5-year period. The most recent 5 year period with sufficient reported data available was taken for the analysis, which is covering financial data for the period 2010 - 2014. Topic #10-13 provides additional insight in the data availability per Member State. Substituting 2014 by adding 2009 (i.e. analysing the period 2009-2013) would not increase the availability of data since the analysis in topic #11 demonstrates that less data is available for 2009 compared to 2014. The survey indicates that many Member States use multiple

⁶¹ The geographical differences would imply that there are significant differences in the market conditions between the region of the tested party and the region where the comparables are based. These differences in market conditions would then lead to a difference in profitability.

years to reflect an economic business cycle, whereby a 5 year period is commonly accepted by many Member States.

- The Return on Assets was calculated as follows:

Operating Profit /
(Tangible Fixed Assets + Stocks + Debtors + Cash & Cash Equivalent)

- The Operating Profit Margin was calculated as follows:

Operating Profit /
Operating Revenue (Sales)

- The Net Cost Plus Margin was calculated as follows:

Operating Profit /
(Sales – Operating Profit)

- When cumulative screening criteria are applied, the sample size of a particular Member State may be reduced to the extent that any conclusion would not be deemed as statistically significant. To make the representation of any given country statistically meaningful, we require that at least 30 companies represent that country.

In some cases, however, this turns out to be a stringent criterion leaving for the analysis only very few remaining countries. In this case, if less than 8 countries remain in the dataset, then we adjust the threshold of 30 companies per country downwards. Then the required number of companies per country is data-driven (instead of maintained at 30). To obtain this data-driven number, the median number of companies per country is computed. This number could be considered as a reasonable threshold for including a country or not in the dataset (as it represents the median availability of companies per country). In order to avoid circumstances where the median turns out to be too low, it is floored at 5. The impact of small sample sizes has been tested, and our findings in this respect are included in the 'Further statistical testing' and 'Result' section below. The analysis tests the result of different countries with sufficient data remaining against the pan-European data.

Overall, the conclusions of the 2004 study were that (1) the EU was one market for TNMM transfer pricing purposes, and (2) an arm's length range of results based on a pan-European set of comparable companies provides a reliable measure for an arm's length result are confirmed.

The objective of the present analysis is to reassess the 'Europe one-market' hypothesis. This question has been investigated using the chi-square test of homogeneity, which is one of the most commonly applied statistical tests for such questions.⁶² The Chi-square test is a non-parametric test which is used to perform interquartile statistical analyses. The use of a nonparametric test requires less stringent assumptions regarding the normal distribution of the underlying data (i.e. the interquartile data) than a parametric test.

The chi-square outcomes are then further verified using additional tests that address possible weaknesses, ensuring the robustness of the results. These additional tests can be found in the section 'Further statistical testing.' The 2004 survey 'Is Europe One Market?' has been updated to examine the appropriateness of using pan-European databases rather than local databases. Overall, the current 2016 study concludes again that for most countries and industries, the EU is generally one market for TNMM transfer pricing purposes, and that an arm's length range of results based

⁶² Additional explanation and justification for the use of the Chi-square test can be found on page 30 of the original 2004 study.

on a pan-European set of comparable companies would provide a reliable measure for an arm's length result.

Methodology:

To allow comparability between the original 2004 study and the 2016 update, the original methodology and search strategies have been replicated, to the extent it was possible. This is one of the main reasons of using the chi-square test of homogeneity, as it was also used in the 2004 study. The main difference between the 2004 study and the 2016 update in 2016 are:

- Expanded geographic scope from 10 to 32 countries.
- Update of NACE codes, after revision of latter.
- Increase of minimum revenue threshold from EUR 1 million to EUR 5 million.

Two approaches have been undertaken for the statistical testing.

- The first approach refers to the specific comparability test (specific test) designed to generate testable comparability data that closely replicates the standard TNMM comparability analysis process used in daily practice. The industry categories selected in the specific tests are often the basis of a TNMM analysis in practice, as indicated in the 2004 study.
- To verify whether the conclusions of the specific test could be generalised, additional tests were also performed using broader comparability selection criteria (broader test). The broader tests are based on more relaxed comparability screening, covering manufacturing, distribution and services industries. The NACE codes selected are also more general, which ensures that a larger group of companies is selected as a starting point.

For this update of the 2004 study, the geographic area has been expanded to include: EU-28 Member States, Iceland, Liechtenstein, Norway and Switzerland. The testing has been performed for each country across a total of twelve sectors:

- Four initial sectors for the specific test (Automotive Manufacturing, Electronics Manufacturing, Chemicals Distribution and Electronics Distribution), from the 2004 study.
- Three additional sectors for the specific test (Transport and Logistics, Pharmaceutical Healthcare Manufacturing and Textile Wholesale), only in the 2016 study.
- Five sectors for the broader test (Printing, Machinery Manufacturing, Vehicle Parts Distribution, Food Distribution and Computer Services), from the 2004 study.

For the specific and broader test, a first screening process was undertaken in Amadeus. The comparability selection criteria applied are the following: geographic area, NACE code selection, independence, type of accounts, year of incorporation, number of available financial reporting periods and minimum turnover. A summary of the details can be found in the table below.

A typical search to identify comparable companies includes a manual qualitative screening of all remaining companies to ensure that the company data is indeed comparable from a products or services, functions and risks perspective. Such comparability is indeed important, since differences in any factor may impact the profitability. Because the final detailed qualitative screening was not performed, a refinement of the comparability selection process was undertaken in Excel in order to eliminate extraordinary outliers. For this purpose, the assumption was made that

companies with either extraordinarily low or high profits have differences in functional and/or risk profiles.

Different thresholds were used depending on the profit level indicator tested to eliminate outliers. For the specific test, outliers with operating margins ('OM') below minus 5 percent and above 15 percent (based on a five-year average) were eliminated and outliers with a return on assets ('ROA') below minus 10 percent and above 20 percent were eliminated. For services, the outliers were eliminated if the net cost plus ('NCP') was below 0 percent or above 15 percent. Furthermore, companies that don't have any value for the average tangible fixed assets, the stocks, the debtors or the cash & cash equivalent were excluded.

For the broader test, companies that had losses over a five-year average period and companies that had a ROA (with the same availability of data as for the specific test), OM or NCP above 15 percent for a five-year average period are not functionally comparable and were therefore eliminated.

Analysis

Specific test for the initial sectors – process

The table below summarises the screening process applied for the specific test in Amadeus.

Table 57: Specific test in Amadeus for the four initial sectors

	Automotive Manufacturing	Electronics Manufacturing	Chemical Distribution	Electronics Distribution
Geographic area	European Union (28), Iceland, Liechtenstein, Norway and Switzerland			
NACE Rev. 2 (Primary codes only)	29: Manufacture of motor vehicles, trailers and semi-trailers 309: Manufacture of transport equipment nec	26: Manufacture of computer, electronic and optical products 2823: Manufacture of office machinery and equipment (except computers and peripheral equipment) 3320: Installation of industrial machinery and equipment	4612: Agents involved on the sale of fuels, ores, metals and industrial chemicals 4675: Wholesale of chemical products	4651: Wholesale of computers, computer peripheral equipment and software 4652: Wholesale of electronic and telecommunications equipment and parts 4666: Wholesale of other office machinery and equipment
BvD independence indicator	Companies with C, D independence indicators are excluded: - Excluding shareholders recorded with more than 50% total ownership (indirectly majority owned). - Excluding shareholders recorded with more than 50% direct ownership (directly majority owned)			
Type of accounts	Independent companies with unconsolidated accounts and parent companies with consolidated accounts are accepted			
Year of incorporation	Companies incorporated after 2007 were excluded			
Year of last available accounts	Only companies whose last available accounts date from 2011, 2012, 2013 and 2014 were selected			
Minimum turnover	Companies with a minimum sales amount of EUR 5 000 000 ⁶³ during at least one of the selected periods (2011, 2012, 2013, 2014) were selected			
Size of Data Set (# Companies)	626	1 070	816	816

⁶³ A threshold of EUR 5 million was used in order to increase the quality and reliability of the data since larger companies have audited financials.

The table below summarises the screening process applied for the specific test in Excel.

Table 58: Specific test in Excel for the four initial sectors

	Automotive Manufacturing	Electronics Manufacturing	Chemical Distribution	Electronics Distribution
Availability of data: Operating Profit	As operating profit is of the utmost importance for calculating the Return on Assets (ROA) and the Operating Profit Margin (OM), only companies that released at least three years of Operating Profit data during the last five available financial years were kept			
Diagnostic ratio	Companies that have a ROA >20% or <-10% were eliminated		Companies that have a OPM >15% or <-5% were eliminated	
Availability of data	Companies that don't have any value for the average tangible fixed assets, the stocks, the debtors or the cash & cash equivalent were excluded			
Size of Data Set (# Companies)	468	697	730	697

Specific test for the additional sectors – process

The same approach has been applied to the three additional sectors chosen. The table below summarises the screening process applied for the specific test in Amadeus:

Table 59: Specific test in Amadeus for the three additional sectors

	Transport and logistics	Pharmaceutical Healthcare Manufacturing	Textile Wholesale
Geographic area	European Union (28), Iceland, Liechtenstein, Norway and Switzerland		
NACE Rev. 2 (Primary codes only)	49: Land transport and transport via pipelines 50: Water transport 51: Air transport 52: Warehousing and support activities for transportation 53: Postal and courier activities	21: Manufacture of basic pharmaceutical products and pharmaceutical preparations 325: Manufacture of medical dental instruments and supplies	4641: Wholesale of textiles 4642: Wholesale of clothing and footwear
BvD independence indicator	Companies with C, D independence indicators are excluded: - Excluding shareholders recorded with more than 50% total ownership (indirectly majority owned). - Excluding shareholders recorded with more than 50% direct ownership (directly majority owned)		
Type of accounts	Independent companies with unconsolidated accounts and parent companies with consolidated accounts are accepted		
Year of incorporation	Companies incorporated after 2007 were excluded		
Year of last available accounts	Only companies whose last available accounts date from 2011, 2012, 2013 and 2014 were selected		
Minimum turnover	Companies with a minimum sales amount of EUR 5 000 000 during at least one of the selected periods (2011, 2012, 2013, 2014) were selected		
Size of Data Set (# Companies)	5 635	403	882

The table below summarises the screening process in Excel.

Table 60: Specific test in Excel for the three additional sectors

	Transport and logistics	Pharmaceutical Healthcare Manufacturing	Textile Wholesale
Availability of data: Operating Profit	As operating profit is of the utmost importance for calculating the Return on Assets (ROA) and the Operating Profit Margin (OM), only companies that released at least three years of Operating Profit data during the last five available financial years were kept		
Diagnostic ratio	Companies that have a ROA >20% or <-10% were eliminated	Companies that have a OM >15% or <-5% were eliminated	
Availability of data	Companies that don't have any value for the average tangible fixed assets, the stocks, the debtors or the cash & cash equivalent were excluded		
Size of Data Set (# Companies)	3 998	229	731

Aggregated data sets for specific tests:

The table below summarises the aggregated data sets for the four original sectors.

Table 61: Aggregated data for the four initial sectors

	Automotive Manufacturing	Electronics Manufacturing	Chemical Distribution	Electronics Distribution
Size of Data Set (# of companies)	428	644	642	584
Mean Sales (€ Thousands)	511 395	94 181	47 091	39 528
Profit Level Indicator	ROA in %		OM in %	
Mean	5.7%	6.8%	3.4%	3.4%
Lower Quartile	2.3%	3.1%	1.4%	1.2%
Median	5.5%	6.9%	2.6%	2.5%
Upper Quartile	9.8%	11.5%	4.9%	5.0%

The table below summarises the aggregated data sets for the three additional sectors.

Table 62: Aggregated data for the three additional sectors

	Transport And Logistics	Pharmaceutical Healthcare Manufacturing	Textile Wholesale
Size of Data Set (# Companies)	3 867	199	693
Mean Sales (€ Thousands)	66 320	23 7508	21 791
Profit Level Indicator	ROA in %		OM in %
Mean	5.3%	7.8%	3.7%
Lower Quartile	1.5%	3.9%	1.5%
Median	4.7%	7.5%	3.2%
Upper Quartile	8.8%	11.6%	5.8%

Appendix 6 provides a broad summary of the underlying data at country level⁶⁴.

Statistical analysis of the specific test

In order to determine the arm's length range of results, practitioners make use of statistical ranges, very often the interquartile range which is the range situated between the 25th and the 75th percentiles. The financial metric that is used for the comparison is either the ('ROA'), the Operating profit Margin ('OM') or the Net Cost Plus ('NCP') depending on the type of industry. The approach taken is based on the Pearson's Chi-Square test for homogeneity. In particular, we are testing whether the 25th percentile ('P25') of the financial metric for each country is statistically similar to the P25 of the financial metric at a pan-European level⁶⁵. Similarly, the same test is performed for the 75th percentile ('P75').

The chi-square testing is based on a series of steps. In a nutshell, these are:

- Computation of the P25 of the pan-European population for the financial metric (ROA, OM or NCP).
- The dataset is split into two equally-sized datasets based upon the median value of the financial metric at pan-European level. The pan-European P25 and P75 correspond to the medians of these two datasets. In other words, P25 is the median of the lower quartile, P75 is the median of the upper quartile. Therefore, for each of these two datasets the equality of the median will be assessed using Pearson's chi-square method.
- For each country and for each of the two datasets a contingency table is constructed indicating the observed number of companies above or below the pan-European median of the dataset.
- For each contingency table, the expected frequency (i.e. number of companies above and below the pan-European P25 for each country) is computed based on the homogeneity hypothesis. A similar approach is used for P75.
- The chi-square statistic is computed, as the sum of square differences of observed versus expected frequencies, scaled by the expected frequency.
- The critical chi-square statistic is computed, using, as number of degrees of freedom, $df=1$, and as a confidence level that of 95%.

The chi-square testing concludes in the following way:

- If the chi-square value of the contingency table is larger than the critical chi-square value, then it is argued that at the proposed confidence level, the differences are too large to be explained by chance. In this case, the null hypothesis is rejected: the country corresponding to the contingency table has a different median (which depending on the dataset can be the P25 or the P75).
- The chi-square test assumes that the sampling of companies has been drawn completely at random, i.e. every company is equally likely to report their results to Amadeus. The overview of data reported in each Member State is discussed in topic #10-13. The survey included in appendix 2 indicates that Amadeus is used in almost all Member States and is used by a large majority of practitioners and Tax authorities.

⁶⁴ Appendix 6 provides the total number of companies after the Excel filtering.

⁶⁵ A '**percentile**' is a measure used in statistics indicating the value below which a given percentage of observations in a group of observations fall. For example, the 25th '**percentile**' is the value (or score) below which 25% of the observations may be found (source: Wikipedia).

- If the chi-square value of the contingency table is less than (or equal to) the critical chi-square value, then it is argued that at the proposed confidence level, the differences can be explained by chance alone. In this case, the null hypothesis is accepted: the country corresponding to the contingency table has the same median (which depending on the dataset can be the P25 or the P75).

The results of the specific test for the four sectors of the previous study are reported in the table below:

Table 63: Statistical test of the specific test for the four sectors

	Automotive Manufacturing	Electronics Manufacturing	Chemical Distribution	Electronics Distribution
Size of Data Set (# Companies)	428	644	642	584
Profit Level Indicator	Return on Assets (ROA) in %		Operating Profit Margin (OPM) in %	
Interquartile Range Europe	2.3 – 9.8	3.1 – 11.5	1.4 – 4.9	1.2 – 5.0
Lower Quartile – Same as pan-European (Accept null Hypothesis)	Finland, France, Hungary, Italy, Poland, Slovakia, Spain, Sweden, United Kingdom, Czech Republic, Germany, Portugal	Belgium, Czech Republic, Finland, France, Greece, Hungary, Slovakia, Spain, Sweden, Germany, Italy, Poland, Portugal, United Kingdom	Belgium, Bulgaria, Czech Republic, Greece, Germany, Hungary, Italy, Poland, Portugal, Spain, United Kingdom	Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Norway, Spain, Sweden, United Kingdom
Lower Quartile – Different than pan-European (Reject null Hypothesis)	None	None	France	Poland
Upper Quartile – Same as pan-European (Accept null hypothesis)	Finland, France, Hungary, Slovakia, Spain, Sweden, United Kingdom, Czech Republic, Germany, Italy, Poland, Portugal	Belgium, Czech Republic, Finland, France, Greece, Portugal, Slovakia, Sweden, Germany, Hungary, Italy, Poland, Spain, United Kingdom	Belgium, Bulgaria, Czech Republic, France, Germany, Hungary, Italy, Poland, Portugal, Spain, United Kingdom	Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Norway, Poland, Spain, Sweden, United Kingdom
Upper Quartile – Different than pan-European (Reject null hypothesis)	None	None	Greece	None

The results of the specific test for the three additional sectors are reported in the table below:

Table 64: Statistical test for the specific test for the three additional sectors

	Transport And Logistics	Pharmaceutical Healthcare Manufacturing	Textile Wholesale
Size of Data Set (# Companies)	3 867	199	693
Profit Level Indicator	Return on Assets (ROA) in %		Operating Profit Margin (OPM) in %
Interquartile Range Europe	1.5 – 8.8	3.9 – 11.6	1.5 – 5.8
Lower Quartile – Same as pan-European (Accept null Hypothesis)	Austria, Belgium, Czech Republic, Finland, Germany, Hungary, Italy, Lithuania, Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, United Kingdom	Czech Republic, France, Germany, Greece, Hungary, Italy, Poland, Spain, United Kingdom	Belgium, Germany, Hungary, Norway, Poland, Portugal, Spain, Sweden, United Kingdom
Lower Quartile – Different than pan-European (Reject null Hypothesis)	France, Greece, Romania	Belgium	Greece, France, Italy
Upper Quartile – Same as pan-European (Accept null hypothesis)	Austria, Belgium, Finland, France, Greece, Hungary, Netherlands, Norway, Portugal, Romania, Slovakia, Sweden, Switzerland, United Kingdom	Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Poland, Spain, United Kingdom	Belgium, France, Germany, Greece, Hungary, Italy, Norway, Portugal, Spain, Sweden, United Kingdom
Upper Quartile – Different than pan-European (Reject null hypothesis)	Czech Republic, Germany, Italy, Lithuania, Poland, Spain	None	Poland

Broader test for the original sectors – process

The table below summarises the screening process applied for the broader test in Amadeus.

Table 65: Broader test in Amadeus

	Printing	Machinery Manufacturing	Vehicle Parts Distribution	Food Distribution	Computer Services
Geographic area	European Union (28), Iceland, Liechtenstein, Norway and Switzerland				
NACE Rev. 2 (Primary codes only)	18: Printing and reproduction of recorded media	28: Manufacture of electrical equipment	453: Sale of motor vehicle parts and accessories	463: Wholesale of food, beverages and tobacco	62: Computer programming, consultancy and related activities 63: Information service activities
BvD independence indicator	Companies with C, D independence indicators are excluded: - Excluding shareholders recorded with more than 50% total ownership (indirectly majority owned). - Excluding shareholders recorded with more than 50% direct ownership (directly majority owned)				
Type of accounts	Independent companies with unconsolidated accounts and parent companies with consolidated accounts are accepted				
Year of incorporation	Companies incorporated after 2007 were excluded				
Year of last available accounts	Only companies whose last available accounts date from 2011, 2012, 2013 and 2014 were selected				
Minimum turnover	Companies with a minimum sales amount of EUR 5 000 000 during at least one of the selected periods (2011, 2012, 2013, 2014) were selected				
Size of Data Set (# Companies)	586	2 528	768	5 587	1 915

The table below summarises the screening process for the broader test in Excel.

Table 66: Broader test in Excel

	Printing	Machinery Manufacturing	Vehicle Parts Distribution	Food Distribution	Computer services
Availability of data: Operating Profit	As operating profit is of the utmost importance for calculating the Return on Assets (ROA), the Operating Profit Margin (OM) and the Net Cost Plus Margin (NCP), only companies that released at least three years of Operating Profit data during the last five available financial years were kept				
Loss making position	Companies that have losses over a five-year average period were eliminated				
Diagnostic ratio	Companies that have a ROA >15% were eliminated		Companies that have a OPM >15% were eliminated		Companies that have a NCP > 15% were eliminated
Availability of data	Companies that don't have any value for the average tangible fixed assets, the stocks, the debtors or the cash & cash equivalent were excluded				
Size of Data Set (# Companies)	264	1 270	523	4 514	991
Mean Sales (€ Thousands)	21 018	34 747	18 354	36 173	54 271

Appendix 6 provides a broad summary of the underlying data at the country level⁶⁶.

⁶⁶ Appendix 6 provides the total number of companies after the Excel filtering.

Statistical analysis of the broader test

The statistical analysis for the broader tests is identical to the analysis previously described in the specific test. The results of the broader test for the five sectors of the previous study are reported in the table below:

Table 67: Statistical analysis of the broader test

	Printing	Machinery Manufacturing	Vehicle Parts Distribution	Food Distribution	Computer Services
Screening criteria	NACE 18	NACE 28	NACE 453	NACE 463	NACE 62, 63
Size of Data Set (# companies)	264	1270	523	4514	991
Profit Level Indicator	ROA in %	ROA in %	OPM in %	OPM in %	NCP in %
Interquartile Range	3.1 – 8.9	3.6 – 9.9	2.1 – 5.8	0.9 – 3.2	2.2 – 7.5
Lower Quartile- Same as pan-European (Accept null Hypothesis)	Belgium, Czech Republic, Finland, France, Germany, Greece, Hungary, Italy, Poland, Spain, Sweden, United Kingdom	Czech Republic, Finland, France, Germany, Hungary, Italy, Poland, Spain, Sweden, United Kingdom	Belgium, Czech Republic, Finland, France, Germany, Hungary, Italy, Norway, Poland, Portugal, Romania, Spain, United Kingdom	Belgium, Bulgaria, Finland, Germany, Greece, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden	Belgium, Finland, France, Germany, Italy, Norway, Poland, Spain, Sweden, United Kingdom
Lower Quartile - Different as pan-European (Reject null Hypothesis)	None	None	None	Czech Republic, France, United Kingdom	Hungary
Upper Quartile- Same as pan-European (Accept null Hypothesis)	Belgium, Czech Republic, Finland, France, Greece, Hungary, Italy, Spain, Sweden, United Kingdom	Czech Republic, Finland, France, Germany, Hungary, Italy, Poland, Spain, Sweden	Belgium, Czech Republic, Finland, France, Germany, Hungary, Italy, Norway, Poland, Portugal, Romania, Spain, United Kingdom	Belgium, Bulgaria, Czech Republic, France, Germany, Hungary, Norway, Poland, Portugal, Romania, Slovakia, Sweden, United Kingdom	Belgium, Finland, France, Germany, Hungary, Italy, Norway, Poland, Spain, Sweden, United Kingdom
Upper Quartile - Different as pan-European (Reject null Hypothesis)	Germany, Poland	United Kingdom	None	Finland, Greece, Italy, Netherlands, Spain	None

Further statistical testing

An inherent weakness of the chi-square testing is its dependence on the size of the dataset: the test assumes that the sum of squares is a random variable distributed according to a chi-square distribution. This is, strictly speaking, true only when the size of the dataset is very large. In other cases, the chi-square test is only approximate. To corroborate the results of the chi-square test the following additional series of tests were performed:

- Fisher's exact test: this is an alternative to Pearson's chi-square test. Under this test the significance of the deviation from the 'one-market' hypothesis can be computed exactly and does not rely on an approximation, as is the case in the chi-square test. Similar conclusions to those of the chi-square test are drawn here, which gives support to the analysis.
- Yates continuity correction: this is an adjustment to the chi-square test statistic that is often used when the size of the data is considered too small. The results of the analysis with / without the Yates correction gives very similar results.
- Levene's test: this test is often used to assess the equality of variances for a metric in two groups. With this test, it is attempted to further align the results of the chi-square test, i.e. not only for the alignment to the pan-European P25 and P75, but also for the variability in these values.

The additional tests described above point to the same conclusions as those drawn by the chi-square test. The report is then based on Pearson's chi-square test.

Hypothesis testing can lead to erroneous conclusions when data is not representative of the true population. In the context of the present study, such data limitations could erroneously lead to supporting the one-market hypothesis (a type-II error). This type of error is more likely to occur when (i) the sample of the data is small, rendering larger the likelihood that data is not representative, or, (ii) the confidence level is too high (for example 99%) rendering the acceptance region of the chi-square testing too large. Although it would be tempting to modify the confidence level, this is however a delicate issue. For example, a smaller level of 90% would decrease the likelihood of a type-II error, but would increase the likelihood of a type-I error.

The statistical power of the analysis depends primarily on the sample size and the effect size. In the case at hand, the number of observations available per country is typically a small number. In addition, the effect size, i.e. the differences between the expected and observed values are small, making the effect size difficult to detect and the resulting power small.

Additionally we have performed a sensitivity analysis of the chi-square test at the 90% confidence level. We have found that at both 95% and 90% confidence levels the number of countries aligning to the pan-European P25 and P75 levels are very similar. This indicates a relatively low possibility of type-II errors.

For illustration, the table below shows the results of the chi-square test with a 95% and a 90% confidence level, respectively. This table suggests that the number of countries aligning to the pan-European levels is similar regardless of whether the 95% or 90% confidence interval are used. This implies that the results of the analysis are not greatly impacted when it is attempted to limit the possibility of Type II errors.

Table 68: Chi-square testing comparing 95% confidence versus 90%

confidence level	nbr countries aligned in pan-european P25		nbr countries aligned in pan-european P75		nbr countries total
	95%	90%	95%	90%	
transport_logistics_ROA	17	15	14	12	20
textile_wholesale	9	9	11	11	12
pharma_healthcare_manufacturing	9	9	10	10	10
electronics_manufacturing	14	13	14	13	14
electronics_distribution	11	10	12	12	12
chemicals_distribution_OM	11	11	11	10	12
automotive_manufacturing	12	12	12	11	12
computer_services	10	10	11	11	11
food_distribution	15	13	13	10	18
machinery_manufacturing	10	9	9	9	10
printing_industry	12	11	10	10	12
vehicle_parts_distribution	13	12	13	12	13

Results

The test of the equality of the P25 and P75 has been applied to a total of 12 industry sectors. The results at a confidence level of 95% are reported below. In summary, we find the following:

Table 69: Equality test of the P25 and P75

Industry	Conclusion for P25 test	Conclusion for P75 test
Automotive Manufacturing	12 countries tested. 12 out of 12 countries align to pan-European P25.	12 countries tested. 12 out of 12 countries align to the pan-European P75.
Electronics Manufacturing	14 countries tested. 14 out of 14 countries align to pan-European P25.	14 countries tested. 14 out of 14 countries align to pan-European P75
Chemical Distribution	12 countries tested. 11 out of 12 countries align to pan-European P25.	12 countries tested. 11 out of 12 countries align to pan-European P75.
Electronics Distribution	12 countries tested. 11 out of 12 countries align to pan-European P25.	12 countries tested. 12 out of 12 countries align to pan-European P75.
Transport And Logistics	20 countries tested. 17 out of 20 countries align to pan-European P25.	20 countries tested. 14 out of 20 countries align to pan-European P75.
Pharmaceutical Healthcare Manufacturing	10 countries tested. 9 out of 10 countries align to pan-European P25.	10 countries tested. 10 out of 10 countries align to pan-European P75.
Textile Wholesale	12 countries tested. 9 out of 12 countries align to pan-European P25.	12 countries tested. 11 out of 12 countries align to pan-European P75.
Printing	12 countries tested. 12 out of 12 countries align to pan-European P25.	12 countries tested. 10 out of 12 countries align to pan-European P75.

Machinery Manufacturing	10 countries tested. 10 out of 10 countries align to pan-European P25.	10 countries tested. 9 out of 10 countries align to pan-European P75.
Vehicle Parts Distribution	13 countries tested. 13 out of 13 countries align to pan-European P25.	13 countries tested. 13 out of 13 countries align to pan-European P75.
Food Distribution	18 countries tested. 15 out of 18 countries align to pan-European P25.	18 countries tested. 13 out of 18 countries align to pan-European P75.
Computer Services	11 countries tested. 10 out of 11 countries align to pan-European P25.	11 countries tested. 10 out of 11 countries align to pan-European P75.

Across the various industries, the analysis demonstrates respectively that the P25 and P75 at a country level is well aligned to the P25 and P75 at the pan-European level. Two industries seem to have somewhat greater variation: (1) Transport and logistics, and (2) Food Distribution. In these two datasets, we notice that the pan-European quantiles are dominated by just a few countries. For example, in the case of Food Distribution 1,219 companies, out of a total of 4,514, come from Spain, implying that the Spanish performance can have a disproportionate impact to the computation of the pan-European quantiles. Similarly, for the industry of Transport and Logistics 979 companies, out of a total of 3,867, come from Italy which thereby exerts a bias to the pan-European metrics. The impact of the large sample size is further tested below.

The robustness of the statistical testing depends on data availability. To mitigate the likelihood of a type-II error – implying that the testing supports the one-market hypothesis when it is not true – a number of different statistical tests have been performed and different confidence levels have been assumed.

Taking into account the less stringent confidence interval of 99% for the rejection of the null hypothesis we obtain (for Transport and Logistics) that 20 out of 20 countries align to the pan-European P25 and 18 out of 20 companies align to the pan-European P75. With this confidence level, the one-market hypothesis is well supported. For the Food Distribution sector, we note that excluding Spain from the dataset (the largest contributing country in terms of companies) and taking the 99% percentile as the confidence level leads to a substantial improvement in affirming the homogeneity of the groups as 15/17 countries pass the P25 equality test and 14/17 countries pass the P75 equality test. This supports the fact that Spain by its size of data skews the pan-European P25 and P75.

Additional testing has been performed to assess the impact of the Italian companies in the Machinery Manufacturing set. The high representativeness of Italian companies in the data set may give the misleading impression that P25 quartile is low as many of the other countries are above this OM margin. There is a similar argument with P75. Therefore, we tested the sample with and without Italian data. Except for Hungary, our conclusions remained similar for all countries in respect of P25, and the conclusions related to P75 were identical with or without Italy in the dataset.

When analysing the data of the Pharmaceutical Healthcare Manufacturing industry, very few outliers were noticed. This may be due to the regulatory environment in the various countries, which reduces the amount of extreme results.

The analysis suggests that some sectoral or geographical differences may exist. To address these, more specifically relevant market may (need to) be defined (see also further #25, #26, #27 and #28). Indeed, the use of a specifically defined relevant market may also be an alternative to (1) decrease the workload of searching comparables while (2) possibly improving comparability.

Update of the 2004 study: pan-European versus country-specific searches and pan-European versus country-specific databases: not a clear-cut issue

Preliminary remarks

- The version of Amadeus used for the different exports is the update 256, January 2016.
- The study is performed during a 5 year period. The most recent 5 year period with sufficient reported data available was taken for the analysis, which is covering financial data for the period 2010 - 2014. Topic #10-13 provides additional insight in the data availability per Member State. Substituting 2014 by adding 2009 (i.e. analysing the period 2009-2013) would not increase the availability of data since the analysis in topic #11 demonstrates that less data is available for 2009 compared to 2014. The survey indicates that many Member States use multiple years to reflect an economic business cycle, whereby a 5 year period is commonly accepted by many Member States.
- The operating profit margin was calculated as follows:
Operating profit /
Sales (operating revenue).

Methodology

For the update of this study, at the initial outset, the industry sectors and geographic areas selected are those from the original study. A few elements have been modified:

- When a group of countries was selected in the 2004 study to represent the European region, this group has been expanded to include the EU-28 Member States.
- The testing has been performed on three additional sectors: Transport and Logistics, Pharmaceutical Healthcare Manufacturing, and Textile Wholesale. The same NACE codes as in the 2016 study of 'Is Europe One Market' have been used.
- For the three additional sectors, the UK, France, Germany, Italy, Spain, Sweden, and EU-28 Member States have been selected to assess operating margins on a five-year weighted average basis.

The section below describes the strategy used to identify the comparable companies and determine the profitability

- Search strategy in Amadeus:
 1. BvD independence indicator: companies with C, D independence indicators are excluded: (i) Excluding companies with shareholders recorded with more than 50% total ownership (indirectly majority owned); (ii) Excluding companies with shareholders recorded with more than 50% direct ownership (directly majority owned).

2. Type of accounts: independent companies with unconsolidated accounts, and parent companies with consolidated accounts are accepted.
 3. Year of incorporation: companies incorporated after 2007 were excluded.
 4. Year of last available accounts: only companies of which the last available accounts date from 2011, 2012, 2013, and 2014 were selected.
 5. Minimum turnover: companies with a minimum sales amount of EUR 5 million during at least one of the considered years (2011, 2012, 2013, and 2014) were selected.
- Search strategy in Excel:
For the companies reporting operating profit and sales (operating revenue), the operating margins were calculated (1) for the years in scope, and (2) on a five-year weighted average basis.

Analysis

The 2004 study concluded, on the basis of financials covering different periods (1997 – 1999, 1997 – 2001, 1998 – 2000) in (1) the acknowledgment of occasional differences in profit level indicators ('PLIs') between countries, sectors, but also – most importantly – in (2) the need to accept searches using pan-European databases given the approximate character of the TNMM and the overall cost of compliance.

At first sight, the update of the sectoral PLIs for the period 2010 to 2014 does not allow a deviation from that conclusion in 2016. A point-by-point comparison of both studies can only be tentative given the intrinsic differences (periods, screenings), and the absence of broad range statistical testing.

Like in 2004, we observe that some sectoral or geographical differences may exist. The differences may however be only occasional, which seems to be reflected by the fact that most local Tax authorities do not strictly require local comparables.

Aerospace spare parts industry – Distributor search – Operating margin

For this industry, the following primary NACE code has been selected:

- 4614: Agent involved in the sale of machinery, industrial equipment, ships, and aircraft.
- The selection based on primary NACE code has been combined with the following inclusion keywords (aero*, air*, space*).

Table 70: Aerospace spare parts – Final set results – pan-European⁶⁷

	2014	2013	2012	2011	2010	WAVG
75th percentile	8.8%	9.8%	4.8%	10.9%	4.6%	4.6%
Median	2.6%	2.0%	2.9%	2.8%	2.1%	1.9%
25th percentile	0.2%	0.3%	0.2%	0.3%	0.2%	0.4%

⁶⁷ The median of the interquartile range (IQR) measured on the weighted average ratios is, somewhat oddly lower than any median of the IQRs measured on any individual years' ratios. This is due to a combination of the data being unevenly available over the years for the different companies benchmarked and some years presenting marginally different absolute sales or operating profit values, therewith materially impacting the weighted average. If companies not releasing data every year are excluded, the median comes back somewhere between the medians of the IQRs measured on any individual year's ratio

Table 71: Aerospace spare parts – Final set results – UK (Amadeus)

	2014	2013	2012	2011	2010	WAVG
75th percentile	14.8%	10.1%	6.2%	11.5%	6.2%	9.4%
Median	11.3%	9.8%	4.1%	10.7%	4.8%	6.4%
25th percentile	7.8%	6.5%	3.0%	5.9%	4.4%	3.3%

This short analysis suggests that, for the Aerospace parts industry, UK companies generally earn a higher profit.

Industrial machines industry – Distributor search – Operating margin

For this industry, the following primary NACE code has been selected:

- 466: Wholesale of other machinery, equipment and supplies has been used.

Table 72: Industrial machines – Final set results – Benelux

	2014	2013	2012	2011	2010	WAVG
75th percentile	5.1%	4.4%	4.7%	4.8%	5.0%	4.6%
Median	3.0%	1.9%	2.3%	2.9%	2.7%	2.6%
25th percentile	1.7%	0.2%	0.5%	0.6%	1.4%	0.9%

Table 73: Industrial machines – Final set results – North / West Europe⁶⁸

	2014	2013	2012	2011	2010	WAVG
75th percentile	6.0%	5.6%	5.6%	5.9%	5.6%	5.4%
Median	2.9%	2.9%	2.7%	3.0%	2.8%	2.8%
25th percentile	1.1%	0.9%	1.0%	1.2%	1.0%	1.2%

Table 74: Industrial machines – Final set results – pan-European

	2014	2013	2012	2011	2010	WAVG
75th percentile	6.7%	5.9%	5.9%	6.3%	6.1%	5.8%
Median	3.4%	3.2%	3.0%	3.3%	3.1%	3.2%
25th percentile	1.4%	1.2%	1.1%	1.4%	1.3%	1.3%

This short analysis suggests that, for the Industrial machines industry sector, companies from Benelux, North /West Europe or the whole of Europe generally earn a similar profit.

Pharmaceutical industry – Distributor search – Operating margin

For this industry, the following primary NACE code has been selected:

- 4646: Wholesale of pharmaceutical goods has been used.

Table 75: Wholesale of pharmaceutical goods – Final set results

WAVG	UK	France	Germany	Italy	Spain	Sweden	Pan-European
75th percentile	9.8%	6.5%	7.6%	5.3%	4.8%	9.3%	7.7%
Median	4.4%	2.8%	4.2%	2.5%	1.6%	4.2%	3.3%
25th percentile	2.0%	1.2%	1.8%	0.3%	0.5%	0.1%	1.0%

This short analysis suggests that, for the Wholesale of pharmaceutical goods industry, ranges of profit are roughly similar with WAVG operating margin of 2.0% to 4.8% being in all the ranges.

⁶⁸ Belgium, Denmark, Finland, France, Germany, Ireland, Luxembourg, Netherlands, Sweden and United Kingdom.

Transport and Logistics industry– Operating Margin

For this industry, the following primary NACE codes have been selected:

- 49: Land transport and transport via pipelines.
- 50: Water transport.
- 51: Air transport.
- 52: Warehousing and support activities for transportation.
- 53: Postal and courier activities have been used.

Table 76: Transport and Logistics – Final Set Results

WAVG	UK	France	Germany	Italy	Spain	Sweden	Pan-European
75th percentile	7.4%	3.3%	5.7%	3.4%	4.7%	4.5%	5.2%
Median	3.8%	1.0%	2.9%	1.6%	2.1%	2.3%	2.2%
25th percentile	1.4%	-0.5%	1.4%	0.3%	0.6%	0.6%	0.5%

This short analysis suggests that, for the Transport and Logistics industry, ranges of profit are roughly similar with WAVG operating margin of 1.4% to 3.3 % being in all the ranges.

Pharmaceutical industry – Manufacturing – Operating Margin

For this industry, the following primary NACE codes have been selected:

- 21: Manufacture of basic pharmaceutical products and pharmaceutical preparations.
- 325: Manufacture of medical and dental instruments and supplies have been used.

Table 77: Manufacturing of pharmaceutical goods – Final Set Results

WAVG	UK	France	Germany	Italy	Spain	Sweden	Pan-European
75th percentile	16.8%	11.1%	14.7%	11.4%	13.0%	13.0%	11.9%
Median	7.4%	5.7%	9.0%	5.4%	7.9%	8.9%	6.8%
25th percentile	0.8%	2.2%	5.5%	2.8%	3.6%	-6.5%	2.4%

This short analysis suggests that, for the Pharmaceutical manufacturing industry, ranges of profit are roughly similar with WAVG operating margin of 5.5% to 11.1% being in all the ranges for the WAVG operating margin.

Textile industry – Wholesale – Operating Margin

For this industry, the following primary NACE codes have been selected:

- 4641: Wholesale of textiles.
- 4642: Wholesale of clothing and footwear have been used.

Table 78: Wholesale of textile goods – Final Set Results

WAVG	UK	France	Germany	Italy	Spain	Sweden	Pan-European
75th percentile	6.4%	4.8%	5.8%	5.2%	5.5%	8.4%	5.9%
Median	3.9%	2.3%	3.5%	2.7%	3.3%	3.6%	3.1%
25th percentile	1.5%	-0.1%	1.0%	1.3%	1.6%	1.6%	1.1%

This short analysis suggests that, for the Textile wholesale industry, ranges of profit are roughly similar with WAVG operating margin of 1.6% to 4.8 % being in all the ranges.

6.5. #23: Firm-specific data

Scope

Identify the existence of specific firm-level data and intra-firm export prices, which could be used as external comparables within Member States, in the context of the TNMM.

Analysis

We refer to our comments in #6 detailing the use of export prices for transfer pricing purposes, in the context of External CUP.

Furthermore, in the context of the TNMM, limitations akin to what has been explored in #6 would apply. Additionally, observing (net) profit on a transactional basis for external comparables does not seem to exist. Indeed, export prices are prices rather than margins. Margins would, if they were recorded by the companies at a transactional level, as far as we know, typically not be published.

6.6. #24: Lack of availability and quality of data

Scope

Comments on each Member State are provided on:

- The lack of availability of comparable data.
- Quality of the corresponding data and possibilities to test them.

Possible solutions or recommendations including considering the application of comparability adjustments are identified.

Summary

The highlights of the quality of data and the screening process across the EU-28 Member States are the following:

In terms of quality of financial data available, it is noted that CoGS and material cost data are not uniformly available and that operating expenses are not uniformly characterised and sufficiently detailed. Furthermore, the absence of separate reporting of R&D and marketing expenses is criticised by quite a few practitioners.

In terms of quality of descriptive information available, it is noted that 'Business overview' is not uniformly available and the activity description in 'Trade description' and under NACE code classification is not always in line with the actual business activities.

In terms of other screenings used, it is noted that the independence criterion is not uniformly defined and that screening on start-up companies is common place.

Finally, in terms of search practice, it is noted that qualitative screenings are still very much used somewhat to the detriment of quantitative searches that nevertheless are more objective, economically grounded and quicker.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey.

The data used has been obtained from the following databases: Amadeus, Orbis, Bel-First, Diane, Dafne, Fame, Aida, Reach, and Sabi.

Analysis

General overview

Some preliminary comments applicable to all Member States, before discussing the individual Member States sections:

- Availability of CoGS data: reliable reporting of the CoGS and gross profit is needed in case a Profit Level Indicator ('PLI') is used including a gross profit metric. Some Member States do not report CoGS, but report the material cost that does not include all labour and overhead cost. This difference finds its origin in different accounting systems whereby the classification of operating expenses items, including material cost, is not reported consistently. Converging towards the same accounting standards for all companies within the EU would undoubtedly help.
- Availability of operating expense data. The remarks expressed above likewise impact the definition, thus the availability of (other) operating expenses. Indeed if operating expenses are defined as gross profit less operating profit, the definition of

gross profit would directly affect the former. The availability of operating expenses in a consistent way is important when the Berry ratio is applied and can be very useful for the application of some diagnostic ratios, like operating expenses to sales. Converging accounting systems would be (very) helpful to ensure the analysis of operating expenses is performed in a similar way in the various Member States. We noted several Member States are using accounting rules similar to the IFRS regulations.

- Independence thresholds: to tag a company as independent and thus possibly acceptable as a comparable for transfer pricing purposes under TNMM, practitioners from different Member States define independence differently. Thresholds, representing the maximum equity stake held by another company, for the considered potential comparable company to be tagged as 'independent' vary. The survey indicated that some Member States apply 5%, some 25% and some 50%. These percentages appear to be driven by mainly market practices rather than by local regulation. It is also noted the practitioners in several Member States also perform additional verification in the OneSource database or on the Internet to obtain further validation, or lack of rebuttal, on the independence, which is sometimes experienced as a burdensome additional control.

Therefore, it is believed that providing harmonised EU guidance on acceptable thresholds to define independence would be very helpful for both Tax authorities and taxpayers. Additionally, where need be, increasing the accuracy and/or reliability of the reporting of shareholding data would increase the reliability of the independence screen (see also #21).

- Business overview: several practitioners mention the lack of 'business overview' in some cases. Other report that the business activities of the considered companies may have evolved and that the business overview is no longer accurate. Adding a 'date stamp' to the business overview indicating when the last update or verification of accuracy took place would be helpful. Furthermore, increasing the availability of business descriptions is also seen as helpful. In most Member States, it is common practice to perform additional Internet information review to palliate possible business overview shortcomings (see also #20 for definition and other considerations).
- Start-up companies: it is common for most practitioners, within the EU, to exclude start-up companies in the screening process, as they can be expected to show a profitability still distorted by early years' investments.
- Other screenings: screening on R&D expenses, operating expenses, or intangibles is less common, but still quite widely applied. With reference to previous analyses, these screening may not be applicable in regional databases where profit & loss accounts information is more limited.
- Trade descriptions and the NACE code classifications: practitioners note that they are not always in line with the actual business activities. It is believed that some companies have been in business for several years, and that their operations have evolved although the initial NACE code has not been updated. Again, to help appreciate the possible accuracy of the data, it may be helpful to date stamp the information available, to ascertain whether the description has recently been verified.
- Quantitative search criteria: additional guidance on the applicability of quantitative search criteria, or diagnostic ratios, would be helpful, as quite a few practitioners indeed do apply them for reasons of efficiency and relevance, still they are not always recognised as valuable tools. The survey suggests that it is typically the Member States with a longer transfer pricing history that tend to accept them. Because they are quantifiable and can be directly compared between tested party and comparable, diagnostic ratios are indeed less prone to subjectivity when

searching for comparables. One could determine the ratios of the tested party, search for comparables with similar ratios.

The survey suggests diagnostic ratios mostly used are inventory-related ratios. There is no standardised approach regarding the ratios applied in any of the Member States surveyed. Additional guidance on what ratios may be appropriate for particular operations (service provider, limited risk distributor, contract / toll manufacturer, R&D services, etc.) would be helpful. The table below provides, compiled on the basis of the experience of the authors, a brief and non-exhaustive overview of possible diagnostic ratios that enable assessing the functional and risk sectors:

Table 79: Overview of potential diagnostic ratios

Activity performed by tested party	Screening ratio which could be used to assess the comparability
Service provider	Inventory / Total operating assets Property, plant, equipment ('PPE') / Total operating assets Operating expenses / Total (operating) expenses
Contract manufacturer	R&D / Sales Operating expenses / Total (operating) expenses Total operating assets / Sales Intangibles / Total operating assets
Limited risk distributor	R&D expenses / Sales Operating expenses / Sales PPE / Total operating assets Total operating assets / Sales
Sales agent:	Inventory / Sales Operating expenses / Total (operating) expenses Operating expenses / Total operating assets
Contract R&D	PPE / Sales PPE / Total operating assets Intangibles / Total operating assets Inventory / Total operating assets CoGS / Total (operating) expenses

Diagnostic ratios can be used when screening data, to verify the comparability. There is a difference between the diagnostics ratio's used for screening and the return on capital which is a profit level indicator. Differences between the book value of assets and the market value of these assets create an additional difficulty. Referring to group Beta may be a source of interesting information on overall expected return for the group. The use of return on capital is less common as a profit level indicator, and could be further developed as another valid alternative to support the arm's length nature of intercompany transactions.

The survey suggests that diagnostic ratios are accepted in the majority of the Member States, provided they are relevant. Still, many practitioners emphasise the need to assess situations on a case-by-case basis and welcome the need for sufficiently flexible guidance. Even though the survey does not indicate a systematic rejection by Tax authorities, the use of diagnostic ratios does not seem to be usual, expectedly for a combination of reasons: absence strict requirement/acceptability and, general misunderstanding. Still some practitioners emphasise that they should be more commonly used, as they are objective, can be economically correct, and they allow more effective (less time-consuming) searches.

- Manual screenings: practitioners in virtually all Member States resort to some kind of manual review to collect more information on the functional profile of the comparables. Manual screenings mainly consist in reviewing business descriptions and Internet information. Practitioners from some Member States even favour heavy use of manual/qualitative screening while minimising quantitative screenings, despite their economic cost.

Member States highlights

The survey provided additional insight in variations in approach applied by different Member States (as an illustration).

Austria, Cyprus, Estonia, Malta

We did not identify any specific screening criteria in these Member States that are different from the pan-European benchmark approach. It is common place there to subcontract the performance of pan-European benchmark studies to practitioners from other Member States.

Bulgaria

Typically, a 5% independence threshold is used which is much lower than what appears to be generally applied in other member States.

Poland

Typically, a 5% percent independence threshold is being used until the end of 2016, for screening out subsidiaries. That threshold will be adjusted to 25% with the new legislation applicable as of 2017.

All benchmarks performed in 2017 will be subject to the new transfer pricing legislation in Poland, which will require the use of local comparables as a starting point. Pan-European comparable data would only be accepted in a second phase, in case no local comparables have been identified.

Portugal

Typically, 10% to 20% independence thresholds are preferable. However, the 50% threshold is still used to allow generating a more sensible number of data points.

7. External data under TNMM – Alternative market definitions (#25 – #28)

General conclusion for #25, #26, #27 and #28

The following analysis aims at assessing the general availability and quality of data in different markets, using definitions that are not only simply geographic, but also associated to economic or sectoral factors, within the EU. The opportunity to select these markets as substitutes to a local market only are then shortly reviewed.

The application of multiple screening criteria reduces the availability of data in a Member State significantly, as analysed in #13 and #22. Therefore, expanding the geographic area beyond the boundary of a single Member State, may allow addressing other potential good comparables. This is further analysed below with the use of different alternative market definitions. The analysis in #22 highlights that several Member States may need to consider a pan-European search to identify sufficient comparable data to perform a meaningful statistical analysis.

Increasing the scope of investigation to the relevant markets, as defined in #25, #26, #27 and #28, evidently allows expanding objectively and appropriately the number of data points to identify external comparable data, increasing then the likelihood to find companies that are good comparables by other criteria. Accepting that a relevant market is referred to rather than the national market, could be a solution to perform comparables searches for Member States lacking data.

Searching comparables in relevant markets, rather than at the full EU-28 Member State level (#22), may also be an alternative to (1) decrease the workload of searching comparables while (2) possibly improving comparability.

Even though #22 suggests that the profitability across the EU is generally the same, it does not exclude that some discrepancies between Member States can exist. Hence, referring to relevant markets differently as, e.g. GDP per capita or labour costs, may allow improving comparability by factoring elements like location savings.

There may be situations characterised by a lack of quality data in some Member States (see #13). In such a cause, it may be opportune to define a broader relevant market to access more data points and, as such, palliate the lack of local data. Several specific situations have been tested:

- Neighbouring Member States: because the survey indicated that this was used by some Member States.
- Member States having close characteristics in terms of GDP per capita, cost of labour structure.
- Markets within the same industry, with reference to the competition law practice.

The assessment whether the potential shortage of data (by comparison with MS13) has then been made at the level of these groups.

7.1. #25: Geographic clusters

Scope

To assess the relevance of searching for comparables in more than one (local) country, determine data availability by geographic clusters, under TNMM, in Amadeus.

Summary

Pan-EU and foreign data seems to be generally accepted in most EU Member States. In addition, a few Member States follow a gradual approach: they rank first local data, then data from neighbouring Member States or close geographic areas, and finally pan-EU data. In some limited cases, even global data is accepted.

The data available in a Member State may reduce significantly when multiple screening criteria are applied, as analysed in greater detail in #13 and #22. Therefore, there may be a need to expand the geographic area beyond the boundary of a single Member State. One of the alternative markets can be geographically close Member States.

As per the scope, the relevant market was deemed to be that of geographically close Member States, for the following reasons:

- Empirically, it was observed that quite a few Member States considered close geography as an important comparability element for TNMM purposes.
- Member States that are close to each other are expected to be more likely to have commercial relations, making them more likely to share macro-economic characteristics.
- The products or services exchanged are likely to be more closely comparable.

The 28 Member States have been divided into the following clusters: Southern EU Member States, Eastern EU Member States and North Western EU Member States, and the availability of the data reviewed, by cluster.

It can be concluded that:

1. In general terms, we note a trend of data being increasingly available over the years.
2. In absolute terms, North Western cluster tends to have twice as many data points available as Southern cluster and the Southern cluster which tends to have twice as many data points available as Eastern cluster.
3. In relative terms, Southern cluster tends to have more data available (relatively more companies deliver complete data sets) than Eastern cluster and Eastern cluster tends to have more data available than North Western cluster.
4. No significant discrepancies are observed, across data sets, in the availability of the different data points (turnover, operating profit, financial profit, net profit, total liabilities and total assets).

Finally, as the number of data points is paramount in a TNMM analysis, extension in scope from a local market to a broader market can help collecting materially more data points, while maintaining some geographic coherence. The analysis in #22 highlights that several Member States may need to consider a pan-European search to identify sufficient comparable data to perform a meaningful statistical analysis. In

terms of absolute numbers, companies located in clusters with limited data availability are more likely to need to expand the geographic scope to allow more screening on other comparability factors.

Methodology:

The analysis is based on the answers from the EU-28 Member States in the survey.

Additional analysis was performed on data retrieved from Amadeus to test the availability of several financial data points in the various EU-28 Member States.

The Member States were clustered in different groups with the use of an objective criterion, their geographic location.

Analysis

General acceptability of foreign comparables

Most Member States accept the use of pan-EU data and foreign data. There appears to be little requirement to specifically consider neighbouring markets in the first place, even though it can be common sense in a number of cases and will also be applied as such.

Quite a few Member States show a preference for first local comparables, then for comparables from neighbouring Member States or close geographic areas, then for pan-EU comparables. In some cases, global comparables are even cited as acceptable. (Close) foreign comparables are generally accepted in Member States, usually provided it is evidenced that there are not sufficient (good) local comparables. However, some Member States favour pan-EU comparables to close regional comparables,. Other Member States require that local comparables are included in the set of foreign / Pan-EU comparables. These preferences are only observed empirically rather than being based on specific national regulations.

Further, a significant number of practitioners mention having seen cases where comparables from outside the EU or Europe would have been used. That seems to be the case for pragmatic reasons where e.g. the tested parties within the group would be numerous and not all are located within the EU. Again, quite a few practitioners stress the importance of general comparability. In other words, that geographic comparability can be relaxed provided that other comparability factors like e.g. functional comparability is improved.

Table 80: Foreign comparables

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK
1. Preference local																												
2. Neighb. Countries accepted																												
2. EU accepted																												
3. Global accepted																												

Member States highlights

As mentioned by practitioners also possibly reflecting the views of their local Tax authorities, some Member States require a local / regional focus first, whereby the region is enlarged in case of lack of local comparable companies available. The following Member States appear to require specifically a local approach first:

- **Italy**: analysis limited to Italy first, then expand to include Member States which are counterparties to the transaction with the Italian tested party.
- **Poland**: was used to accept pan-European studies. However, as from 2017, new legislation will require a local benchmark study.

There does not appear to be a systematic rejection of pan-EU comparables by any of the Member States' Tax authorities in cases of specific market position, like (state) mono- or oligopoly. However, as practitioners generally emphasise the importance of comparability in terms of market position, they implicitly suggest that a good selection of the relevant market is important. In other words, that it may make sense to relax the criterion 'market similarity' (comparable country, region) to emphasise the criterion 'market positioning' (e.g. monopolistic position). Examples have been named in **Finland**, **France**, and **Italy** where Tax authorities would not accept pan-EU comparables, when there is a local monopoly or there are specific regulatory requirements.

There does not seem to be specific demands, in any of the Member States to use local comparables for specific sectors. In the **UK**, for specific transactions or sectors, for example the pharma industry, which is highly regulated, only local comparables may be accepted. In **Spain**, there is a clear preference for local comparables in the wine industry.

Finally, other reasons for expanding the geographical scope have included:

- Practitioners in **Austria** have seen non-EU comparables being included, when some tested parties are located outside the EU.
- Practitioners in **Finland** and **Ireland** have seen global comparables being accepted, if there is a comparable market (non-EU deemed comparable to EU market) in a country or region outside the EU.
- Practitioners in **France** have seen foreign comparables being accepted, if it is difficult to identify local comparables.

Data availability in geographic clusters

The number of records available per sub-group of neighbouring Member States have been counted, under the following geographic clusters:

- Southern EU Member States: Croatia, Cyprus, Greece, Italy, Malta, Portugal, Spain.
- Eastern EU Member States: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia.
- North Western EU Member States: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Luxembourg, Netherlands, Sweden, UK.

These clusters have been designed to group Member States that are, in practice, perceived to be generally subject to similar market circumstances and may have been de facto clustered similarly for the purpose of applying the TNMM.

The availability of comparable companies and selected financial data in the Amadeus database has been reviewed. A materiality threshold of EUR 5 million turnover has been used. The tables below provide an overview of the availability of records per cluster for the following data: operating revenue, operating P/L, financial P/L, non-current debt + current debt, total assets and P/L for the period. The years under scope are 2008 – 2014.

Table 81: Turnover in absolute terms

#	Geographic location	Number of companies	Turnover						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 792	121 681	123 210	121 913	117 373	112 219	107 325
2	Eastern countries	66 355	49 889	61 938	61 947	59 718	56 970	53 316	49 602
3	North Western countries	309 015	220 098	265 539	263 556	246 618	227 105	206 450	173 561

Table 82: Operating profit in absolute terms

#	Geographic location	Number of companies	Operating profit						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 260	121 925	123 521	122 346	118 017	113 057	108 262
2	Eastern countries	66 355	49 792	58 541	59 565	58 415	55 803	52 798	48 763
3	North Western countries	309 015	189 375	229 790	230 634	222 811	210 027	195 726	184 735

Table 83: Financial profit in absolute terms

#	Geographic location	Number of companies	Financial profit						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 263	121 928	123 527	122 357	118 043	113 084	108 298
2	Eastern countries	66 355	49 773	58 517	59 549	58 416	55 771	52 414	49 428
3	North Western countries	309 015	189 050	229 377	230 210	221 420	208 707	195 411	184 912

Table 84: Total liabilities in absolute terms

#	Geographic location	Number of companies	Total liabilities						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 156	121 807	123 427	122 285	118 131	113 211	108 476
2	Eastern countries	66 355	49 248	57 809	58 819	57 795	55 005	52 057	47 780
3	North Western countries	309 015	208 145	258 491	260 427	253 887	243 639	231 130	219 244

Table 85: Total assets in absolute terms

#	Geographic location	Number of companies	Total assets						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 961	121 959	123 586	122 453	118 151	113 246	108 780
2	Eastern countries	66 355	49 820	58 596	59 659	58 607	55 798	52 781	48 491
3	North Western countries	309 015	210 022	260 421	262 279	255 545	244 564	231 716	221 630

Table 86: Net profit in absolute terms

#	Geographic location	Number of companies	Net profit						
			2014	2013	2012	2011	2010	2009	2008
1	Southern countries	130 839	108 855	121 820	123 403	122 236	117 894	112 940	108 145
2	Eastern countries	66 355	49 776	58 512	59 533	58 390	55 734	52 387	48 456
3	North Western countries	309 015	188 675	228 652	229 601	221 564	209 009	194 902	183 519

Table 87: Turnover in relative terms⁶⁹

#	Geographic location	Turnover						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	93%	90%	86%	82%
2	Eastern countries	75%	93%	93%	90%	86%	80%	75%
3	North Western countries	71%	86%	85%	80%	73%	67%	56%

Table 88: Operating profit in relative terms

#	Geographic location	Operating profit						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	94%	90%	86%	83%
2	Eastern countries	75%	88%	90%	88%	84%	80%	73%
3	North Western countries	61%	74%	75%	72%	68%	63%	60%

Table 89: Financial profit in relative terms

#	Geographic location	Financial profit						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	94%	90%	86%	83%
2	Eastern countries	75%	88%	90%	88%	84%	79%	74%
3	North Western countries	61%	74%	74%	72%	68%	63%	60%

⁶⁹ Relative as expressed in number of companies for which the considered financial item is available as opposed to the total number of companies in the cluster.

Table 90: Total liabilities in relative terms

#	Geographic location	Total liabilities						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	93%	90%	87%	83%
2	Eastern countries	74%	87%	89%	87%	83%	78%	72%
3	North Western countries	67%	84%	84%	82%	79%	75%	71%

Table 91: Total assets in relative terms

#	Geographic location	Total assets						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	94%	90%	87%	83%
2	Eastern countries	75%	88%	90%	88%	84%	80%	73%
3	North Western countries	68%	84%	85%	83%	79%	75%	72%

Table 92: Net profit in relative terms

#	Geographic location	Net profit						
		2014	2013	2012	2011	2010	2009	2008
1	Southern countries	83%	93%	94%	93%	90%	86%	83%
2	Eastern countries	75%	88%	90%	88%	84%	79%	73%
3	North Western countries	61%	74%	74%	72%	68%	63%	59%

Notes:

- In absolute terms, there is materially more data available in North Western cluster than in the Southern and Eastern clusters. Reasons may be diverse, including size of economies, size of cluster, reporting requirements, etc.
- In relative terms, the Southern cluster shows the highest data availability, before the Eastern cluster. The North Western cluster has, on a relative basis, markedly less data available.
- Overall, absolute and relative data availability appears to increase over the years except for the years 2013 and 2014. The decrease in 2013 is minimal. The decrease in 2014 is larger due to the late publishing of accounts.
- As the number of data points is paramount in a TNMM analysis, extension in scope from a local market can help collecting materially more data points, while maintaining some geographic coherence. In terms of absolute numbers, companies located in Eastern cluster are more likely to need to expand the geographic scope, given the more limited availability of data there. It is likely that expanding beyond the regional cluster, to allow access to an even greater number of comparables and, henceforth, allow more targeted screening on other comparability factors may be needed. If the same conclusions may apply all other things being equal to the Southern and North Western clusters, the expansion of the search to comparables located in other regions may be less immediately critical.

7.2. #26: GDP clusters

Scope

To assess the relevance of searching for comparables in more than one (local) country, determine data availability by Member States in the same gross domestic product ('GDP') clusters, under TNMM, in Amadeus.

Summary

The data available in a Member State may reduce significantly when multiple screening criteria are applied, as analysed in greater detail in #13 and #22. Therefore, there may be a need to expand the geographic area beyond the boundary of a single Member State. One of the alternative markets is Member States with similar GDP per capita.

The relevant market was deemed to be that of Member States with similar GDP per capita for the following reasons:

- GDP per capita is a common indicator of the wealth produced by a Member State, being a reliable indicator of the level of development of their economies.
- Listings of GDP per capita by country are readily available allowing objective classification and ranking of the Member States.

The relevant market, based on GDP per capita led to the following categories:

- Member States with a Low GDP per capita (EUR 0 – EUR 20,000).
- Member States with a Medium GDP per capita (EUR 20,000 – EUR 40,000).
- Member States with a High GDP per capita (> EUR 40,000).

It can be concluded that:

1. In absolute terms, Medium GDP EU Member States tend to have roughly four times as many data points available compared to Low GDP EU Member States and Low GDP EU Member States tend to have twice as many data points available compared to High GDP EU Member States. This measurement suggests that the majority of EU companies are situated in the Medium GDP category and the least amount of EU companies appear in the High GDP category.
2. In relative terms, we note no marked difference in the data availability (number of companies to deliver complete data sets) across the different data sets, suggesting GDP per capita of a country has little to no impact on the general data publication requirement, and, hence, on availability of data.
3. We do not note significant discrepancies, across data sets in the availability of the different data points (turnover, operating profit, financial profit, net profit, total liabilities and total assets).
4. In general terms, we note a trend of data being increasingly available over the years.

Finally, as the number of data points is paramount in a TNMM analysis, extension in scope from a local market to a differently defined market can help collecting materially

more data points, while maintaining economic coherence. The analysis in #22 highlights that several Member States may need to consider a pan-European search to identify sufficient comparable data to perform a meaningful statistical analysis. In terms of absolute numbers, companies located in clusters with limited data availability are more likely to need to expand the market scope to allow more screening on other comparability factors.

Table 93: Foreign comparables

Foreign comparables

Yes n.a.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK	
1. Preference local																													
2. Neighb. Countries accepted																													
2. EU accepted																													
3. Global accepted																													

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey.

Additional analysis was also performed on data retrieved from Amadeus to test the availability of several financial data points in the various EU-28 Member States. The Member States were organised in different groups with the use of an objective criterion, their GDP per capita.

Analysis

The Member States of the EU-28 Member States have been organised in 'relevant markets,' based on their GDP per capita. GDP per capita is deemed relevant as it is likely to affect all sorts of factors like general level of prices, offer of products and services, relative size of internal market, etc. These factors, in turn, may influence comparability of the companies located in said clusters. For each cluster, the data availability in application of the TNMM, has been assessed.

The categorisation of Member States according to the annual GDP per capita⁷⁰ expressed in EUR was as follows:

- 0 – 20,000: Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia.
- 20,000 – 40,000: Austria, Belgium, Cyprus, Finland, France, Germany, Italy, Malta, Spain, UK.
- > 40,000: Denmark, Ireland, Luxembourg, Netherlands, Sweden.

With reference to the geographic clusters discussed before, the composition of the clusters is here noteworthy: the first cluster resembles very much the EU Eastern cluster, whilst the second includes most of North Western cluster, supplemented with

⁷⁰ GDP per capita data retrieved from: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&plugin=1&language=en&pcode=tec00001>

the largest Member States from the Southern cluster. The third cluster is made of economies that are from the North Western cluster but are not the largest.

In Amadeus, a materiality threshold of EUR 5 million turnover has been applied. The tables below provide an overview of the availability of records per subgroup for the following data: operating revenue, operating P/L, financial P/L, non-current debt + current debt, total assets and P/L for the period. The years under scope are 2008 – 2014.

Table 94: Turnover in absolute terms

#	Gross domestic product per capita	Number of companies	Turnover						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	64 429	77 349	77 426	74 882	71 775	67 359	63 205
2	20 000 - 40 000	377 370	277 472	331 418	331 253	315 080	294 499	274 845	240 753
3	> 40 000	46 182	36 878	40 391	40 034	38 287	35 174	29 781	26 530

Table 95: Operating profit in absolute terms

#	Gross domestic product per capita	Number of companies	Operating profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	64 386	74 021	75 113	73 674	70 729	67 074	62 626
2	20 000 - 40 000	377 370	245 872	295 197	297 807	290 868	276 844	263 865	251 345
3	> 40 000	46 182	37 169	41 038	40 800	39 030	36 274	30 642	27 789

Table 96: Financial profit in absolute terms

#	Gross domestic product per capita	Number of companies	Financial profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	64 367	73 997	75 097	73 675	70 697	66 698	63 295
2	20 000 - 40 000	377 370	245 688	294 958	297 525	289 604	275 618	263 638	251 191
3	> 40 000	46 182	37 031	40 867	40 664	38 914	36 206	30 573	28 152

Table 97: Total liabilities in absolute terms

#	Gross domestic product per capita	Number of companies	Total liabilities						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	63 842	73 292	74 377	73 064	69 942	66 358	61 670
2	20 000 - 40 000	377 370	264 245	323 409	327 079	321 418	310 229	298 577	285 449
3	> 40 000	46 182	37 462	41 406	41 217	39 485	36 604	31 463	28 381

Table 98: Total assets in absolute terms

#	Gross domestic product per capita	Number of companies	Total assets						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	64 414	74 079	75 217	73 876	70 736	67 082	62 381
2	20 000 - 40 000	377 370	266 701	325 243	328 851	323 034	310 640	299 002	287 128
3	> 40 000	46 182	37 688	41 654	41 456	39 695	37 137	31 659	29 392

Table 99: Net profit in absolute terms

#	Gross domestic product per capita	Number of companies	Net profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	82 657	64 367	73 991	75 076	73 647	70 650	66 662	62 316
2	20 000 - 40 000	377 370	245 974	294 201	296 900	289 728	275 893	263 119	250 666
3	> 40 000	46 182	36 965	40 792	40 561	38 815	36 094	30 448	27 138

Table 100: Operating profit in relative terms⁷¹

#	Gross domestic product per capita	Operating profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	78%	90%	91%	89%	86%	81%	76%
2	20 000 - 40 000	65%	78%	79%	77%	73%	70%	67%
3	> 40 000	80%	89%	88%	85%	79%	66%	60%

Table 101: Turnover in relative terms

#	Gross domestic product per capita	Turnover						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	78%	94%	94%	91%	87%	81%	76%
2	20 000 - 40 000	74%	88%	88%	83%	78%	73%	64%
3	> 40 000	80%	87%	87%	83%	76%	64%	57%

Table 102: Financial profit in relative terms

#	Gross domestic product per capita	Financial profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	78%	90%	91%	89%	86%	81%	77%
2	20 000 - 40 000	65%	78%	79%	77%	73%	70%	67%
3	> 40 000	80%	88%	88%	84%	78%	66%	61%

Table 103: Total liabilities in relative terms

#	Gross domestic product per capita	Total liabilities						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	77%	89%	90%	88%	85%	80%	75%
2	20 000 - 40 000	70%	86%	87%	85%	82%	79%	76%
3	> 40 000	81%	90%	89%	85%	79%	68%	61%

⁷¹ Relative as expressed in number of companies for which the considered financial item is available as opposed to the total number of companies in the cluster.

Table 104: Total assets in relative terms

#	Gross domestic product per capita	Total assets						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	78%	90%	91%	89%	86%	81%	75%
2	20 000 - 40 000	71%	86%	87%	86%	82%	79%	76%
3	> 40 000	82%	90%	90%	86%	80%	69%	64%

Table 105: Net profit in relative terms

#	Gross domestic product per capita	Net profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 20 000	78%	90%	91%	89%	85%	81%	75%
2	20 000 - 40 000	65%	78%	79%	77%	73%	70%	66%
3	> 40 000	80%	88%	88%	84%	78%	66%	59%

Notes:

- Companies located in the low GDP cluster (between EUR 0 and EUR 20,000 person) tend to have relatively the most data available.
- There is – again – an increase of data availability in absolute numbers with the years, except for the year 2014 (probably due to late publishing).
- There are materially more companies located in Member States classified in the median cluster to deliver data, in absolute numbers.

7.3. #27: Cost of labour clusters

Scope

To assess the relevance of searching for comparables in more than one (local) country, determine data availability by Member States organised in clusters reflecting a relevant market, as defined in the OECD TPG.

Summary

The data available in a Member State may reduce significantly when multiple screening criteria are applied, as analysed in greater detail in #13 and #22. Therefore, there may be a need to expand the geographic area beyond the boundary of a single Member State. One of the alternative markets is Member States with similar cost of labour.

The relevant market was deemed to be that of Member States with similar costs of labour for the following reasons:

- The OECD is listing 'Cost of labour' as one of the economic circumstances that may be relevant to determine market comparability in the transfer pricing guidelines (1.55).
- Cost of labour is typically one of the reasons why groups are delocalising due to location savings.
- Listings of average cost of labour by country are readily available allowing objective classification and ranking of the Member States.

Three categories have been defined on the basis of the Eurostat classification:⁷²

- Member States with a Low average hourly rate of EUR 0 – EUR 10.
- Member States with Medium average hourly rate of EUR 10 – EUR 30.
- Member States with High average hourly rate of more than EUR 30.

It can be concluded that:

1. In general terms, we note a trend of data being increasingly available over the years.
2. In absolute terms, Medium and High average hourly rate EU Member States tend to have roughly the same amount of data points available and three times as many compared to the Low average hourly rate EU Member States. This measurement suggests that the majority of companies within the EU are situated in the Medium to High hourly rate categories.
3. In relative terms, we note no marked difference in the data availability (number companies to deliver complete data sets) between the Member States situated in the Low and Medium average hourly rate categories, and a slightly lower data availability in High average hourly rate Member States. The latter may be due to

⁷² http://ec.europa.eu/eurostat/statistics-explained/index.php/Hourly_labour_costs

the fact that these Member States tend to be in the North-Western region (see conclusion #25).

4. We do not note significant discrepancies, across data sets in the availability of the different data points (turnover, operating profit, financial profit, net profit, total liabilities, total assets)

Finally, as the number of data points is paramount in a TNMM analysis, the extension in scope from a local market to a differently defined market can help collecting materially more data points, while maintaining economic coherence. The analysis in #22 highlights that several Member States may need to consider a pan-European search to allow addressing a sufficient number of comparables to perform a meaningful statistical analysis.

Methodology

The analysis is based on data retrieved from Amadeus to test the availability of several financial data points in the various EU-28 Member States. The Member States were organised in different groups with the use of an objective criterion, their cost of labour.

Analysis

According to the OECD TPG § 1.59, it is essential to identify the relevant market or markets taking account of available substitute goods or services. Economic circumstances that may be relevant to determining market comparability include the geographic location, the size of the markets; the extent of competition in the markets and the relative competitive positions of the buyers and sellers; the availability (risk thereof) of substitute goods and services; the levels of supply and demand in the market as a whole and in particular regions, if relevant; consumer purchasing power; the nature and extent of government regulation of the market; costs of production, including the costs of land, labour, and capital; transport costs; the level of the market (e.g. retail or wholesale); the date and time of transactions; and so forth. The facts and circumstances of the particular case will determine whether differences in economic circumstances have a material effect on price and whether reasonably accurate adjustments can be made to eliminate the effects of such differences.

The cost of labour was used as an objective measurable factor to define relevant markets according to the OECD criteria, as can be objectively determined and brings another perspective to this analysis. Indeed, it is likely to affect all sorts of factors like general level of prices, nature of the industries, relative size of internal market, etc. These factors, in turn, may influence comparability of the companies located in said clusters, under the application of the TNMM.

According to the cost of labour (EuroStat, expressed in average hourly rate in EUR per hour) data obtained, the EU-28 Member States have been divided into the following categories:

- 0 – 10: Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia.
- 10 – 30: Cyprus, Greece, Ireland, Italy, Malta, Portugal, Slovenia, Spain, UK.
- > 30: Austria, Belgium, Denmark, Finland, France, Germany, Luxembourg, Netherlands, Sweden.

In Amadeus, a materiality threshold of EUR 5 million turnover has been applied. The tables below provide an overview of the availability of records per sub-group for the following data: operating revenue, operating P/L, financial P/L, non-current debt + current debt, total assets and P/L for the period. The years under scope are 2008 – 2014.

Table 106: Turnover in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Turnover						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 912	62 130	62 123	59 842	57 128	53 685	50 018
2	10 - 30	207 411	170 256	187 306	186 268	180 591	170 564	158 979	143 301
3	> 30	232 275	157 611	199 722	200 322	187 816	173 756	159 321	137 169

Table 107: Operating profit in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Operating profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 817	58 731	59 729	58 531	55 938	53 160	49 167
2	10 - 30	207 411	170 021	187 916	187 047	181 657	172 157	162 875	152 951
3	> 30	232 275	126 589	163 609	166 944	163 384	155 752	145 546	139 642

Table 108: Financial profit in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Financial profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 796	58 700	59 700	58 522	55 901	52 770	49 834
2	10 - 30	207 411	170 027	187 910	187 050	181 641	172 330	163 186	153 379
3	> 30	232 275	126 263	163 212	166 536	162 030	154 290	144 953	139 425

Table 109: Total liabilities in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Total liabilities						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 270	57 992	58 966	57 898	55 131	52 411	48 184
2	10 - 30	207 411	172 343	191 582	191 736	187 315	179 141	170 319	160 472
3	> 30	232 275	142 936	188 533	191 971	188 754	182 503	173 668	166 844

Table 110: Total assets in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Total assets						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 842	58 778	59 806	58 710	55 924	53 135	48 892
2	10 - 30	207 411	173 103	191 707	191 859	187 432	179 106	170 291	160 730
3	> 30	232 275	144 858	190 491	193 859	190 463	183 483	174 317	169 279

Table 111: Net profit in absolute terms

#	Cost of labor (average hourly rate in EUR per hour)	Number of companies	Net profit						
			2014	2013	2012	2011	2010	2009	2008
1	0 - 10	66 523	50 801	58 702	59 697	58 506	55 874	52 754	48 865
2	10 - 30	207 411	170 058	187 161	186 307	180 985	171 680	162 663	152 907
3	> 30	232 275	126 447	163 121	166 533	162 699	155 083	144 812	138 348

Table 112: Turnover in relative terms⁷³

#	Cost of labor (average hourly rate in EUR per hour)	Turnover						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	77%	93%	93%	90%	86%	81%	75%
2	10 - 30	82%	90%	90%	87%	82%	77%	69%
3	> 30	68%	86%	86%	81%	75%	69%	59%

Table 113: Operating profit in relative terms

#	Cost of labor (average hourly rate in EUR per hour)	Operating profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	76%	88%	90%	88%	84%	80%	74%
2	10 - 30	82%	91%	90%	88%	83%	79%	74%
3	> 30	54%	70%	72%	70%	67%	63%	60%

Table 114: Financial profit in relative terms

#	Cost of labor (average hourly rate in EUR per hour)	Financial profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	76%	88%	90%	88%	84%	79%	75%
2	10 - 30	82%	91%	90%	88%	83%	79%	74%
3	> 30	54%	70%	72%	70%	66%	62%	60%

Table 115: Total liabilities in relative terms

#	Cost of labor (average hourly rate in EUR per hour)	Total liabilities						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	76%	87%	89%	87%	83%	79%	72%
2	10 - 30	83%	92%	92%	90%	86%	82%	77%
3	> 30	62%	81%	83%	81%	79%	75%	72%

⁷³ Relative as expressed in number of companies for which the considered financial item is available as opposed to the total number of companies in the cluster.

Table 116: Total assets in relative terms

#	Cost of labor (average hourly rate in EUR per hour)	Total assets						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	76%	88%	90%	88%	84%	80%	73%
2	10 - 30	83%	92%	93%	90%	86%	82%	77%
3	> 30	62%	82%	83%	82%	79%	75%	73%

Table 117: Net profit in relative terms

#	Cost of labor (average hourly rate in EUR per hour)	Net profit						
		2014	2013	2012	2011	2010	2009	2008
1	0 - 10	76%	88%	90%	88%	84%	79%	73%
2	10 - 30	82%	90%	90%	87%	83%	78%	74%
3	> 30	54%	70%	72%	70%	67%	62%	60%

Notes:

- Companies located in Member States with the highest cost of labour have the lowest amount of available of data.
- There is again an increase of data availability with the years, except for the year 2013 and an even higher decrease in 2014 (probably due to late publishing).
- In absolute terms, most companies releasing useful data seem to be in the medium and high cost of labour clusters.

7.4. #28: Competition law clusters

Scope

To assess the relevance of searching for comparables in more than one (local) country, determine data availability by Member States in the same relevant market, as defined in competition law.

Summary

The data available in a Member State may reduce significantly when multiple screening criteria are applied, as analysed in greater detail in #13 and #22. Therefore, there may be a need to expand the geographic area beyond the boundary of a single Member State. An alternative market can be defined by competition law practices.

A large majority of the Member States' practitioners broadens the categories of companies deemed being sufficiently comparable to companies dealing in similar products or services, if the same products or services cannot be found. Practitioners appear to be more divided regarding the use of comparable companies, which have a different position in the same value chain, as they are seemingly more likely to raise questions on comparability. In general, there is a tendency to focus more on functions performed while relaxing the product similarity requirements, rather than moving to a different position in the value chain. Indeed, most practitioners appear to focus and give more weight to the functional comparability rather than the product comparability.

Two sets of relevant markets were defined, supported by competition law approaches. In each sector, sectoral data availability was compared:

1. Comparison of distributors of industrial goods in Western Europe and the EU-28 Member States.
2. Comparison of car manufacturers with spare parts manufacturers in the EU-28 Member States.

It can be concluded that Western European Member States have more data available in Amadeus for distributors of industrial goods, compared to the whole EU 28 Member States and that there is more data available for spare parts manufacturers compared with the data that is available for car manufacturers.

Finally, as the number of data points is paramount in a TNMM analysis, extension in scope from a local market can help collecting materially more data points, while maintaining some geographic or supply chain positioning coherence. The analysis in #22 highlights that several Member States may need to consider a pan-European search to identify a sufficient number of comparable data to perform a meaningful statistical analyses. In terms of absolute numbers, companies located in clusters with limited data availability are more likely to need to expand the geographic or supply chain positioning scope to allow more screening on other comparability factors.

Methodology

The analysis is based on the answers from the EU-28 Member States in the survey.

Additional analysis was also performed on data retrieved from Amadeus to test the availability of several financial data points in the various EU-28 Member States. The

Member States were organised in different groups with the use of an objective criterion, a combination of the geographic area with a specific industry.

Analysis

Market definition

According to competition law approach, the relevant market combines the product and the geographic markets, defined as follows:

- A relevant product market comprises all products and / or services that are regarded as interchangeable or substitutable by the consumer by reason of the products' characteristics, their prices and their intended use.
- A relevant geographic market comprises the area in which the firms concerned are involved in the supply of products or services and in which the conditions of competition are sufficiently homogeneous.

Survey

In the survey, questions guided by the competition law approach definition of the relevant market were asked. The survey suggests that, across the member States, and in the context of the application of the TNMM:

- The majority of the practitioners would consider designing a search for comparables where products or transactions are not similar but interchangeable.
- The majority of the practitioners will focus less on product comparability, but more on functional comparability⁷⁴.
- A great majority of the practitioners broadens the comparable scope to similar products, if the same products cannot be found, for example, when they are deemed unique. Examples of interchangeable / substitutable products or where primary and secondary products were used by practitioners are:
 - Beer and wine.
 - Management services and back office services.
 - Baby food and general food.
 - Oil and other commodities.
 - Laptops and printers.
 - Fuel tanks and other large metal products.
 - Organic chemicals and inorganic chemicals.

Some of these cases have been audited and the approach has been accepted by local Tax authorities.

⁷⁴ For example, it is expected that a distributor of personal computers would be a better comparable for a distributor of televisions than a manufacturer of personal computers would.

- It is less common to look for secondary products if data on primary products is not available, such as spare parts as a substitute for cars. The identification of comparables with a different position in the value chain may indeed raise questions on comparability, therefore practitioners appear to be more divided. On the one hand, those emphasising the importance of the functional comparability, hence, the difficulty to move up or down the supply chain to detect comparables, and, on the other hand, those advocating the importance of the sectoral comparability or the unavailability of other good comparables to actually search up or down the supply chain. Examples are:
 - Automotive industry: wholesale compared to retail.
 - Automotive industry: independent spare part manufacturers compared to controlled car manufacturers.
 - Pharma industry: wholesale compared to distribution.
 - Agrofood: distribution of eggs compared to production of eggs.

Adjustments may be needed to factor in the different positions in the value chain.

In short, here we observe a tendency to focus more on functions performed while relaxing the product similarity requirement, rather than moving to a different position in the value chain.

Furthermore, an in-depth analysis of the competitive environment where a company operates may prove to be a complex and burdensome endeavour. Indeed, such an analysis is typically performed on a one-time basis, at the time of a merger or a competition issue that can lead to (very) sizeable claims. For transfer pricing purposes, however, not only documentation is a recurrent analysis for which the OECD recommends a 'reasonable' effort, but also the possible (net) claims may be relatively less important than in competition issues. Therefore, a strict application competition law approach definition of relevant market is expected to go beyond the general scope of transfer pricing work.

Database analysis – Relevant markets

In order to assess pragmatically of the availability of data in markets, defined based on a definition inspired by competition law approach, the two following tests have been performed⁷⁵:

- Compare 'Distributors of industrial goods' in Western Europe to those in EU-28 Member States. The Member States falling under Western Europe are the following: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and UK.
- Compare 'Car manufacturers' to 'Spare parts manufacturers' across the EU-28 Member States.

⁷⁵ Case law and practice have been investigated in the competition law area. These tests appear to reflect situations where homogeneity of markets could be considered as met from a competition perspective.

Database analysis – Screening criteria

The analysis focuses on the data availability in the Amadeus database.

- A materiality threshold of EUR 5 million turnover has been applied.
- The independence test was performed using the following criteria:
 - Absence of a parent company: it is important that the comparable companies are neither subsidiaries nor holding companies because non-arm's length transfer pricing might distort the companies' profitability. The Amadeus database allows selecting 'independence' as a criterion in a search, but this refers only to companies having no shareholder with majority holding. As such, it is possible that holding companies remain in the set (the next criterion will enable us to exclude also holding companies).
 - Group companies: as the comparable companies' profitability might be distorted by non-arm's length transactions when these companies belong to a group, companies that appeared to be parent companies were excluded unless they publish consolidated accounts (intercompany transactions are eliminated in the consolidated process).
 - Absence of subsidiary: the Amadeus database allows excluding companies that disclose one or more subsidiaries in any country and for which only unconsolidated accounts are available.
 - Presence of parent company and consolidated accounts: in addition to the independent companies with no subsidiaries, independent companies with unconsolidated accounts and parent companies with consolidated accounts were selected.
- The following NACE codes were selected for 'Distributors of industrial goods':
 - 4614: Agents involved in the sale of machinery, industrial equipment, ships and aircraft.
 - 4652: Wholesale of electronic and telecommunications equipment and parts.
 - 466: Wholesale of other machinery, equipment and supplies.
- The following NACE code was selected for 'Car manufacturers':
 - 2910: Manufacture of motor vehicles.
- The following NACE code was selected for 'Spare parts manufacturers':
 - 293: Manufacture of parts and accessories for motor vehicles.

The tables below provide an overview of the availability of records per sub-group for the following data: operating revenue, operating P/L, financial P/L, non-current debt + current debt, total assets and P/L for the period. The years under scope are 2008 – 2014.

Data availability – Distributors of industrial goods

Table 118: Turnover in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Turnover						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	2 179	2 752	2 848	2 707	2 542	2 390	2 138
2	Western Europe	1 757	1 302	1 588	1 699	1 687	1 660	1 656	1 691

Table 119: Operating profit in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Operating profit						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	1 818	2 455	2 595	2 521	2 394	2 270	2 148
2	Western Europe	1 757	1 084	1 543	1 681	1 694	1 689	1 697	1 756

Table 120: Financial profit in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Financial profit						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	1 819	2 454	2 593	2 518	2 388	2 267	2 145
2	Western Europe	1 757	1 085	1 543	1 681	1 694	1 686	1 696	1 755

Table 121: Total liabilities in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Total liabilities						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	1 951	2 709	2 843	2 778	2 668	2 533	2 402
2	Western Europe	1 757	1 072	1 534	1 667	1 682	1 684	1 679	1 724

Table 122: Total assets in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Total assets						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	2 177	2 756	2 893	2 819	2 702	2 572	2 445
2	Western Europe	1 757	1 261	1 569	1 701	1 713	1 707	1 708	1 755

Table 123: Net profit in absolute terms for the distributors of industrial goods

#	Distributors of industrial goods	Number of companies	Net profit						
			2014	2013	2012	2011	2010	2009	2008
1	EU 28	3 078	2 006	2 469	2 609	2 525	2 395	2 264	2 139
2	Western Europe	1 757	1 252	1 555	1 693	1 699	1 690	1 698	1 757

Table 124: Turnover in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Turnover						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	71%	89%	93%	88%	83%	78%	69%
2	Western Europe	74%	90%	97%	96%	94%	94%	96%

Table 125: Operating profit in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Operating profit						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	59%	80%	84%	82%	78%	74%	70%
2	Western Europe	62%	88%	96%	96%	96%	97%	100%

Table 126: Financial profit in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Financial profit						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	59%	80%	84%	82%	78%	74%	70%
2	Western Europe	62%	88%	96%	96%	96%	97%	100%

Table 127: Total liabilities in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Total liabilities						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	63%	88%	92%	90%	87%	82%	78%
2	Western Europe	61%	87%	95%	96%	96%	96%	98%

Table 128: Total assets in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Total assets						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	71%	90%	94%	92%	88%	84%	79%
2	Western Europe	72%	89%	97%	97%	97%	97%	100%

Table 129: Net profit in relative terms for the distributors of industrial goods

#	Distributors of industrial goods	Net profit						
		2014	2013	2012	2011	2010	2009	2008
1	EU 28	65%	80%	85%	82%	78%	74%	69%
2	Western Europe	71%	89%	96%	97%	96%	97%	100%

Notes:

- In absolute terms, within the EU, approximately slightly less than two third of the industrial goods distributors data points are available in Western European Member States, suggesting a generally higher number of such companies in that region.
- In relative terms, we note a slightly lower data availability (number of companies to deliver complete data sets) in EU 28 area compared to Western Europe. This completes the conclusions of #25 in suggesting that a combination of South-Western and North-Western regions, given their general level of data available, produces a region with high relative availability of data.
- We do not note significant discrepancies, across data sets in the availability of the different data points (turnover, operating profit, financial profit, net profit, total liabilities and total assets).
- In general terms, we note a trend of data being increasingly available over the years.

If it is difficult to express in absolute figures the number of companies needed in a population at the beginning of the search process. If few companies are available in an initial population, practitioners will be facing the following choices:

- Expand the geographic zone of investigation, possibly referring to competition law approach approaches.
- Live with less data points to start with and limit the number of addition comparability screen, operate more comparability adjustments.

Hence, the opportunity to expand or not will be driven by the facts – how many comparables do we have to start with in any given sector, how many further comparability screenings are necessary, how many companies are left in the final set?

The screening process, starting from the full population, introduces a series of biases making (1) the final set of comparable companies by design not a representative sample of the population and (2) any statistical inference on the ideal size of the population very difficult. Indeed, the question regarding the appropriate sample size (for which a suitable metric could be the statistical power) is not the same as the question regarding the initial population size.

Data availability – Car and spare parts manufacturers

Table 130: Turnover in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Turnover						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	160	185	182	169	171	160	150
2	Spare parts manufacturers	1 421	1 140	1 370	1 364	1 325	1 281	1 199	1 131

Table 131: Operating profit in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Operating profit						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	148	177	175	166	163	155	153
2	Spare parts manufacturers	1 421	1 078	1 341	1 335	1 310	1 271	1 197	1 148

Table 132: Financial profit in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Financial profit						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	148	177	175	165	162	155	153
2	Spare parts manufacturers	1 421	1 077	1 339	1 335	1 306	1 267	1 194	1 146

Table 133: Total liabilities in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Total liabilities						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	156	188	185	176	175	167	165
2	Spare parts manufacturers	1 421	1 099	1 372	1 366	1 337	1 297	1 235	1 190

Table 134: Total asset in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Total assets						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	158	188	185	176	176	168	166
2	Spare parts manufacturers	1 421	1 138	1 374	1 368	1 340	1 300	1 238	1 196

Table 135: Net profit in absolute terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Number of companies	Net profit						
			2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	198	150	177	175	166	163	155	153
2	Spare parts manufacturers	1 421	1 110	1 336	1 332	1 305	1 269	1 197	1 146

Table 136: Turnover in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Turnover						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	81%	93%	92%	85%	86%	81%	76%
2	Spare parts manufacturers	80%	96%	96%	93%	90%	84%	80%

Table 137: Operating profit in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Operating profit						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	75%	89%	88%	84%	82%	78%	77%
2	Spare parts manufacturers	76%	94%	94%	92%	89%	84%	81%

Table 138: Financial profit in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Financial profit						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	75%	89%	88%	83%	82%	78%	77%
2	Spare parts manufacturers	76%	94%	94%	92%	89%	84%	81%

Table 139: Total liabilities in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Total liabilities						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	79%	95%	93%	89%	88%	84%	83%
2	Spare parts manufacturers	77%	97%	96%	94%	91%	87%	84%

Table 140: Total assets in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Total assets						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	80%	95%	93%	89%	89%	85%	84%
2	Spare parts manufacturers	80%	97%	96%	94%	91%	87%	84%

Table 141: Net profit in relative terms for the car and spare parts manufacturers

#	Car and spare parts manufacturers	Net profit						
		2014	2013	2012	2011	2010	2009	2008
1	Car manufacturers	76%	89%	88%	84%	82%	78%	77%
2	Spare parts manufacturers	78%	94%	94%	92%	89%	84%	81%

Notes:

- In absolute terms, spare parts manufacturers tend to provide more than seven times as many data compared to car manufacturers, suggesting a much higher fragmentation in the former sector, and the scarce availability of data points for car manufacturers. Also, one can expect that car manufacturers would generally be part of a large group which should ultimately be present in the set as consolidated – thus independent – entities, materially lowering their number.

- In relative terms, we note no marked difference in the data availability (number of companies to deliver complete data sets) between the spare parts manufacturers and car manufacturers, which suggest a comparable quality in data availability.
- In case the profitability of a group car manufacturer is to be benchmarked, the small pond of third party car manufacturers may prevent identifying a sufficiently large set of comparables. The number of independent spare parts manufacturers, which is materially higher than the number of independent car manufacturers, allows the application of additional screening tests. This leads to potentially having better comparability, even with the relaxed criteria, such as product similarity or position in the value chain.

Illustration: there were 441 companies classified as 'car manufacturers' (with sales in excess or EUR 5 million) in the EU-28, before application of the independence test. After the application of the independence test, there were only 198 left, which is only 45% of the original number.

There were 2,403 companies classified as 'spare parts manufacturers' (with sales in excess or EUR 5 million) in the EU-28, before application of the independence test. After the application of the independence test, there were 1,421 left. That is still 59% of the original number.

The application of the independence screen materially decreased the number of 'car manufacturers' available for further screening purposes. That was much less the case for 'car manufacturers' industry companions, the 'spare parts manufacturers'. The latter set, or a combination of the latter and former sets, would allow more significant further screening while not relaxing the comparability on the 'industry' criterion.

- We do not note significant discrepancies, across data sets in the availability of the different data points (turnover, operating profit, financial profit, net profit, total liabilities, total assets)
- In general terms, we note a trend of data being increasingly available over the years.

8. External data under TNMM - Local databases and adjustments (#29 – #31)

Key findings for #29, #30 and #31

There are not many local complementary databases available in the Member States other than the ones previously mentioned. The impact of the use of local databases is limited since most Member States use Amadeus or Orbis. A driver for using local databases would be, should their subscription come out cheaper, to decrease compliance costs.

If adjustments are made, they usually concern working capital adjustments.

8.1. #29: Local databases

Scope

For each Member State additional local databases are provided, if any, that are structured in such a way that they are fully usable for transfer pricing purposes.

Summary

Even though it cannot be claimed that this survey is exhaustive, there appears not to be many other local databases available in the Member States other than the ones previously mentioned and that allow sufficient 'screenability'. Alternative databases that were identified are situated in Poland (Tiegel), Romania, Croatia and Hungary. Other regional databases that were identified are OneSource and Loursos, which is used in Latvia.

Methodology:

The analysis is based on the answers from the EU-28 Member States obtained through the survey.

Analysis

A body of data qualifies as 'database' when said body is (1) organised, (2) 'screenable'⁷⁶, (3) at least partially market driven and (4) regularly updated – which are all criteria that are believed to be critical if the data used for TP purposes – not many other databases were identified in the Member States. 'Screenability' is needed on characteristics such as size, independence, industry code, diagnostic ratio, functions, products, date of incorporation, etc. Applying these screenings allows focussing on comparability factors that will make, ultimately, the companies selected comparable to the tested party under TNMM.

Deficiencies observed with other bodies of data include: lack of screening capabilities to perform a search for TP purposes, lower robustness of the data that may be amalgamated based on inputs from different sources, lack of exhaustively, lack of objectivity (not assembled with controllable, objective criteria). National agencies may be pulling together financial data of local companies and making it available on the Internet. That is the case for, e.g. FINA in Croatia or the National Bank of Belgium, in Belgium. These databases however typically suffer from lack of 'screenability' and are not used for identifying comparables, under the TNMM.

The alternative local databases identified are:

- **Poland:** Tiegel is a local Polish database developed by the data provider of Bureau Van Dijk. Data is streamlined through Info Credit (<http://www.infocredit.pl/en/>) for Tiegel and Amadeus. Therefore, the data in both databases should be similar.
- **Romania:** There seems to be some local databases developed by advisors. These databases only include Romanian comparables, and are used by taxpayers to prepare local transfer pricing documentation. The Romanian Tax authorities appear to accept this approach. The main reason for the use of these alternative sources of data is that the price of the data is seemingly much lower compared to the prices asked by the typical database providers.

⁷⁶ On aspects such as size, independence, product, sector, date of incorporation, etc.

- **Hungary:** Some companies tried to develop their own databases, but the local Tax authorities typically do not accept searches in such databases.
- **Croatia:** the Croatian national financial agency ('FINA') gathers financial data from Croatian companies and makes these publicly available. FINA's website contains balance sheet and profit and loss statement data. The information provided includes the audit opinion and audit report, if available. FINA provides free access to the information.

The FINA database does not provide a company description nor provides information on independence. Additionally, the data available on FINA's website is not intended nor structured to serve the purposes of mass data analysis. The data is organised at single entity level, for example to find data for insurance companies operating in Croatia, practitioners need to screen all entities (one at a time) and gather the data manually. It is not possible to search companies by year or NACE code.

In addition, information in the FINA database is not really structured, the database is not practical for executing comparable searches, and also not used to the benefit of databases such as Amadeus and Orbis that are used by both practitioners and the Croatian Tax authorities.

Some regional databases have also been identified:

- **OneSource Europe:** many times used to access independence data of companies, but includes far fewer companies than Amadeus would.
- **Loursof:** based in Latvia, the Loursof database provides access to financial information of numerous companies throughout Europe. The database has not been audited, but the screening capabilities are believed to be very limited.

Some Member States use data obtained from other sources as well, which could lead to the identification of potential comparable companies. These sources include data retrieved from trade organisations, newspapers, textbooks, trade magazines or even an industry search on Google. However, the data is often limited and the process is usually cumbersome:

- The name of the potential comparable companies is obtained from the trade association.
- The financials of these companies are retrieved from the company register for further analysis.
- The independence test is applied.

Therefore, data derived from trade organisations serves rather as a first lead to identify potential comparables in a particular sector, especially when a classical database search would not have yielded sufficient results and/or when it is believed the sector specifics are very important in the case at hand.

The survey suggests that a repository of national accounts is available in quite a few Member States, as is the case for FINA. These databases, however, are understood not to be sufficiently screenable for transfer pricing purposes.

8.2. #30: Alternative databases

Scope

The impact of these alternative databases is quantified.

Summary

The impact of the use of local databases is limited since most Member States use Amadeus or Orbis, or the other databases from Bureau Van Dijk reviewed earlier. A driver for using local databases would be to decrease compliance costs.

Methodology

The analysis is based on the answers from the EU-28 Member States obtained through the survey.

Analysis

The impact of the use of local databases is limited. The majority of the Member States use Amadeus to identify comparable companies. The Orbis database is also used by a few Tax authorities, which should have identical (or close to) data as derived from the Amadeus database. In addition, local databases from Bureau Van Dijk, also analysed earlier in this report, are commonly used for local searches or to obtain, when possible, more detailed financial information.

We noticed that some Member States are looking for alternative databases or solutions. One of the main drivers to look for alternatives, is to bring down the cost of compliance.

8.3. #31: Adjustments

Scope

Comments are provided on the benefit of applying comparability adjustments for each Member State.

Summary

Most of the comparability adjustments made are working capital adjustments. In a few cases, accounting- and risk-related adjustments are performed. No relevant experience was found on applying location savings adjustments, suggesting their general scarcity.

Methodology:

The analysis is based on the answers from the EU-28 Member States obtained through the survey.

Analysis

If location savings are believed to exist from an economic perspective – e.g. some Member States would propose cheaper labour, better logistics, more favourable geographic location, more educated workforce, more readily available capital – the empirical evidence under #22 and #31 suggest they are rather uncommon under TNMM.

Another category of adjustments that, even though acknowledged to be important, tends to not be performed widely, are risk adjustments. It is believed that the reasons for this scarcity are multiple:

- Lack of satisfying definition of 'risk' for transfer pricing purposes and 'types of risk adjustments'. On the former a general definition like 'induced volatility in profit' and on the latter a generic list of identified (most relevant) risk adjustments may help.
- The abundance of possible risks associated to any business endeavour making any systematic analysis at the transactional level a very resource-consuming enterprise (e.g. market risk, inventory risk, credit risk, currency risk, quality risk, liability risk, natural disaster risk, ...)
- Intrinsic technical difficulty in assessing risks. Risk is generally associated to a certain level of volatility in profit. The latter needs then to be measured on reliable (transactional) data, followed by a conversion of the impact it may have on prices or profit.
- The implicit impact of any transfer pricing system onto a risk allocation. A transfer pricing policy will indeed 'force' a certain distribution of risk between the parties and will drive their respective profit volatility. In its simplest expression, a group company receiving a guaranteed profit (according to one measurement, PLI) is indeed shielded from any variation (on the profit measurement) by the group counterparty that, in turn, will absorb all residual risk impacting that profit measurement.

These elements seem to be the reason why Member States widely adopt pragmatic approaches to adjusting for risks, oftentimes in positioning the comparable level of profit within a benchmarked range, at a deemed appropriate place.

The table below summarises the replies of the survey on comparability adjustments

Table 142: Adjustment types & frequency

Adjustment types & frequency

Not performed  Perf. Rarely  Perf. occasion.  Perf. frequently 

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
	Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Netherlands	Poland	Portugal	Romania	Slovakia	Slovenia	Spain	Sweden	UK	
1. Capital adj.																													
2. Accounting adj.																													
3. Other																													

Appendix 1
Glossary

Glossary			
First appearance	Term	Definition	
Introduction	EU	European Union	
	JTPF	Joint Transfer Pricing Forum	
	mEUR	Million Euro	
	MSs	Member States	
	TPG	OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations	
	Transactional Net Margin Method ('TNMM')	A transactional profit method that examines the net profit margin relative to an appropriate base (e.g. costs, sales, assets) that a taxpayer realises from a controlled transaction (or transactions whereby is appropriate to aggregate under the principles of Chapter III of the OECD Transfer Pricing Guidelines).	
Milestone 1	Comparable Uncontrolled Price ('CUP') Method	According to paragraph 2.13 of the 2010 OECD report, the comparable uncontrolled price ('CUP') method compares amounts charged in controlled transactions (between related parties) with amounts charged in comparable third party transactions (between a related party and a third party or between third parties).	
	Controlled transactions	Transactions between two enterprises that are related enterprises with respect to each other.	
	Uncontrolled transactions	Transactions between enterprises that are independent enterprises with respect to each other.	
	External comparables	Comparable transactions between two third parties external to the considered taxpayer (or another entity of its group)	
	Internal comparables	Comparable transactions between the considered taxpayer (or another entity of its group) and an unrelated party	
	Internal CUP	An internal CUP compares amounts charged in controlled transactions (between related parties) with amounts charged in comparable third party transactions <i>between a related party and a third party</i> .	
	External CUP	An external CUP compares amounts charged in controlled transactions (between related parties) with amounts charged in comparable third party transactions <i>between third parties</i> .	
	Milestone 6	Intra-firm export prices	The pricing of goods that are exported to another group company.
		Profit margin	This is used to measure and compare profitability. It is calculated as net income divided by revenue.
	Milestone 10	Independence test	Independence indicators characterising the degree of independence of a company with regard to its shareholders.
Turnover		Total operating revenues (net sales + other operating revenues + stock variations). The figures do not include VAT.	
	Net profit	Net income for the year. Before deduction of minority interests if any (profit after taxation and extraordinary and other profit).	
	Gross profit	Operating revenue – cost of goods sold.	
	Operating profit	Operating profit is the EBIT. All operating revenues – all operating expenses (gross profit-other operating expenses).	
	Financial profit	Result from financial activities of the company (financial revenue-financial expenses).	
	Extraordinary profit	All extraordinary result not belonging to the 'ordinary' activities of the company.	
	Date of incorporation	This date indicates in most cases the creation date of the company.	
	FTEs	Total number of employees included in the company's payroll, expressed in Full Time Equivalent	
	Primary NACE codes	Nomenclature générale des Activités économiques dans la Communauté Européenne, Rev.2.	
	Business description	Complete and exhaustive summary of the activities of a company.	
	Share capital	Issued share capital.	
	Net equity	Total equity (capital+ other shareholders funds).	
	Operating assets	Total assets – Long term financial assets - Short term financial assets	
	Cash & Liquidity	Detail of the other current assets . Cash at bank and in hand of the company.	
	Current assets	Total amount of current assets (stocks + debtors + other current assets).	
	Immovable assets	All tangible assets such as buildings, machinery, etc.	
	Inventories	Total inventories (raw materials + in progress + finished goods).	
	Intangibles	All intangible assets such as formation expenses, research expenses, goodwill, development expenses and all other expenses with a long term effect.	
	Working capital	Capital used for day-to-day activities = stocks + debtors - creditors.	
	Account payables	Debts to suppliers and contractors (trade creditors).	
	Sector Aeronautics and Space (Nace codes)	26.51 Manufacture of instruments and appliances for measuring, testing and navigation. 30.30 Manufacture of air and spacecraft and related machinery 33.16 Repair and maintenance of aircraft and spacecraft 52.23 Service activities incidental to air transportation 77.35 Renting and Leasing of air transport equipment	
	Sector Agrofood (Nace codes)	01.1 Growing of non-perennial crops 01.2 Growing of perennial crops 01.3 Plant propagation 01.4 Animal production 01.5 Mixed farming 01.6 Support activities to agriculture and post-harvest crop activities 03.2 Aquaculture 10.1 Processing and preserving of meat and production of meat products 10.2 Processing and preserving of fish, crustaceans and molluscs 10.3 Processing and preserving of fruit and vegetables 10.4 Manufacture of vegetable and animal oils and fats 10.51 Operation of dairies and cheese making 10.6 Manufacture of grain mill products, starches and starch products	
	Sector Automotive (Nace codes)	29 Manufacture of motor vehicles, trailers and semi-trailers 30.91 Manufacture of motorcycles 45 Wholesale and retail trade and repair of motor vehicles and motorcycles	

Appendix 1
Glossary

	Sector ICT industry and services (Nace codes)	26.2 Manufacture of computers and peripheral equipment 46.5 Wholesale of information and communication equipment 47.4 Retail sale of information and communication equipment in specialised stores 58.2 Software publishing 62 Computer programming, consultancy and related activities 63 Information service activities 95.1 Repair of computers and communication equipment
	Sector Pharmaceutical and healthcare (Nace codes)	21 Manufacture of basic pharmaceutical products and pharmaceutical preparations 32.50 Manufacture of medical and dental instruments and supplies 46.46 Wholesale of pharmaceutical goods
	Sector Construction (Nace codes)	41 Construction of buildings 42 Civil engineering 43 Specialised construction activities
	Sector Transport and logistics	49 Land transport and transport via pipelines 50 Water transport 51 Air transport 52 Warehousing and support activities for transportation 53 Postal and courier activities
	Sector Electrical and Electronic Engineering industries	26.1 Manufacture of electronic components and boards 26.3 Manufacture of communication equipment 27 Manufacture of electrical equipment 28.2 Manufacture of other general-purpose machinery 29.31 Manufacture of electrical and electronic equipment for motor vehicles 33.13 Repair of electronic and optical equipment 33.14 Repair of electrical equipment 46.43 Wholesale of electrical household appliances 95.21 Repair of consumer electronics
	Sector Chemicals (Nace codes)	08.91 Mining of chemical and fertiliser minerals 20 Manufacture of chemicals and chemical products 46.12 Agents involved in the sale of fuels, ores, metals and industrial chemicals 46.75 Wholesale of chemical products
	Sector Environment, Energy and commodities (Nace codes)	35 Electricity, gas, steam and air conditioning supply 36 Water collection, treatment and supply 37 Sewerage 38 Waste collection, treatment and disposal activities; materials recovery 39 Remediation activities and other waste management services
	Sector Maritime industry (Nace codes)	30.1 Building of ships and boats 33.15 Repair and maintenance of ships and boats
	Sector Textile (Nace codes)	13 Manufacture of textiles 14 Manufacture of wearing apparel 15 Manufacture of leather and related products 46.16 Agents involved in the sale of textiles, clothing, fur, footwear and leather goods 46.41 Wholesale of textiles 46.42 Wholesale of clothing and footwear 47.51 Retail sale of textiles in specialised stores 47.71 Retail sale of clothing in specialized stores 47.72 Retail sale of footwear and leather goods in specialized stores 47.82 Retail sale via stalls and markets of textiles, clothing and footwear 95.23 Repair of footwear and leather goods
	Sector Banking (Nace codes)	64.1 Monetary intermediation 64.3 Trusts, funds and similar financial entities 64.9 Other financial service activities, except insurance and pension funding 66.3 Fund management activities
	Sector High Tech (including Bio Tech) (Nace codes)	71 Architectural and engineering activities; technical testing and analysis 72 Scientific research and development
Milestone 14	EBIT	Earnings Before Interest and Taxes or operating profit
Milestone 15	Loss-making company	Company making operating losses
Milestone 16	Start-up company	Company in existence for less than 3 years.
Milestone 17	Small and medium-sized enterprise	enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.
Milestone 26	Relevant market	Specific market presenting some relevance given a certain factual situation
Milestone 27	Relevant market according to the OECD TP Guidelines	<p>Economic circumstances that may be relevant to determining market comparability include:</p> <ul style="list-style-type: none"> • the geographic location; • the size of the markets; • the extent of competition in the markets and the relative competitive positions of the buyers and sellers; • the availability (risk thereof) of substitute goods and services; • the levels of supply and demand in the market as a whole and in particular regions, if relevant; • consumer purchasing power; • the nature and extent of government regulation of the market; • costs of production, including the costs of land, labour and capital; • transport costs; • the level of the market (e.g. retail or wholesale); • the date and time of transactions; • and so forth. <p>The geographic market is another economic circumstance that can affect comparability. The identification of the relevant market is a factual question. For a number of industries, large regional markets encompassing more than one country may prove to be reasonably homogeneous, while for others, differences among domestic markets (or even within domestic markets) are very significant.</p>
Milestone 28	DG COMP	Directorate-General for Competition.

**Study on Comparable Data used for transfer pricing in the EU
Survey**

Deliverable 1: internal CUPs (milestones 1 – 4)

Note: All questions below relate to the following types of transactions:

- goods (e.g. commodities)
- services (e.g. rental payments)
- IP (e.g. royalty)
- loans (e.g. interest)

As general background to the questions below, you could refer to the article mentioned in Appendix 1 hereto.

Please comment and answer to the questions below, based on your own practice and experience in your jurisdiction but also considering any feasibility/operational aspects and perspectives in terms of acceptability.

Questions

1. Do you commonly consider internal comparables as part of your search strategy when defining transfer prices, particularly when using the CUP method? What is the position of the tax administration in this respect in your jurisdiction? Please distinguish per type of transaction

Existing practices by practitioners (please provide illustrations/tangible examples)	Existing practices by practitioners (please provide illustrations/tangible examples)
Goods	
Services	
IP	
Loans (interest)	
Others	

2. In each situation where internal comparables for CUP may be accepted as defined in the table above, please comment on the following:

Comparability factors (specific approaches/best practices for internal comparables within the EU)	Existing practices by practitioners (please provide illustrations/tangible examples)	Possible corresponding adjustment available/ to be performed
Business strategies pursued by the parties		
Economic circumstances (market conditions)		
Characteristics of property/services		
FAR: impact of value creation within the group, economic significance		

Appendix 2
Survey

Impact of a possible different positioning of the comparable in the value chain/commercial cycle		
Contractual terms (volume, incoterms, payment conditions, extraordinary conditions...)		

3. If internal CUPs are used, how is the search strategy defined to identify internal CUPs. Please comment. Is the identification of internal CUPs based on a systematic search – how is it considered as sufficiently documented?
4. Are companies making use of their own database (such as registering all contracts in SAP, internal information systems, please comment on any method/practice which could be useful and which you have experienced on the field?
5. What kind of adjustments are made to enhance comparability? Please distinguish per type of transaction (see also above, question to be ignored if already answered)
6. Are thresholds used for screening purposes?
 - If yes, what thresholds?
7. Are there cases where Tax Authorities/Tax Courts accepted the use of internal CUPs? Are there some cases pending?
8. Are Tax Authorities/Tax Courts systematically rejecting the use of internal CUPs?
9. Are there specific cases where Tax Authorities rejected the use of internal CUPs?
10. Why are these rejected?
11. Explain what could be done to improve the use of the CUP.
12. Are there cases where Tax Authorities accepted the use of internal CUPs, in combination or supported with another method? This can cover common practices, references in a general guideline/instruction/circular, ruling practices, or any other source (please specify and, as far as possible, describe/illustrate)
13. Is there a legal basis for the acceptance / rejection of internal CUPs?
14. If yes, please provide a copy of the legislation / hyperlink
15. Are there administrative guidelines for the acceptance/rejection of internal CUPs? Please describe them briefly?
16. If yes, please provide a copy of the guidelines / hyperlink
17. Is case law available related to the use of internal CUPs? If yes, then please specify for which kind of transactions, sectors and what are the conditions/constraints
18. If yes, could they be characterized as precedents / best practices?
19. If yes, what are the comparability factors?

20. If yes, where there adjustments factors?
21. If yes, how is reliability of comparability assessed?
22. Describe two cases in various sectors on the use of internal CUPs.
- Sectors are: aeronautics and space, agro food, automotive, ICT industry and services, pharmaceutical and healthcare, construction, transport and logistics, electrical and electronic engineering industries, chemicals, environment, energy and commodities, maritime industry, textile, banking, high tech (including bio tech)
 - As MNEs rarely deal with related parties and third parties at the same time in the same geographic area and in the same position within the commercial cycle, would it be a possibility/envisageable based on current situation and practices of the tax administration in your country to refer to/allow internal comparables of the group but not dealing with the tested party and/or acting in a different geographic area?
 - If yes, are adjustments to be performed? Which ones in relation to respectively the geographic area and the position in the commercial cycle and/or any other adjustments?

Deliverable 2: external CUPs (milestones 5 – 7)

As a preliminary remark, please consider the following worldwide databases:

RoyaltyStat, ktMine, Lexisnexis, RoyaltySource, Bloomberg, DealScan, LoanConector, S&P Capital IQ, ECB, Damodaran, Euribor.org, Lipper

Please specify, which data bases are used in your jurisdiction for the following transactions:

Type of transaction	Names	Rarely used	Commonly used	Much used	Contains domestic comp.	Foreign comp. used (incl. non EU ones)
Goods						
Services						
IP						
Loans						
Others						

23. Are there **local databases** – or organized bodies of data – used to identify external CUPs? If yes, what databases:
- goods (e.g. commodities)
 - services (e.g. management)
 - Royalty on IP
 - Interest on loans
- If yes, provide a brief description of such local database:
- What is the reason (reliability, availability of data, regular updates, local information etc.)?
 - Where does the data come from?
 - Number of records in database?
 - Does the database include “local” data?
 - Accessibility of the database: public, open source or private (Subscription on basis of fee deposit)?

- Is there an independence test available in the database?
 - How satisfying is the level, detail and quality of information provided regarding the transactions?
Does it make adjustments possible/impossible?
 - Are they considered as easily reliable by tax authorities in your jurisdiction?
 - Is there a legal or regulatory basis to ensure consistent financial reporting for these local databases? Please describe
 - What adjustments are performed to increase the comparability of the external CUP?
24. Are there **foreign databases** be used to identify external CUPs?
- If yes, typically for what type of transaction and what database (see above – and provide precision if anything needs to be added/commented)?
25. Are databases or aggregated data available containing **export prices** used as possible external comparables for CUPs related to goods (to be verified with customs – see summary article in appendix 2), we are referring here to the use of any database or aggregated data which could be used as a database, published by external organisations/official bodies (e.g. export insurance actors, national banks, customs, statistical bodies- in which intra-firm export prices are indexed/listed)?
- How do practices / local tax authorities look at the above-described databases
 - If they are not used, what is / are the reason(s)?
 - Are there documents / articles available regarding/current trends noticed in your jurisdiction which may increase the use of these export prices?
26. Are there other sources of information – **not organized as databases** – which could be used to identify external CUPs?

Deliverable 3: internal comparables and TNMM (milestones 8 – 9)

27. Are there cases where internal comparables under TNMM or other profit based methods (broadly speaking the net profit being reflected in such comparables) can be envisaged/used by taxpayers in your jurisdiction for transfer pricing purposes? Please describe
The following examples could be mentioned for illustration (not exhaustive):
- Production entities selling to dependent and independent / JV distributors.
 - Selling entities buying from dependent and independent / JV producers
 - (Intermediary) traders (purchase and sale to 3rd party in same market)
28. Are there cases where Tax Authorities rejected the use of internal comparables under TNMM (please explain)?
29. Do Tax Authorities **systematically** reject internal comparables under TNMM?
30. Are there cases where Tax Authorities accepted the use of internal comparables under TNMM?
31. Is there a legal basis for the acceptance / rejection of internal comparables under TNMM?
32. Are there administrative guidelines for the acceptance / rejection of internal comparables under TNMM?
33. Are there case law decisions recognizing internal comparable data searches under TNMM?
- If yes, could they be characterized as precedents / best practices?
 - If yes, what are the comparability factors?
 - If yes, where there adjustments factors?

- If yes, how is reliability assessed?
34. Describe two cases in various sectors on the use of internal comparables under TNMM.
35. Broadly speaking, how should such internal comparables be documented/integrated in the comparable search in your jurisdiction to be considered as reliable by Tax Authorities?

Deliverable 4: external comparables and TNMM (milestones 10 – 13)

36. Regarding most used databases under TNMM (local, foreign, regional)?
- Which are they?
 - What are the selection criteria (# data points, detail of information, used by market / tax authorities, price, other)?
 - Number of references (for local databases)
 - Level of detail
 - Screening capabilities
 - Reliability of source
37. Are there (other) local databases that are accessible but generally not used? If yes, for what reason?
38. What can be the reason be for a possible lack or abundance of good-to-high quality TNMM data for your country? Please comment the questions below shortly one by one and provide complementary comments/information if needed
- Market structure?
 - Regulations or administrative limitations?
 - Non-compliance?
 - Coercive financial reporting requirements?
 - Collection strategy by database providers?
 - Characteristics of the market of reference (e.g. development of certain industries in your country)
 - Timing of filing requirements?
 - Other reason?
39. What would be your comments/feedbacks regarding the availability of the information, reliability and quality of such information in the above-mentioned database, particularly as regards the following:
- Number of entities, accuracy and reliability of the industry code/text descriptions, independence test, turnover, profit, gross & sales/operating/financial/extraordinary margin, balance sheet information and data (net equity, total liabilities, debt, cash, current assets, inventories, intangibles, account payables); specific information such as cost of goods/cost of sales, R&D expenses
 - Are there some improvements in the availability and quality of these data over the recent years which have led to some progress in comparable searches? Please comment
 - What are still the possible/existing issues and challenges in this respect in your jurisdiction? What are the solutions considered?
 - Generally speaking, what is the position of the tax authorities in your jurisdiction in this respect? What are the solutions/alternatives for specific issues encountered?

- Are there some criteria/indicators and thresholds identified by the tax authorities in your country for which they would reject the use of certain database/performing certain searches on databases in specific circumstances? What are they?
 - Are there some particularities to notice for certain sectors?
40. Broadly speaking what are the consequences of the above for you as TP practitioner when processing and delivering comparable searches in your country? (comment in terms of quality, consistency, sustainability)

Deliverable 6: Quality of the comparable data – Qualitative analysis (milestone 19 – 24)

41. Use the table in attachment (Pre-screening of Amadeus database organized) to verify the pre-screening criteria to perform benchmark studies.
- Please confirm whether the proposed "**Fully fledged Pan European benchmark analysis**" (green highlighted cell C) is generally acceptable to the local Tax authorities in your country and indicate any differences.
 - Please **update your local country section** in the table.
42. Broadly speaking, is the use of screening ratio preferred rather than adjustments when performing comparable searches in your jurisdiction? Can you compare and describe the use of each tool making distinction possibly for certain circumstances, transactions, sectors, if relevant?
43. How are comparability adjustments considered and applied in your country/perceived by tax authorities: are they possible? Accepted? Optional?
44. Does using screening criteria have an impact on using statistical tools, e.g. the interpretation of the range (maybe involve more flexibility in this respect) in your country? Can you comment on this, possibly with some illustrated examples?
45. Are objective and quantitative approaches rather than subjective/manual selection favoured in your country by tax administrations or vice-versa? Are statistical tools commonly used for screening/rejection of comparables and how?
46. How should the screening/selection and rejection process be documented (providing tables, level of details, descriptions ...) in your country?
47. What kind of public information/alternative sources of information is/are commonly used in your country to refine database searches? How are they documented in the TPD? Can you give us some examples of such alternative sources
48. Are "exclusion" or "inclusion" keywords used/accepted in your country?
49. Are the following quantitative screenings commonly used to reduce the initial sample (please comment with "never", "rarely", "commonly used", "systematically used" – Please comment
- Independence test
 - Status of activity
 - Consolidation (please comment)
 - Data availability
 - Operating revenue thresholds (please specify)/employee headcount threshold (please specify)
 - Recurring losses

50. Others (start-up, opex, intangibles, R&D expenses...)

Is the quality/content of available data sufficient to perform the above-mentioned adjustments?

What could be improved?

Are some quantitative criteria/ratios commonly used in regard to functions & risk profiles in your country? Particularly:

Difference between fully-fledged & routine entities linked to different levels of IP	Intangible-related search criteria (please specify)	Acceptability - Feasibility - Commonly/rarely used – Pros & cons
Service provider	Level of inventory Level of Property, plant, equipment (PPE)	Acceptability - Feasibility - Commonly/rarely used – Pros & cons
Contract manufacturer	Exclude companies with R&D/sales or Intangibles/BS total >%	Acceptability - Feasibility - Commonly/rarely used – Pros & cons
Limited risk distributor	Exclude companies with R&D/sales; PPE & equipment/Sales or BS total >% Pure sales agent: exclude companies with inventory to sales TO> X days	Acceptability - Feasibility - Commonly/rarely used – Pros & cons
Contract R&D	Exclude companies with PPE & equipment/Sales or BS total >% Exclude companies with inventory to sales TO> X days	Acceptability - Feasibility - Commonly/rarely used – Pros & cons

Adjustments to benchmarking results for increasing data reliability:

Can you consider and comment the adjustments commonly accepted/used in your country, their acceptability & feasibility, as well as related pros&cons:

Working capital adjustments: - accounts receivables - accounts payable - inventory	
Accounting method related adjustments: - LIFO - FIFO	
Other adjustments: - Industry adjustments when using comparables of different sectors - Geographic/market adjustments - Size adjustments (level of sales-related) - Asset intensity adjustments - Balance sheet adjustments	

Appendix 2
Survey

Risks-related adjustments	Are there some existing practices in your country in this respect? Can you describe them? What are the pros & cons
Location savings adjustments	Are there some existing practices in your country in this respect? Can you describe them? What are the pros & cons
Others	

Beyond the above-mentioned adjustments, are there specific issues and treatments applied in relation with accounting differences, i.e. related to differences in domestic accounting rules/reporting standards compared to standards used by some comparable entities (e.g. reporting in other jurisdictions than your country)? What are the issues and solutions applied? How is this considered by the local tax authorities (please mention which database sources are at stake)?

As regards possible accounting adjustments/issues, are there some particularities/accounting classifications in the databases used which raise some issues in your jurisdiction when performing comparable searches? Can you list and describe them? What are the solutions/adjustments considered in this respect?

Regarding the test(s) on which adjustments should be based (e.g. (1) existence and definition of a material difference/substantial comparability deviation between the comparables and (2) impact in terms of results' reliability): are there some criteria/examples defined in administrative guidelines in your country? Can you comment on them (if yes)? How are these tests defined? What are the practices?

Are adjustments solely applied to the comparables in your country? Can adjustments also be made at the level of the tested party in your country? How?

51. What other search criteria are typically used to identify comparables under TNMM in your country?
52. Do you confirm the acceptability / reliability thresholds for your country as referred in appended table?
53. What drives the application of additional screening criteria versus making adjustments?

Deliverable 7: use of databases with pan-European and foreign data (milestone 25 – 28)

Please refer to the Excel table attached which gives an overview of the current situation in EU28 as regards use of pan-European comparables (Summary Deloitte and EY view):

54. Can you comment on the situation in your own country: does it reflect the reality? Can you comment on the various tests possibly applied by the tax authorities?
55. Are there some specific situations or transactions/sectors for which the tax authorities in your countries do not consider pan-EU comparables as acceptable? For instance, because there is one major state-owned actor having a monopoly and doing the vast majority of the purchasing in the country? Can you describe these situations?
56. Are there some specific transactions/situations in specific sectors or which only local/country specific comparables comparables (even at the level of a region of the country) have been accepted by the tax authorities in your jurisdiction? On which basis? What is your position/what are common practices in this respect?
57. On the other hand, are there some specific situations where some products or transactions which are not similar but (even potentially) interchangeable/substitutable, or where primary and secondary products (e.g. cars & spare parts, or machines & maintenance services) for which the scope of the comparable scope could be broadened? Please comment, also providing precision on the tests at hand, the sector at stake etc.
58. Are there also specific situations in which it has been possible to compare a transaction with comparables which did not have the same position in the value chain (particularly in integrated value chains), e.g. independent spare part manufacturers compared to controlled car manufacturers? Please comment and provide some details (sectors involved, territories, adjustments made, etc.)?
59. Have you experienced some specific situations re. geographic markets for which comparables could be accepted even if arising from entities located in foreign (even non-EU) jurisdictions?

Deliverable 8: impact of local databases (milestone 29 – 31)

60. Are there other sources of information – not organized as databases – which could be used to identify external comparables under TNMM?
61. Which type of comparability adjustments are frequently used in your country and what is the reason?
 - Adjustments for accounting consistency
 - Working capital adjustments
 - Other
62. How often are those adjustments performed?

Appendix 1

Transfer Pricing: The CUP -- Case Studies: Australia, US, UK, Norway and Canada

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February 28, 2012

66 Tax Notes International 465 (April 30, 2012)
Boston Univ. School of Law, Law and Economics Research Paper No. 12-12

Abstract:

All transfer pricing regimes give priority to the comparable uncontrolled price (CUP) method. Despite declarations that transfer pricing is a search for the "best method" or "most appropriate method," all systems concede that the search is over when an exact comparable is found because a CUP is preferred over all methods. The best CUP is an exact CUP because it provides an arm's length price that is not calculated. The price emerges directly from the comparison.

CUPs have traditionally been the most commonly applied method for both taxpayers and the government. They are the judicial gold standard. They hold sway even when they are constructed. Whenever constructed CUPs are involved trial argumentation invariably centers on the adjustments. While exact CUPs require no adjustments, the constructed CUP's persuasive value is based on the quality of the adjustments made. Constructed CUPs produce calculated results, and so the concern is with the precision of the calculation.

This paper aligns five cases, each from a different country, to paint a multi-jurisdictional picture of the continuing importance of CUPs in transfer pricing.

Australia – SNF (Australia) Pty. Ltd. v. Commissioner of Taxation. The court is very receptive to the taxpayer's effort to construct a CUP at trial in support of a filing position that was explained as not much more than an educated guess.

US – Compaq Computer Corporation v. Commissioner. The taxpayer filed under a traditional cost-plus method, but at trial to a constructed CUP.

UK – DSG Retail Ltd. v. Commissioners for Her Majesty's Revenue and Customs. This case demonstrates what happens when a court is convinced that adjustments are needed to inexact comparables, but when well-reasoned adjustments are not offered.

Norway – ConocoPhillips Scandinavia AS and Norske ConocoPhillips AS v. Oljeskattekontoret. The CUP proposed is illusory. This case, like in DSG, results in a profit split.

Canada – Alberta Printed Circuits Ltd. v. Her Majesty the Queen. The Canadian Revenue Authority (CRA) in this case cannot overcome the authority of an exact CUP, and missed the business restructuring

adjustment.

The traditional preference for CUPs in resolving transfer pricing disputes is alive and well in the courts. Courts give just as much authority to constructed CUPs (Compaq, and SNF) as are given exact CUPs (Alberta). The only requirement is that considerable time and effort is needed to prove comparability (DSG). CUPs do not answer all transfer pricing questions. There are clearly cases where exact CUPs are impossible (ConocoPhillips).

Number of Pages in PDF File: 34

Keywords: Comparable Uncontrolled Price, CUP, Transactional Net Margin Method, TNMM, SNF (Australia), Compaq Computer, DSG Retail, ConocoPhillips, Alberta Printed Circuits, Business restructuring, Transfer pricing, OECD, Section 482

Appendix 2: Summary article export prices (see question 24)

In an article of June 2014¹, the comparability of export prices was analysed, using detailed firm-level data on the arm's length and intra-firm prices set by French exporters in 1999. The data analysed consisted of confidential data to French export prices in 1999. Export prices were observed under each mode at the level of firms, countries and products. An econometric method was used to compare the intra-firm price with its corresponding arm's length price.

A unique dataset was used that has detailed information on the intra-firm and arm's length volumes and prices of exported products at the firm-level for almost all French firms actively exporting in 1999. Three datasets were combined that have detailed information on firm-level exports values and quantities of 8-digit product categories by destination, data on MNE status and information on whether the transaction is intra-firm or arm's length. These datasets were merged with information on country-level characteristics such as the level of corporate tax rate, distance, and tariff or per-capita income.

¹ Knocking on Tax Haven's Door: Multinational Firms and Transfer Pricing.

Appendix 3 (Milestone 10)

This appendix provides the data availability for the whole EU-28 MS screening the most representative databases and covering specific financial information. For **milestone 10**, the data collected are the following for the period 2011-2014:

- General information:
 - Independence test;
 - Date of incorporation;
 - Business description;
 - Primary NACE codes.
- Profit & Loss:
 - Turnover;
 - Gross profit;
 - Operating profit;
 - Financial profit;
 - Extraordinary profit;
 - Net profit.
- Shareholder equity & liability:
 - Share capital;
 - Net equity;
 - Total liabilities;
 - Long term debt;
 - Short term debt;
 - Accounts payables.
- Assets:
 - Total assets;
 - Cash & liquidity;
 - Operating assets;
 - Current assets;
 - Immovable assets;
 - Inventories;
 - Intangibles.
- Other :
 - Working capital;
 - FTE's.

The data collected appear first in relative terms then in absolute terms. For the absolute terms, the data collected appear per database: Amadeus, Orbis and the local databases.

Appendix 3
Milestone 10 - General information in relative terms

Other										
#	Country	Database	Working capital				FTE's			
			2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	77%	91%	91%	89%	67%	75%	70%	66%
		Orbis	66%	82%	82%	81%	60%	70%	66%	63%
2	Belgium	Amadeus	92%	94%	94%	93%	86%	89%	89%	87%
		Bel-first	93%	95%	96%	96%	85%	88%	89%	89%
		Orbis	89%	91%	92%	92%	88%	91%	92%	92%
3	Bulgaria	Amadeus	95%	95%	93%	89%	95%	94%	93%	88%
		Orbis	90%	92%	90%	86%	90%	90%	90%	85%
4	Croatia	Amadeus	94%	97%	97%	93%	92%	95%	94%	91%
		Orbis	89%	92%	93%	89%	86%	89%	90%	88%
5	Cyprus	Amadeus	9%	44%	67%	80%	8%	34%	50%	58%
		Orbis	21%	48%	64%	71%	14%	36%	48%	50%
6	Czech Republic	Amadeus	58%	76%	80%	81%	48%	89%	89%	85%
		Orbis	50%	70%	75%	77%	42%	85%	85%	82%
7	Denmark	Amadeus	65%	64%	62%	60%	80%	79%	77%	76%
		Orbis	60%	58%	58%	57%	74%	74%	74%	75%
8	Estonia	Amadeus	88%	91%	90%	88%	74%	76%	74%	73%
		Orbis	85%	89%	88%	88%	73%	75%	74%	72%
9	Finland	Amadeus	76%	78%	76%	73%	80%	82%	78%	61%
		Orbis	73%	74%	73%	73%	78%	80%	78%	60%
10	France	Amadeus	67%	75%	78%	78%	42%	40%	35%	39%
		Diane	79%	88%	91%	91%	51%	46%	40%	46%
		Orbis	63%	77%	76%	78%	40%	38%	34%	39%
11	Germany	Amadeus	19%	62%	63%	63%	18%	39%	39%	38%
		Dafne	60%	86%	87%	87%	30%	43%	42%	42%
		Orbis	24%	71%	73%	72%	17%	38%	38%	37%
12	Greece	Amadeus	88%	94%	95%	93%	87%	91%	92%	86%
		Orbis	80%	87%	91%	93%	80%	84%	87%	93%
13	Hungary	Amadeus	78%	78%	77%	69%	86%	89%	89%	82%
		Orbis	76%	76%	75%	67%	84%	87%	88%	79%
14	Ireland	Amadeus	70%	81%	80%	77%	43%	52%	51%	50%
		Fame	84%	91%	89%	86%	84%	91%	89%	86%
		Orbis	56%	73%	72%	69%	38%	51%	50%	49%
15	Italy	Amadeus	87%	94%	94%	93%	83%	89%	89%	86%
		Aida	84%	87%	88%	89%	87%	90%	91%	90%
		Orbis	84%	91%	93%	93%	80%	87%	88%	86%
16	Latvia	Amadeus	90%	93%	92%	88%	90%	93%	91%	87%
		Orbis	89%	93%	91%	88%	89%	93%	90%	87%
17	Lithuania	Amadeus	59%	69%	70%	73%	72%	99%	99%	97%
		Orbis	53%	62%	62%	65%	71%	98%	97%	95%
18	Luxembourg	Amadeus	59%	81%	86%	82%	33%	45%	48%	47%
		Bel-first	70%	80%	81%	78%	40%	47%	48%	47%
		Orbis	47%	65%	66%	64%	32%	40%	41%	40%
19	Malta	Amadeus	13%	48%	76%	89%	9%	28%	44%	44%
		Orbis	10%	41%	66%	86%	10%	32%	44%	45%
20	The Netherlands	Amadeus	39%	53%	53%	49%	59%	78%	80%	76%
		Reach	27%	35%	37%	37%	57%	72%	73%	72%
		Orbis	34%	49%	48%	46%	53%	73%	75%	74%
21	Poland	Amadeus	65%	86%	88%	86%	5%	16%	28%	46%
		Orbis	60%	86%	88%	86%	5%	17%	28%	47%
22	Portugal	Amadeus	88%	94%	94%	93%	82%	86%	87%	86%
		Sabi	91%	94%	96%	96%	86%	89%	91%	90%
		Orbis	87%	92%	93%	94%	80%	85%	87%	86%
23	Romania	Amadeus	52%	49%	47%	44%	94%	95%	95%	93%
		Orbis	91%	93%	94%	42%	91%	93%	94%	92%
24	Slovakia	Amadeus	87%	88%	90%	88%	79%	83%	82%	80%
		Orbis	92%	96%	99%	97%	82%	88%	86%	86%
25	Slovenia	Amadeus	55%	94%	95%	94%	67%	93%	94%	94%
		Orbis	53%	91%	93%	91%	53%	91%	93%	91%
26	Spain	Amadeus	73%	91%	93%	93%	71%	87%	89%	88%
		Sabi	82%	90%	92%	93%	77%	84%	86%	87%
		Orbis	67%	89%	92%	93%	63%	83%	86%	87%
27	Sweden	Amadeus	88%	90%	90%	87%	90%	91%	92%	89%
		Orbis	88%	88%	88%	86%	90%	89%	91%	90%
28	United Kingdom	Amadeus	84%	89%	87%	83%	70%	73%	71%	66%
		Fame	93%	94%	92%	90%	93%	94%	92%	90%
		Orbis	76%	85%	82%	79%	65%	72%	68%	64%

Appendix 3
Milestone 10 - Profit & Loss in relative terms

#	Country	Database	Profit & Loss												Extraordinary profit					Net profit															
			Turnover			Gross profit			Operating profit			Financial profit			2011			2012			2013			2014			2015								
			2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012						
1	Austria	Amadeus Orbis	68%	84%	82%	79%	80%	81%	0%	0%	0%	39%	49%	49%	51%	51%	51%	48%	48%	48%	48%	48%	48%	3%	3%	3%	4%	4%	4%	4%	4%	4%	38%	51%	49%
2	Belgium	Amadeus Bel-first Orbis	91%	89%	89%	89%	89%	87%	0%	0%	0%	93%	96%	96%	96%	96%	96%	96%	96%	96%	96%	96%	96%	62%	64%	65%	64%	64%	64%	64%	64%	64%	93%	96%	96%
3	Bulgaria	Amadeus Orbis	96%	96%	93%	90%	89%	91%	0%	0%	0%	95%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	95%	95%	95%	95%	95%	95%	95%	95%	95%	88%	93%	88%
4	Croatia	Amadeus Orbis	94%	94%	97%	93%	92%	92%	0%	0%	0%	94%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	94%	94%	94%	94%	94%	94%	94%	94%	94%	93%	93%	93%
5	Cyprus	Amadeus Orbis	9%	44%	67%	80%	80%	81%	4%	4%	4%	67%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	44%	44%	44%	44%	44%	44%	44%	44%	44%	0%	0%	0%
6	Czech Republic	Amadeus Orbis	58%	98%	96%	90%	89%	89%	0%	0%	0%	58%	70%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	50%	50%	50%	50%	50%	50%	50%	50%	50%	71%	76%	78%
7	Denmark	Amadeus Orbis	82%	83%	83%	82%	82%	81%	8%	8%	8%	83%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	88%	88%	88%	88%	88%	88%	88%	88%	88%	92%	91%	89%
8	Estonia	Amadeus Orbis	88%	94%	93%	93%	91%	91%	25%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	92%	92%	92%	92%	92%	92%	92%	92%	92%	93%	93%	93%
9	Finland	Amadeus Orbis	90%	91%	88%	88%	88%	88%	2%	2%	2%	76%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	73%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%
10	France	Amadeus Orbis	82%	86%	87%	81%	81%	81%	1%	1%	1%	67%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	66%	66%	66%	66%	66%	66%	66%	66%	66%	78%	78%	78%
11	Germany	Amadeus Orbis	79%	88%	91%	89%	89%	89%	n.a.	n.a.	n.a.	79%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	89%	89%	89%	89%	89%	89%	89%	89%	89%	91%	91%	91%
12	Greece	Amadeus Orbis	83%	83%	84%	80%	80%	81%	1%	1%	1%	63%	73%	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%	49%	49%	49%	49%	49%	49%	49%	49%	49%	12%	12%	12%
13	Hungary	Amadeus Orbis	48%	80%	81%	78%	78%	78%	1%	2%	2%	29%	55%	56%	56%	56%	56%	56%	56%	56%	56%	56%	56%	28%	28%	28%	28%	28%	28%	28%	28%	28%	29%	29%	29%
14	Ireland	Amadeus Orbis	30%	73%	83%	80%	80%	80%	1%	2%	2%	11%	45%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	10%	10%	10%	10%	10%	10%	10%	10%	10%	12%	12%	12%
15	Italy	Amadeus Orbis	88%	94%	95%	94%	94%	94%	0%	0%	0%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	87%	87%	87%	87%	87%	87%	87%	87%	87%	88%	88%	88%
16	Latvia	Amadeus Orbis	85%	93%	92%	88%	88%	88%	0%	0%	0%	85%	92%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	90%	90%	90%	90%	90%	90%	90%	90%	90%	93%	93%	93%
17	Lithuania	Amadeus Orbis	90%	94%	92%	89%	89%	89%	8%	8%	8%	89%	87%	87%	87%	87%	87%	87%	87%	87%	87%	87%	87%	89%	89%	89%	89%	89%	89%	89%	89%	89%	92%	92%	92%
18	Luxembourg	Amadeus Bel-first Orbis	71%	98%	91%	86%	84%	81%	1%	1%	1%	56%	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%	68%	68%	68%	68%	68%	68%	68%	68%	68%	83%	83%	83%
19	Malta	Amadeus Orbis	64%	79%	81%	78%	78%	78%	0%	0%	0%	68%	83%	87%	87%	87%	87%	87%	87%	87%	87%	87%	87%	47%	47%	47%	47%	47%	47%	47%	47%	47%	48%	48%	48%
20	The Netherlands	Amadeus Reach Orbis	53%	76%	82%	76%	76%	76%	13%	13%	13%	48%	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%	76%	13%	13%	13%	13%	13%	13%	13%	13%	13%	48%	48%	48%
21	Poland	Amadeus Orbis	13%	45%	70%	89%	89%	89%	11%	11%	11%	66%	86%	86%	86%	86%	86%	86%	86%	86%	86%	86%	86%	63%	63%	63%	63%	63%	63%	63%	63%	63%	70%	70%	70%
22	Portugal	Amadeus Sabi Orbis	57%	72%	73%	72%	72%	72%	24%	32%	32%	33%	81%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	82%	82%	82%	82%	82%	82%	82%	82%	82%	3%	3%	3%
23	Romania	Amadeus Orbis	53%	74%	73%	71%	71%	71%	27%	41%	42%	40%	58%	58%	58%	58%	58%	58%	58%	58%	58%	58%	58%	79%	79%	79%	79%	79%	79%	79%	79%	79%	5%	5%	5%
24	Slovakia	Amadeus Orbis	61%	88%	91%	83%	83%	83%	12%	17%	17%	17%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	61%	61%	61%	61%	61%	61%	61%	61%	61%	0%	0%	0%
25	Slovenia	Amadeus Orbis	88%	94%	95%	95%	95%	95%	0%	0%	0%	89%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	82%	82%	82%	82%	82%	82%	82%	82%	82%	94%	94%	94%

Appendix 3
Milestone 10 - Profit & Loss in relative terms

#	Country	Database	Profit & Loss																											
			Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit							
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011				
26	Spain	Amadeus	75%	92%	94%	93%	0%	0%	0%	0%	73%	92%	94%	94%	94%	92%	94%	94%	0%	0%	0%	1%	0%	0%	0%	1%	75%	92%	94%	93%
		Sabi	82%	90%	92%	93%	0%	0%	0%	0%	82%	91%	93%	94%	94%	91%	93%	94%	0%	0%	0%	0%	0%	0%	0%	0%	82%	91%	93%	94%
27	Sweden	Amadeus	92%	94%	94%	91%	14%	14%	14%	14%	88%	89%	92%	93%	87%	90%	92%	90%	88%	90%	90%	87%	88%	88%	90%	87%	88%	90%	90%	87%
		Obbis	93%	93%	93%	91%	15%	15%	14%	14%	88%	88%	88%	88%	87%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	87%	89%	89%	89%	87%
28	United Kingdom	Amadeus	82%	86%	82%	77%	64%	67%	65%	61%	82%	86%	83%	77%	83%	87%	83%	77%	1%	1%	1%	1%	1%	1%	1%	1%	82%	86%	82%	77%
		Farme	93%	94%	92%	90%	93%	94%	92%	90%	93%	94%	92%	90%	94%	94%	92%	90%	93%	94%	92%	90%	94%	94%	92%	90%	93%	94%	92%	90%
		Obbis	78%	86%	81%	77%	59%	73%	63%	60%	77%	85%	81%	76%	86%	86%	81%	76%	2%	2%	2%	2%	2%	2%	2%	2%	78%	86%	82%	77%

Appendix 3
Milestone 10 - Shareholder equity & liability in relative terms

#	Country	Database	Balance sheet - Shareholder equity & liability												Short term debt					Accounts payable									
			Share capital			Net equity			Total liabilities			Long term debt			2011			2012			2013			2014			2015		
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012
1	Austria	Amadeus	78%	93%	93%	92%	78%	93%	93%	92%	91%	91%	78%	93%	93%	92%	92%	93%	93%	92%	92%	78%	93%	93%	92%	92%	91%	89%	
		Orbis	72%	89%	89%	88%	73%	88%	89%	89%	88%	88%	72%	88%	89%	89%	88%	88%	89%	89%	88%	72%	88%	89%	88%	72%	87%	86%	
		Amadeus	93%	96%	96%	94%	93%	96%	96%	94%	94%	94%	93%	93%	96%	96%	94%	94%	96%	96%	94%	93%	93%	96%	96%	94%	95%	94%	
2	Belgium	Bel-first	92%	94%	95%	96%	93%	96%	96%	96%	96%	96%	93%	95%	96%	96%	96%	96%	96%	96%	96%	93%	95%	96%	96%	93%	94%	95%	
		Orbis	96%	99%	100%	100%	97%	100%	100%	99%	99%	99%	96%	99%	99%	99%	99%	99%	99%	99%	99%	96%	99%	99%	99%	95%	98%	98%	
		Amadeus	95%	95%	93%	89%	95%	93%	89%	95%	93%	89%	95%	95%	95%	93%	89%	95%	95%	95%	95%	90%	95%	95%	95%	90%	93%	89%	
3	Bulgaria	Orbis	90%	92%	93%	91%	86%	91%	87%	90%	92%	90%	90%	90%	92%	90%	90%	90%	90%	90%	92%	90%	90%	92%	90%	92%	90%	86%	
		Amadeus	94%	97%	97%	93%	94%	93%	94%	93%	93%	93%	94%	94%	97%	97%	97%	97%	97%	97%	93%	94%	94%	97%	93%	94%	97%	93%	
		Orbis	89%	92%	93%	89%	91%	89%	92%	89%	92%	93%	89%	89%	92%	93%	93%	89%	92%	93%	89%	89%	89%	92%	93%	89%	92%	89%	
4	Croatia	Amadeus	9%	44%	67%	80%	9%	44%	67%	80%	9%	44%	67%	80%	9%	44%	67%	80%	9%	44%	67%	80%	9%	44%	67%	80%	80%		
		Orbis	24%	50%	68%	76%	29%	56%	74%	81%	24%	50%	68%	76%	29%	56%	74%	81%	24%	50%	68%	76%	29%	56%	74%	81%	76%		
		Amadeus	58%	92%	91%	84%	58%	76%	80%	81%	58%	76%	80%	81%	58%	76%	80%	81%	58%	76%	80%	81%	58%	76%	80%	81%	58%	81%	
5	Cyprus	Orbis	50%	88%	89%	83%	51%	71%	76%	78%	50%	70%	75%	77%	75%	70%	75%	77%	75%	70%	75%	77%	75%	70%	75%	77%	77%		
		Amadeus	95%	93%	90%	86%	96%	92%	88%	92%	91%	88%	92%	88%	95%	93%	90%	86%	92%	88%	95%	93%	90%	86%	92%	90%	87%		
		Orbis	88%	87%	86%	84%	92%	91%	89%	89%	85%	84%	84%	85%	84%	84%	84%	84%	84%	84%	84%	84%	85%	84%	84%	84%	83%	82%	
6	Denmark	Amadeus	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	94%	92%	91%	92%	
		Orbis	88%	92%	92%	92%	89%	93%	93%	93%	88%	92%	92%	88%	92%	92%	92%	92%	92%	92%	92%	88%	92%	92%	92%	88%	92%	91%	
		Amadeus	76%	78%	77%	74%	76%	74%	74%	77%	64%	62%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	61%	64%	64%	76%	78%	74%	
7	Finland	Orbis	73%	74%	74%	73%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	73%	74%	74%	74%	73%	74%	73%	
		Amadeus	67%	76%	79%	78%	67%	76%	78%	78%	67%	75%	78%	78%	67%	75%	78%	78%	67%	75%	78%	78%	67%	75%	78%	78%	67%	78%	
		Diane	79%	87%	89%	90%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	91%	
8	France	Orbis	64%	74%	77%	77%	64%	74%	77%	78%	63%	73%	76%	63%	73%	76%	76%	63%	73%	76%	76%	63%	73%	76%	77%	57%	73%	76%	
		Amadeus	32%	80%	82%	80%	32%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%	81%	83%
		Dafne	64%	90%	92%	92%	65%	92%	93%	93%	42%	73%	76%	42%	73%	76%	66%	92%	93%	94%	42%	73%	76%	66%	92%	73%	76%	64%	
9	Germany	Orbis	26%	75%	77%	76%	28%	78%	79%	79%	26%	76%	78%	26%	76%	78%	26%	76%	78%	26%	76%	78%	26%	76%	78%	26%	76%	60%	
		Amadeus	88%	94%	95%	93%	88%	94%	95%	93%	88%	94%	95%	93%	88%	94%	95%	93%	88%	94%	95%	93%	88%	94%	95%	93%	88%	94%	
		Orbis	80%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	88%	91%	93%	
10	Greece	Amadeus	91%	95%	95%	92%	91%	95%	92%	90%	94%	92%	90%	94%	92%	90%	94%	92%	90%	94%	92%	90%	94%	92%	90%	94%	95%	92%	
		Orbis	89%	93%	94%	91%	90%	94%	95%	92%	89%	93%	94%	91%	90%	94%	95%	92%	89%	93%	94%	91%	90%	94%	95%	92%	94%	90%	
		Amadeus	74%	86%	84%	81%	77%	88%	87%	87%	77%	88%	87%	87%	88%	87%	87%	88%	87%	87%	88%	87%	88%	87%	87%	88%	81%	78%	
11	Ireland	Fame	84%	91%	89%	86%	84%	91%	89%	86%	84%	91%	89%	86%	84%	91%	89%	86%	84%	91%	89%	86%	84%	91%	89%	86%	86%		
		Orbis	65%	83%	82%	79%	68%	87%	86%	83%	67%	86%	85%	67%	86%	85%	67%	86%	85%	67%	86%	85%	67%	86%	85%	67%	79%	76%	
		Amadeus	88%	94%	95%	94%	87%	94%	93%	87%	94%	93%	87%	94%	93%	87%	94%	93%	87%	94%	93%	87%	94%	93%	87%	94%	95%	94%	
12	Italy	Aida	87%	90%	93%	91%	87%	90%	91%	87%	90%	91%	87%	90%	91%	87%	90%	91%	87%	90%	91%	87%	90%	91%	87%	90%	93%	93%	
		Orbis	85%	92%	93%	93%	85%	92%	94%	94%	84%	92%	93%	84%	92%	93%	93%	84%	92%	93%	93%	84%	92%	93%	93%	85%	92%	93%	
		Amadeus	90%	93%	92%	88%	90%	93%	92%	88%	90%	93%	92%	88%	90%	93%	92%	88%	90%	93%	92%	88%	90%	93%	92%	88%	90%	88%	
13	Latvia	Orbis	89%	93%	91%	88%	90%	94%	89%	93%	89%	93%	91%	88%	90%	94%	89%	93%	91%	88%	90%	94%	89%	93%	91%	88%	91%	89%	
		Amadeus	68%	83%	83%	83%	68%	83%	83%	83%	68%	83%	83%	68%	83%	83%	68%	83%	83%	68%	83%	83%	68%	83%	83%	68%	75%	74%	
		Orbis	62%	77%	80%	87%	62%	77%	80%	87%	61%	62%	77%	80%	87%	61%	62%	77%	80%	87%	61%	62%	77%	80%	87%	61%	58%	70%	
14	Lithuania	Amadeus	62%	86%	90%	87%	62%	86%	90%	87%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	69%	68%	
		Orbis	62%	86%	90%	87%	62%	86%	90%	87%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	88%	88%	61%	69%	68%	
		Bel-first	69%	81%	84%	83%	77%	88%	91%	88%	77%	88%	91%	88%	77%	88%	91%	88%	77%	88%	91%	88%	77%	88%	91%	88%	81%	86%	
15	Luxembourg	Orbis	52%	72%	73%	70%	54%	74%	74%	74%	51%	70%	72%	68%	51%	70%	72%	68%	51%	70%	72%	68%	51%	70%	72%	67%	69%	66%	
		Amadeus	13%	48%	76%	89%	13%	48%	76%	89%	13%	48%	76%	89%	13%	48%	76%	89%	13%	48%	76%	89%	13%	48%	76%	89%	66%	66%	
		Orbis	11%	42%	66%	86%	13%	45%	70%	89%	11%	42%	67%	87%	11%	42%	67%	87%	11%	42%	67%	87%	11%	42%	67%	87%	66%	66%	
16	Malta	Amadeus	29%	41%	41%	39%	29%	41%	41%	39%	29%	41%	41%	39%	29%	41%	41%	39%	29%	41%	41%	39%	29%	41%	41%	39%	39%		
		Orbis	33%	43%	44%	44%	33%	43%	44%	44%	33%	43%	44%	44%	33%	43%	44%	44%	33%	43%	44%	44%	33%	43%	44%	44%	50%	49%	
		Reach	28%	42%	43%	42%	28%	42%	43%	42%	28%	42%	43%	42%	28%	42%	43%	42%	28%	42%	43%	42%	28%	42%	43%	42%	50%	47%	
17	The Netherlands	Orbis	67%	89%	91%	89%	67%	89%	91%	89%	67%	89%	91%	89%	67%	89%	91%	89%	67%	89%	91%	89%	67%	89%	91%	89%	91%	89%	
		Amadeus	61%	88%	91%	88%	61%	88%	91%	88%	61%	88%	91%	88%	61%	88%	91%	88%	61%	88%	91%	88%	61%	88%	91%	88%	91%	89%	
		Orbis	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	94%	89%	
18	Poland	Sabi	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	94%	89%	
		Orbis	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	90%	93%	95%	95%	94%	89%	
		Amadeus	87%	92%	94%	94%	87%	92%	94%	94%	87%	92%	94%	94%	87%	92%	94%	94%	87%	92%	94%	94%	87%	92%	94%	94%	93%	93%	
19	Portugal	Orbis	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%	94%	44%	
		Amadeus	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	89%	95%	95%	94%	44%	42%	
		Orbis	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	94%	42%	
20	Romania	Orbis	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	91%	93%	94%	94%	47%	42%	
		Amadeus	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%	94%	95%	95%	93%											

Appendix 3
Milestone 10 - Assets in relative terms

		Balance sheet - Assets																												
#	Country	Database	Total assets				Cash & liquidity				Operating assets				Current assets				Immovable assets				Inventories				Intangibles			
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
27	Sweden	Amadeus	88%	90%	90%	87%	80%	82%	83%	81%	80%	82%	83%	81%	88%	88%	90%	87%	88%	90%	90%	87%	88%	88%	88%	87%	88%	90%	90%	87%
		Orbis	89%	89%	89%	87%	80%	79%	80%	80%	80%	80%	80%	80%	88%	88%	88%	87%	88%	88%	88%	87%	88%	88%	88%	87%	88%	88%	88%	87%
28	United Kingdom	Amadeus	85%	91%	89%	85%	83%	85%	81%	77%	72%	77%	75%	72%	85%	85%	91%	89%	77%	83%	81%	76%	85%	85%	81%	77%	85%	91%	89%	84%
		Fame	93%	94%	92%	90%	94%	93%	92%	90%	94%	94%	92%	90%	93%	94%	92%	92%	93%	94%	92%	90%	93%	94%	92%	90%	93%	94%	92%	90%
		Orbis	89%	92%	89%	85%	82%	82%	79%	76%	72%	81%	78%	74%	73%	87%	89%	86%	72%	81%	78%	76%	81%	91%	87%	83%	72%	81%	87%	75%

Appendix 3
Milestone 10 - Other elements in relative terms

Other										
#	Country	Database	Working capital				FTE's			
			2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	77%	91%	91%	89%	67%	75%	70%	66%
		Orbis	66%	82%	82%	81%	60%	70%	66%	63%
2	Belgium	Amadeus	92%	94%	94%	93%	86%	89%	89%	87%
		Bel-first	93%	95%	96%	96%	85%	88%	89%	89%
		Orbis	89%	91%	92%	92%	88%	91%	92%	92%
3	Bulgaria	Amadeus	95%	95%	93%	89%	95%	94%	93%	88%
		Orbis	90%	92%	90%	86%	90%	90%	90%	85%
4	Croatia	Amadeus	94%	97%	97%	93%	92%	95%	94%	91%
		Orbis	89%	92%	93%	89%	86%	89%	90%	88%
5	Cyprus	Amadeus	9%	44%	67%	80%	8%	34%	50%	58%
		Orbis	21%	48%	64%	71%	14%	36%	48%	50%
6	Czech Republic	Amadeus	58%	76%	80%	81%	48%	89%	89%	85%
		Orbis	50%	70%	75%	77%	42%	85%	85%	82%
7	Denmark	Amadeus	65%	64%	62%	60%	80%	79%	77%	76%
		Orbis	60%	58%	58%	57%	74%	74%	74%	75%
8	Estonia	Amadeus	88%	91%	90%	88%	74%	76%	74%	73%
		Orbis	85%	89%	88%	88%	73%	75%	74%	72%
9	Finland	Amadeus	76%	78%	76%	73%	80%	82%	78%	61%
		Orbis	73%	74%	73%	73%	78%	80%	78%	60%
10	France	Amadeus	67%	75%	78%	78%	42%	40%	35%	39%
		Diane	79%	88%	91%	91%	51%	46%	40%	46%
		Orbis	63%	77%	76%	78%	40%	38%	34%	39%
11	Germany	Amadeus	19%	62%	63%	63%	18%	39%	39%	38%
		Dafne	60%	86%	87%	87%	30%	43%	42%	42%
		Orbis	24%	71%	73%	72%	17%	38%	38%	37%
12	Greece	Amadeus	88%	94%	95%	93%	87%	91%	92%	86%
		Orbis	80%	87%	91%	93%	80%	84%	87%	93%
13	Hungary	Amadeus	78%	78%	77%	69%	86%	89%	89%	82%
		Orbis	76%	76%	75%	67%	84%	87%	88%	79%
14	Ireland	Amadeus	70%	81%	80%	77%	43%	52%	51%	50%
		Fame	84%	91%	89%	86%	84%	91%	89%	86%
		Orbis	56%	73%	72%	69%	38%	51%	50%	49%
15	Italy	Amadeus	87%	94%	94%	93%	83%	89%	89%	86%
		Aida	84%	87%	88%	89%	87%	90%	91%	90%
		Orbis	84%	91%	93%	93%	80%	87%	88%	86%
16	Latvia	Amadeus	90%	93%	92%	88%	90%	93%	91%	87%
		Orbis	89%	93%	91%	88%	89%	93%	90%	87%
17	Lithuania	Amadeus	59%	69%	70%	73%	72%	99%	99%	97%
		Orbis	53%	62%	62%	65%	71%	98%	97%	95%
18	Luxembourg	Amadeus	59%	81%	86%	82%	33%	45%	48%	47%
		Bel-first	70%	80%	81%	78%	40%	47%	48%	47%
		Orbis	47%	65%	66%	64%	32%	40%	41%	40%
19	Malta	Amadeus	13%	48%	76%	89%	9%	28%	44%	44%
		Orbis	10%	41%	66%	86%	10%	32%	44%	45%
20	The Netherlands	Amadeus	39%	53%	53%	49%	59%	78%	80%	76%
		Reach	27%	35%	37%	37%	57%	72%	73%	72%
		Orbis	34%	49%	48%	46%	53%	73%	75%	74%
21	Poland	Amadeus	65%	86%	88%	86%	5%	16%	28%	46%
		Orbis	60%	86%	88%	86%	5%	17%	28%	47%
22	Portugal	Amadeus	88%	94%	94%	93%	82%	86%	87%	86%
		Sabi	91%	94%	96%	96%	86%	89%	91%	90%
		Orbis	87%	92%	93%	94%	80%	85%	87%	86%
23	Romania	Amadeus	52%	49%	47%	44%	94%	95%	95%	93%
		Orbis	91%	93%	94%	42%	91%	93%	94%	92%
24	Slovakia	Amadeus	87%	88%	90%	88%	79%	83%	82%	80%
		Orbis	92%	96%	99%	97%	82%	88%	86%	86%
25	Slovenia	Amadeus	55%	94%	95%	94%	67%	93%	94%	94%
		Orbis	53%	91%	93%	91%	53%	91%	93%	91%
26	Spain	Amadeus	73%	91%	93%	93%	71%	87%	89%	88%
		Sabi	82%	90%	92%	93%	77%	84%	86%	87%
		Orbis	67%	89%	92%	93%	63%	83%	86%	87%
27	Sweden	Amadeus	88%	90%	90%	87%	90%	91%	92%	89%
		Orbis	88%	88%	88%	86%	90%	89%	91%	90%
28	United Kingdom	Amadeus	84%	89%	87%	83%	70%	73%	71%	66%
		Fame	93%	94%	92%	90%	93%	94%	92%	90%
		Orbis	76%	85%	82%	79%	65%	72%	68%	64%

Appendix 3

Milestone 10 - General information in absolute terms (Amadeus)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	11 568	10 558	11 549	7 639	11 562
2	Belgium	Amadeus	14 491	10 302	14 489	12 455	14 422
3	Bulgaria	Amadeus	3 994	3 715	3 135	2 752	3 989
4	Croatia	Amadeus	2 407	1 776	2 316	1 958	2 407
5	Cyprus	Amadeus	369	226	369	330	338
6	Czech Republic	Amadeus	12 647	9 614	12 647	9 366	12 643
7	Denmark	Amadeus	4 927	3 585	4 898	4 468	4 813
8	Estonia	Amadeus	1 904	1 782	1 904	1 257	1 859
9	Finland	Amadeus	10 632	5 810	10 225	6 782	10 628
10	France	Amadeus	87 382	66 314	81 325	67 777	81 334
11	Germany	Amadeus	66 776	61 088	66 446	49 047	66 770
12	Greece	Amadeus	4 469	3 889	4 413	3 772	4 469
13	Hungary	Amadeus	6 879	1 308	6 854	5 097	6 877
14	Ireland	Amadeus	4 756	4 300	4 756	4 111	4 752
15	Italy	Amadeus	72 535	62 419	72 530	60 284	72 497
16	Latvia	Amadeus	2 052	1 845	2 052	1 392	2 048
17	Lithuania	Amadeus	2 491	1 925	2 491	1 970	2 489
18	Luxembourg	Amadeus	1 555	1 340	1 553	1 249	1 553
19	Malta	Amadeus	829	555	829	643	592
20	The Netherlands	Amadeus	11 231	8 047	11 231	10 468	11 231
21	Poland	Amadeus	21 203	16 106	21 198	17 341	21 202
22	Portugal	Amadeus	9 426	8 475	7 957	8 259	9 426
23	Romania	Amadeus	8 035	7 446	8 035	6 214	7 889
24	Slovakia	Amadeus	4 911	3 769	4 911	3 584	4 856
25	Slovenia	Amadeus	2 239	2 042	2 207	1 610	2 238
26	Spain	Amadeus	40 804	33 940	40 791	34 171	40 804
27	Sweden	Amadeus	23 713	15 555	23 369	17 776	22 390
28	United Kingdom	Amadeus	71 984	35 557	39 996	35 077	39 068

Appendix 3

Milestone 10 - General information in absolute terms (Orbis)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Orbis	12 474	10 991	12 382	8 223	12 382
2	Belgium	Orbis	15 353	10 546	15 322	13 180	15 252
3	Bulgaria	Orbis	4 523	4 092	3 498	3 055	4 514
4	Croatia	Orbis	2 627	1 878	2 518	2 143	2 627
5	Cyprus	Orbis	434	278	427	390	407
6	Czech Republic	Orbis	14 026	10 266	14 016	10 108	14 022
7	Denmark	Orbis	5 511	3 806	5 450	4 969	5 369
8	Estonia	Orbis	2 024	1 864	2 022	1 337	1 952
9	Finland	Orbis	11 602	6 082	11 174	7 239	11 589
10	France	Orbis	90 970	70 704	90 627	69 631	79 976
11	Germany	Orbis	77 398	65 984	76 325	60 545	77 307
12	Greece	Orbis	5 045	4 202	5 004	4 261	5 041
13	Hungary	Orbis	7 397	1 439	7 362	5 111	7 392
14	Ireland	Orbis	5 731	4 692	5 717	4 961	5 068
15	Italy	Orbis	76 430	64 533	76 130	63 350	76 357
16	Latvia	Orbis	2 257	2 063	2 254	1 495	2 252
17	Lithuania	Orbis	2 708	1 975	2 707	2 048	2 702
18	Luxembourg	Orbis	2 047	1 724	2 025	1 642	1 849
19	Malta	Orbis	817	555	812	674	614
20	The Netherlands	Orbis	12 693	8 793	12 650	11 836	12 611
21	Poland	Orbis	21 492	16 137	21 452	17 670	21 487
22	Portugal	Orbis	9 834	8 681	9 784	8 572	9 826
23	Romania	Orbis	8 618	7 800	8 612	6 641	8 347
24	Slovakia	Orbis	5 584	4 036	5 582	3 999	5 464
25	Slovenia	Orbis	2 447	2 172	2 402	1 744	2 446
26	Spain	Orbis	42 950	34 320	42 600	36 018	42 917
27	Sweden	Orbis	24 784	15 814	24 420	18 459	23 082
28	United Kingdom	Orbis	75 001	65 510	74 899	65 771	72 824

Appendix 3

Milestone 10 - General information in absolute terms (local databases)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
2	Belgium	Bel-first	14 567	10 074	14 566	12 235	13 860
10	France	Diane	71 870	59 108	71 861	Not able to download	71 870
11	Germany	Dafne	65 264	60 851	64 935	62 951	62 256
14	Ireland	Fame	4 960	4 464	4 960	Not able to download	4 960
15	Italy	Aida	74 050	60 795	69 207	63 108	69 196
18	Luxembourg	Belfirst	1 462	1 404	1 460	1 199	1 460
20	The Netherlands	Reach	13 460	9 187	13 460	13 116	13 460
22	Portugal	Sabi	9 599	8 174	9 593	8 351	9 599
26	Spain	Sabi	42 703	30 040	42 688	35 437	42 702
28	United Kingdom	Fame	73 805	64 258	73 799	Not able to download	72 122

Appendix 3

Milestone 10 - Profit & Loss in absolute terms (Amadeus)

#	Country	Database	Number of companies	Turnover					Gross profit					Operating profit					Financial profit					Extraordinary profit					Net profit						
				2014	2013	2012	2011	2010	2009	2014	2013	2012	2011	2010	2009	2014	2013	2012	2011	2010	2009	2014	2013	2012	2011	2010	2009	2014	2013	2012	2011	2010	2009	2014	2013
1	Austria	Amadeus	11 568	7 866	9 741	9 481	9 183	1	1	1	0	-4 468	5 898	5 887	5 699	4 687	5 856	4 687	268	443	467	421	431	5 853	5 858	5 661									
2	Belgium	Amadeus	14 491	13 243	13 479	13 165	12 611	52	47	56	47	13 405	13 878	13 872	13 682	13 682	13 680	13 682	9 115	9 421	9 362	9 456	13 325	13 826	13 789	13 615									
3	Bulgaria	Amadeus	3 994	3 824	3 844	3 700	3 684	0	0	0	0	3 789	3 801	3 697	3 525	3 789	3 801	3 697	3 789	3 801	3 697	3 525	3 789	3 801	3 697	3 524									
4	Croatia	Amadeus	2 407	2 269	2 336	2 324	2 239	0	0	0	0	2 269	2 336	2 324	2 239	2 269	2 336	2 324	2 269	2 336	2 324	2 239	2 269	2 336	2 324	2 239									
5	Cyprus	Amadeus	369	35	161	247	296	35	162	247	296	35	162	247	296	35	162	247	296	0	0	0	0	35	162	247	296								
6	Czech Republic	Amadeus	12 647	7 293	12 424	12 164	11 338	44	54	55	44	7 293	9 570	10 148	10 259	7 249	9 570	10 148	10 259	9 516	10 093	10 215	7 293	9 570	10 148	10 259									
7	Denmark	Amadeus	4 927	4 273	4 224	4 145	3 984	4 582	4 457	4 272	4 075	4 739	4 673	4 535	4 347	4 673	4 532	4 348	19	25	54	78	4 741	4 674	4 535	4 348									
8	Estonia	Amadeus	1 904	1 723	1 783	1 771	1 743	485	501	496	487	1 736	1 796	1 787	1 761	1 797	1 788	1 762	1 737	1 797	1 787	1 761	1 737	1 796	1 788	1 762									
9	Finland	Amadeus	9 576	9 652	9 309	7 807	7 807	183	197	190	183	8 063	8 271	8 147	7 844	8 062	8 270	8 147	3 418	3 484	3 362	3 217	8 063	8 271	8 147	7 844									
10	France	Amadeus	87 382	71 701	75 152	75 994	70 410	513	525	548	543	58 342	65 724	68 316	68 192	58 033	65 351	67 929	67 831	58 006	65 335	67 772	68 711	66 205	68 921	68 504									
11	Germany	Amadeus	66 776	21 781	55 301	56 247	53 246	522	1 117	1 165	1 152	8 634	32 844	33 894	32 768	8 634	32 846	33 896	32 778	2 831	10 425	10 917	11 459	8 210	31 944	32 950	31 847								
12	Greece	Amadeus	4 469	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152								
13	Hungary	Amadeus	6 879	6 219	6 465	6 480	6 187	0	0	0	0	6 223	6 495	6 534	6 270	6 224	6 496	6 534	6 272	4 148	4 074	4 040	3 807	6 219	6 491	6 531	6 269								
14	Ireland	Amadeus	4 756	3 434	3 994	3 908	3 728	2 277	2 803	2 817	2 765	3 492	4 044	3 972	3 881	3 973	3 881	3 973	10	15	17	18	3 258	3 770	3 693	3 577									
15	Italy	Amadeus	72 535	63 562	68 292	68 606	67 845	0	0	0	0	63 562	68 292	68 606	67 850	63 562	68 292	68 606	67 851	63 443	68 139	68 448	67 687	63 562	68 292	68 606	67 851								
16	Latvia	Amadeus	2 052	1 848	1 917	1 880	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803	1 848	1 803								
17	Lithuania	Amadeus	2 491	1 793	2 461	2 352	2 337	1 705	2 065	2 130	2 130	1 705	2 065	2 051	1 880	1 686	2 052	2 039	1 151	164	163	148	1 703	2 059	2 049	2 135									
18	Luxembourg	Amadeus	1 555	872	1 253	1 339	1 305	13	21	26	20	873	1 254	1 341	1 306	873	1 254	1 341	1 306	524	762	788	717	874	1 254	1 306	1 306								
19	Malta	Amadeus	829	105	400	628	737	105	400	628	737	105	400	628	737	105	400	628	737	105	400	628	737	105	400	628	737								
20	The Netherlands	Amadeus	11 231	6 381	8 528	8 411	7 801	3 431	4 919	5 061	4 704	7 109	9 623	9 638	8 982	7 119	9 637	9 656	8 980	6 531	8 787	8 809	8 161	7 120	9 641	9 660	8 987								
21	Poland	Amadeus	21 203	14 134	18 768	19 185	18 687	2 584	3 483	3 591	3 575	14 145	18 801	19 234	18 746	14 131	18 781	19 216	18 733	666	1 056	1 166	1 309	14 134	18 785	19 226	18 739								
22	Portugal	Amadeus	9 426	8 327	8 860	8 891	8 773	0	0	0	0	8 381	8 929	8 960	8 868	8 381	8 929	8 960	8 868	0	0	0	0	8 378	8 928	8 866	8 866								
23	Romania	Amadeus	8 035	7 544	7 623	7 658	7 484	0	0	0	0	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484								
24	Slovakia	Amadeus	4 911	4 265	4 509	4 609	4 460	54	64	41	37	4 265	4 327	4 416	4 315	4 265	4 327	4 416	4 315	4 211	4 263	4 375	4 278	4 265	4 324	4 396	4 292								
25	Slovenia	Amadeus	2 239	1 246	2 144	2 148	2 115	0	0	0	0	1 244	2 146	2 160	2 123	1 244	2 160	2 173	2 133	1 146	1 952	1 938	1 880	1 244	2 146	2 160	2 123								
26	Spain	Amadeus	40 804	30 550	37 417	38 250	37 871	0	0	0	0	29 964	37 591	38 492	38 204	29 967	37 594	38 498	38 214	146	218	244	225	30 562	37 487	38 379	38 095								
27	Sweden	Amadeus	23 713	21 918	22 392	22 231	21 469	3 402	3 379	3 325	3 203	20 956	21 444	21 314	20 584	20 929	21 422	21 304	20 574	20 972	21 453	21 331	20 597	20 972	21 453	21 331	20 597								
28	United Kingdom	Amadeus	71 984	59 053	61 823	59 326	55 074	45 891	48 341	46 716	43 819	59 294	62 137	59 718	55 596	59 414	62 284	59 843	55 684	386	381	402	384	58 970	61 761	59 375	55 288								

Appendix 3
Milestone 10 - Profit & Loss in absolute terms (Orbis)

#	Country	Database	Number of companies	Turnover			Gross profit			Operating profit			Financial profit			Extraordinary profit			Net profit									
				2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995					
1	Austria	Orbis	12 474	7 848	10 228	10 160	9 937	2011	60	62	65	5 843	4 271	5 939	6 007	5 843	4 866	4 966	3 23	502	531	493	2011	4 362	6 047	6 133	5 955	
2	Belgium	Orbis	15 353	13 809	13 992	13 406	108	112	119	114	13 902	14 279	14 401	14 336	13 906	14 282	14 403	14 336	9 438	9 686	9 990	9 878	13 991	14 356	14 442	14 398	14 398	
3	Bulgaria	Orbis	4 523	4 181	4 281	4 123	4 018	80	80	37	26	4 070	4 155	4 066	4 070	4 155	4 066	3 862	4 070	4 150	4 063	3 852	4 116	4 202	4 114	3 908	3 908	
4	Croatia	Orbis	2 627	2 394	2 480	2 494	2 411	101	105	85	77	2 635	2 418	2 432	2 351	2 432	2 351	2 335	2 335	2 417	2 431	2 350	2 394	2 480	2 494	2 411	2 411	
5	Cyprus	Orbis	434	122	243	325	351	93	206	287	319	104	217	300	330	330	300	330	69	73	62	63	245	325	351	288	288	
6	Czech Republic	Orbis	14 028	7 120	13 336	13 322	12 528	48	54	54	39	7 065	9 860	10 577	10 845	10 577	10 845	7 026	7 026	9 815	10 534	10 815	7 120	9 921	10 638	10 906	10 906	
7	Denmark	Orbis	4 530	4 521	4 567	4 502	4 762	4 643	4 550	4 422	4 923	4 868	4 834	4 729	4 921	4 867	4 830	4 730	135	144	164	180	5 082	5 031	4 997	4 891	4 891	
8	Estonia	Orbis	2 024	1 790	1 863	1 873	1 849	505	524	523	522	1 784	1 860	1 871	1 859	1 861	1 872	1 859	1 785	1 861	1 851	1 859	1 804	1 880	1 891	1 877	1 877	
9	Finland	Orbis	11 602	10 335	10 427	10 161	5 109	282	294	288	278	8 514	8 611	8 552	8 500	8 513	8 609	8 552	3 745	3 809	3 767	3 723	8 572	8 672	8 606	8 552	8 552	
10	France	Orbis	90 970	75 724	80 964	82 984	75 618	531	543	566	561	57 523	66 413	69 296	70 068	66 140	69 040	70 828	57 228	66 094	68 954	69 764	58 627	67 893	71 057	71 371	71 371	
11	Germany	Orbis	77 398	22 880	56 344	64 488	62 265	917	1 674	1 737	1 719	8 463	35 212	37 021	36 341	35 213	37 023	36 352	8 077	12 595	12 609	9 104	9 277	35 360	37 065	36 457	36 457	
12	Greece	Orbis	5 045	4 078	4 439	4 606	4 723	4 049	4 404	4 568	4 686	4 059	4 416	4 579	4 698	4 416	4 579	4 698	4 058	4 415	4 577	4 698	4 078	4 439	4 606	4 723	4 723	
13	Hungary	Orbis	7 397	6 619	6 913	6 933	6 585	27	26	25	16	6 598	6 889	6 929	6 165	6 589	6 584	6 922	6 617	4 288	4 211	4 169	6 637	6 933	6 975	6 672	6 672	
14	Ireland	Orbis	3 664	4 757	4 688	4 485	2 234	3 127	3 149	3 087	3 087	3 645	4 725	4 663	4 492	3 537	4 501	4 337	68	77	78	79	3 510	4 424	4 446	4 303	4 303	
15	Italy	Orbis	76 430	65 242	70 834	71 756	71 811	240	232	218	205	64 635	70 182	71 065	71 110	64 635	70 182	71 065	64 430	69 930	70 778	70 798	65 242	70 854	71 756	71 818	71 818	
16	Latvia	Orbis	2 257	2 038	2 119	2 066	1 999	1 928	2 006	1 890	2 019	2 097	2 043	2 097	2 043	2 097	2 043	1 977	2 019	2 096	2 042	1 977	2 038	2 119	2 066	1 999	1 999	
17	Lithuania	Orbis	2 708	1 920	2 644	2 456	2 453	1 686	2 063	2 160	1 686	2 063	2 064	2 170	1 677	2 066	2 052	2 160	140	194	191	174	1 700	2 079	2 079	2 182	2 182	
18	Luxembourg	Orbis	2 047	1 089	1 597	1 684	1 599	52	69	69	58	956	1 363	1 425	1 392	1 426	1 363	1 426	593	852	863	787	992	1 407	1 504	1 462	1 462	
19	Malta	Orbis	817	108	364	568	730	86	334	539	701	92	344	547	708	92	344	547	91	342	342	546	708	364	568	730	730	
20	The Netherlands	Orbis	12 693	6 706	9 415	9 295	9 014	3 420	5 185	5 279	5 070	7 318	10 386	10 344	9 979	7 328	10 405	10 365	6 739	9 472	9 449	9 144	7 442	10 565	10 531	10 186	10 186	
21	Poland	Orbis	21 492	13 140	19 017	19 457	19 003	2 514	3 573	3 629	3 564	13 118	19 003	19 442	18 993	13 103	18 975	19 423	18 990	922	1 263	1 209	1 292	13 151	19 036	19 483	19 049	
22	Portugal	Orbis	9 834	8 561	9 092	9 208	9 186	52	52	53	53	8 557	9 085	9 189	9 202	8 557	9 085	9 189	52	51	48	49	8 654	9 193	9 292	9 282	9 282	
23	Romania	Orbis	8 618	7 918	8 087	8 176	7 977	70	69	66	15	7 880	8 039	8 129	7 928	7 880	8 039	8 129	7 928	8 038	8 128	7 928	8 088	8 177	7 978	7 978		
24	Slovakia	Orbis	5 584	4 551	4 949	5 157	5 025	70	83	59	48	4 524	4 706	4 852	4 772	4 524	4 706	4 852	4 476	4 646	4 812	4 735	4 531	4 723	4 851	4 778	4 778	
25	Slovenia	Orbis	2 447	1 334	2 297	2 322	2 281	32	29	28	13	1 301	2 265	2 295	2 266	1 303	2 272	2 312	2 267	1 198	2 064	2 065	2 000	2 301	2 330	2 288	2 288	
26	Spain	Orbis	42 950	28 821	38 185	39 625	39 999	120	118	116	114	28 732	38 179	39 588	40 020	28 708	38 152	39 572	40 020	250	322	341	321	28 951	38 393	39 810	40 257	40 257
27	Sweden	Orbis	24 784	23 035	23 040	22 948	22 614	3 690	3 625	3 577	3 520	21 840	21 855	21 772	21 449	21 805	21 818	21 745	21 423	21 850	21 853	21 777	21 461	22 020	21 943	21 610	21 610	
28	United Kingdom	Orbis	75 001	58 301	64 201	61 047	57 410	44 308	55 081	46 990	44 875	58 060	63 959	60 807	57 278	58 256	64 172	60 966	1 355	1 389	1 332	1 296	58 520	64 312	61 172	57 603	57 603	

Appendix 3
Milestone 10 - Profit & Loss in absolute terms (local databases)

#	Country	Database	Number of companies	Profit & Loss																								
				Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit				
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	
2	Belgium	Bel-first	14 567	12 897	13 025	13 025	12 901	2	0	0	1	13 560	13 824	13 997	13 969	13 543	13 810	13 986	13 951	13 951	9 038	9 251	9 573	9 469	13 515	13 787	13 948	13 930
10	France	Diane	71 870	56 961	63 201	65 406	65 412	n.a.	n.a.	n.a.	n.a.	56 961	63 203	65 407	65 412	56 486	62 365	64 206	64 938	0	0	0	0	56 960	63 202	65 405	65 412	
11	Germany	Defme	65 264	31 653	52 431	52 679	51 021	915	1 255	1 287	1 305	18 647	36 015	36 811	36 546	18 572	35 948	36 631	36 401	36 401	6 277	11 938	12 337	13 267	18 649	36 016	36 812	36 547
14	Ireland	Fame	4 960	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247
15	Italy	Alda	74 050	64 817	66 772	67 260	67 387	64 088	67 769	68 679	69 013	64 817	66 772	67 260	67 392	64 704	66 641	67 116	67 229	67 229	64 704	66 641	67 116	67 229	64 817	66 772	67 260	67 393
18	Luxembourg	Bel-first	1 462	934	1 154	1 178	1 141	4	6	5	4	1 000	1 219	1 277	1 249	991	1 210	1 268	1 243	1 243	620	742	739	679	1 000	1 219	1 277	1 249
20	The Netherlands	Reach	13 460	7 715	9 731	9 818	9 753	3 221	4 278	4 411	4 363	8 536	10 881	11 110	10 971	1 620	2 089	2 111	2 128	2 128	352	432	414	411	352	430	414	411
22	Portugal	Sabi	9 599	8 596	8 948	9 092	9 080	0	0	0	0	8 706	9 053	9 186	9 181	7 827	8 191	8 367	8 359	0	0	0	0	8 703	9 052	9 181	9 179	
26	Spain	Sabi	42 703	34 986	38 499	39 311	39 707	0	0	0	0	35 077	38 650	39 512	39 976	35 300	38 893	39 717	40 221	40 221	121	134	150	140	35 165	38 733	39 529	39 966
28	United Kingdom	Fame	73 805	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136

Appendix 3
Milestone 10 - Shareholder equity & liability in absolute terms (Amadeus)

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability																									
				Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable										
				2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	
1	Austria	Amadeus	11 568	9 072	10 733	10 754	10 599	9 072	10 734	10 755	10 598	9 070	10 737	10 579	9 074	10 733	10 744	10 565	9 072	10 726	10 746	10 592	10 746	10 592	10 746	10 592	10 746	10 592	10 746
2	Belgium	Amadeus	14 491	13 412	13 882	13 880	13 688	13 413	13 884	13 881	13 688	13 412	13 884	13 881	13 688	13 413	13 882	13 881	13 688	13 412	13 884	13 881	13 688	13 413	13 884	13 881	13 688	13 413	13 882
3	Bulgaria	Amadeus	3 994	3 789	3 811	3 718	3 551	3 789	3 811	3 718	3 551	3 789	3 811	3 718	3 551	3 789	3 811	3 718	3 551	3 789	3 811	3 718	3 551	3 789	3 811	3 718	3 551	3 789	3 811
4	Croatia	Amadeus	2 407	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336	2 324	2 269	2 336
5	Cyprus	Amadeus	369	35	162	247	296	35	162	247	296	35	162	247	296	35	162	247	296	35	162	247	296	35	162	247	296	35	162
6	Czech Republic	Amadeus	12 647	7 283	11 644	11 543	10 681	7 293	9 570	10 148	10 259	7 293	9 570	10 148	10 259	7 293	9 570	10 148	10 259	7 293	9 570	10 148	10 259	7 293	9 570	10 148	10 259	7 293	9 570
7	Denmark	Amadeus	4 927	4 680	4 599	4 452	4 244	4 741	4 674	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348	4 535	4 348
8	Estonia	Amadeus	1 904	1 737	1 797	1 788	1 761	1 737	1 797	1 788	1 761	1 737	1 797	1 788	1 761	1 737	1 797	1 788	1 761	1 737	1 797	1 788	1 761	1 737	1 797	1 788	1 761	1 737	1 797
9	Finland	Amadeus	8 063	8 063	8 271	8 148	7 844	8 063	8 271	8 148	7 844	8 063	8 271	8 148	7 844	8 063	8 271	8 148	7 844	8 063	8 271	8 148	7 844	8 063	8 271	8 148	7 844	8 063	8 271
10	France	Amadeus	87 382	58 580	65 976	68 597	58 616	66 056	68 700	68 358	58 338	66 312	68 312	68 312	66 312	68 312	66 312	68 312	66 312	68 312	66 312	68 312	66 312	68 312	66 312	68 312	66 312	68 312	66 312
11	Germany	Amadeus	66 776	21 355	53 439	54 429	53 632	21 675	54 160	55 146	54 310	21 675	54 160	55 146	54 310	21 675	54 160	55 146	54 310	21 675	54 160	55 146	54 310	21 675	54 160	55 146	54 310	21 675	54 160
12	Greece	Amadeus	4 469	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	4 215
13	Hungary	Amadeus	6 879	6 228	6 507	6 544	6 360	6 229	6 508	6 544	6 360	6 229	6 508	6 544	6 360	6 229	6 508	6 544	6 360	6 229	6 508	6 544	6 360	6 229	6 508	6 544	6 360	6 229	6 508
14	Ireland	Amadeus	4 756	3 517	4 072	4 016	3 856	3 642	4 200	4 134	3 961	3 642	4 200	4 134	3 961	3 642	4 200	4 134	3 961	3 642	4 200	4 134	3 961	3 642	4 200	4 134	3 961	3 642	4 200
15	Italy	Amadeus	72 535	63 562	68 292	68 607	67 852	63 443	68 139	68 449	67 693	63 443	68 139	68 449	67 693	63 443	68 139	68 449	67 693	63 443	68 139	68 449	67 693	63 443	68 139	68 449	67 693	63 443	68 139
16	Latvia	Amadeus	2 052	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915
17	Lithuania	Amadeus	2 491	1 704	2 073	2 087	2 148	1 705	2 074	2 068	2 149	1 705	2 074	2 068	2 149	1 705	2 074	2 068	2 149	1 705	2 074	2 068	2 149	1 705	2 074	2 068	2 149	1 705	2 074
18	Luxembourg	Amadeus	1 555	966	1 341	1 404	1 348	966	1 341	1 404	1 348	966	1 341	1 404	1 348	966	1 341	1 404	1 348	966	1 341	1 404	1 348	966	1 341	1 404	1 348	966	1 341
19	Malta	Amadeus	829	105	399	627	737	105	400	628	737	105	400	628	737	105	400	628	737	105	400	628	737	105	400	628	737	105	400
20	The Netherlands	Amadeus	11 231	3 306	4 575	4 601	4 436	7 375	9 991	10 057	9 445	7 370	9 984	10 051	9 440	7 370	9 984	10 051	9 440	7 370	9 984	10 051	9 440	7 370	9 984	10 051	9 440	7 370	9 984
21	Poland	Amadeus	21 203	14 155	18 811	19 244	18 766	14 157	18 812	19 261	18 766	14 157	18 812	19 261	18 766	14 157	18 812	19 261	18 766	14 157	18 812	19 261	18 766	14 157	18 812	19 261	18 766	14 157	18 812
22	Portugal	Amadeus	9 426	8 378	8 931	8 968	8 876	8 381	8 932	8 970	8 878	8 381	8 932	8 970	8 878	8 381	8 932	8 970	8 878	8 381	8 932	8 970	8 878	8 381	8 932	8 970	8 878	8 381	8 932
23	Romania	Amadeus	8 035	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623
24	Slovakia	Amadeus	4 911	4 265	4 348	4 463	4 353	4 265	4 327	4 416	4 315	4 265	4 327	4 416	4 315	4 265	4 327	4 416	4 315	4 265	4 327	4 416	4 315	4 265	4 327	4 416	4 315	4 265	4 327
25	Slovenia	Amadeus	2 239	1 892	2 124	2 156	2 105	1 247	2 177	2 136	1 247	2 177	2 136	1 247	2 177	2 136	1 247	2 177	2 136	1 247	2 177	2 136	1 247	2 177	2 136	1 247	2 177	2 136	1 247
26	Spain	Amadeus	40 804	29 967	37 612	38 535	38 292	30 665	37 623	38 547	38 299	29 979	37 623	38 545	38 290	29 979	37 623	38 545	38 290	29 979	37 623	38 546	38 298	29 979	37 623	38 546	38 298	29 979	37 623
27	Sweden	Amadeus	23 713	20 971	21 451	21 331	20 598	20 971	21 452	21 331	20 600	20 971	21 452	21 331	20 600	20 971	21 452	21 331	20 600	20 971	21 452	21 331	20 600	20 971	21 452	21 331	20 600	20 971	21 452
28	United Kingdom	Amadeus	71 984	61 024	65 152	63 713	60 639	61 564	65 755	64 313	61 165	61 567	65 758	64 322	61 172	61 567	65 758	64 322	61 172	61 567	65 758	64 322	61 172	61 567	65 758	64 322	61 172	61 567	65 758

Appendix 3
Milestone 10 - Shareholder equity & liability in absolute terms (Orbis)

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability												Accounts payable													
				Share capital			Net equity			Total liabilities			Long term debt			Short term debt			2013	2014	2015	2016							
				2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	
1	Austria	Orbis	12 474	9 031	11 042	11 110	10 980	11 149	11 261	11 133	9 029	11 035	11 087	10 964	9 034	11 043	11 103	10 969	9 032	11 037	11 098	10 965	8 852	10 844	10 839	10 839	10 887	10 887	
2	Belgium	Orbis	14 491	13 916	14 290	14 225	14 359	14 035	14 424	14 562	14 504	13 913	14 289	14 412	14 347	13 914	14 289	14 412	14 347	13 913	14 289	14 412	14 347	13 914	14 289	14 412	14 347	14 338	14 227
3	Bulgaria	Orbis	4 523	4 078	4 166	4 063	3 884	4 124	4 213	4 131	3 931	4 079	4 166	4 083	3 884	4 079	4 166	4 083	3 884	4 079	4 166	4 083	3 884	4 079	4 166	4 083	3 884	4 165	4 083
4	Croatia	Orbis	2 627	2 335	2 418	2 432	2 351	2 394	2 480	2 494	2 411	2 335	2 418	2 432	2 351	2 335	2 418	2 432	2 351	2 335	2 418	2 432	2 351	2 335	2 418	2 432	2 351	2 432	2 351
5	Cyprus	Orbis	434	104	219	297	329	125	245	322	350	104	219	297	104	219	297	104	219	297	104	219	297	104	219	297	104	219	328
6	Czech Republic	Orbis	14 026	7 063	12 313	12 452	11 650	7 120	9 921	10 638	10 906	7 065	9 860	10 577	10 845	7 065	9 860	10 577	10 845	7 065	9 860	10 577	10 845	7 065	9 860	10 577	10 845	10 845	10 845
7	Denmark	Orbis	5 511	4 857	4 787	4 736	4 611	5 081	5 031	4 997	4 891	4 695	4 636	4 610	4 550	4 696	4 636	4 609	4 551	4 925	4 869	4 834	4 729	4 644	4 570	4 520	4 394	4 394	4 394
8	Estonia	Orbis	2 024	1 785	1 861	1 872	1 859	1 804	1 880	1 891	1 877	1 785	1 861	1 872	1 859	1 785	1 861	1 872	1 859	1 785	1 861	1 872	1 859	1 781	1 855	1 862	1 843	1 843	1 843
9	Finland	Orbis	11 602	8 514	8 611	8 553	8 502	8 572	8 673	8 607	8 553	6 997	6 572	6 999	6 998	7 102	6 853	7 001	6 852	8 603	8 542	8 491	8 493	8 581	8 512	8 466	8 466	8 466	8 466
10	France	Orbis	90 970	57 872	66 951	69 959	70 399	58 408	67 435	70 346	70 862	57 518	66 422	69 301	70 068	57 517	66 415	69 296	70 063	57 522	66 393	69 305	70 070	51 485	66 386	69 291	70 070	70 070	70 070
11	Germany	Orbis	77 398	20 207	57 912	59 305	59 033	21 783	60 084	61 464	61 177	20 508	58 740	60 093	59 787	20 508	58 740	60 093	59 787	20 508	58 740	60 093	59 787	12 333	44 454	45 542	46 655	46 655	46 655
12	Greece	Orbis	5 045	4 059	4 416	4 579	4 697	4 078	4 439	4 606	4 723	4 059	4 416	4 579	4 698	4 059	4 416	4 579	4 698	4 059	4 416	4 579	4 698	4 059	4 416	4 579	4 697	4 697	4 697
13	Hungary	Orbis	7 397	6 611	6 909	6 946	6 710	6 670	6 972	7 008	6 769	6 584	6 885	6 538	6 299	6 596	6 888	6 871	6 677	6 605	6 901	6 910	6 474	6 604	6 887	6 922	6 669	6 669	6 669
14	Ireland	Orbis	5 731	3 697	4 779	4 715	4 513	3 890	5 001	4 940	4 729	3 812	4 917	4 848	4 636	3 812	4 917	4 848	4 636	3 812	4 917	4 848	4 636	3 516	4 576	4 512	4 347	4 347	4 347
15	Italy	Orbis	76 430	64 637	70 186	71 069	71 116	65 048	70 602	71 504	71 549	64 441	69 951	70 814	70 843	64 441	69 951	70 814	70 843	64 441	69 951	70 814	70 843	64 634	70 182	71 065	71 117	71 117	71 117
16	Latvia	Orbis	2 257	2 019	2 085	2 043	1 977	2 038	2 117	2 066	1 999	2 019	2 095	2 043	1 977	2 019	2 095	2 043	1 977	2 019	2 095	2 043	1 977	2 019	2 095	2 043	1 977	1 977	1 977
17	Lithuania	Orbis	2 708	1 684	2 076	2 080	2 178	1 702	2 094	2 098	2 197	1 686	2 078	2 081	2 180	1 686	2 078	2 081	2 180	1 686	2 078	2 081	2 180	1 559	1 875	1 851	1 851	1 851	1 851
18	Luxembourg	Orbis	2 047	1 063	1 464	1 484	1 433	1 087	1 505	1 571	1 505	1 049	1 438	1 468	1 394	1 049	1 438	1 468	1 394	1 051	1 441	1 468	1 394	1 003	1 364	1 410	1 351	1 351	1 351
19	Malta	Orbis	817	91	341	543	704	108	364	568	730	92	344	547	708	92	344	547	708	92	344	547	708	91	342	546	706	706	706
20	The Netherlands	Orbis	12 693	3 604	5 285	5 412	5 330	7 761	10 990	10 987	10 707	7 640	10 824	10 811	10 518	7 640	10 824	10 811	10 518	7 640	10 824	10 811	10 523	4 446	6 337	6 296	6 025	6 025	6 025
21	Poland	Orbis	21 492	13 134	19 016	19 452	19 015	13 179	19 070	19 531	19 087	12 633	18 224	18 616	18 203	13 124	18 616	18 203	13 124	19 002	19 461	19 027	13 102	18 979	19 425	18 993	18 993	18 993	18 993
22	Portugal	Orbis	9 834	8 557	9 088	9 200	9 210	9 661	9 200	9 309	9 295	8 561	9 090	9 199	9 211	9 561	9 090	9 199	9 211	8 561	9 091	9 201	9 212	8 538	9 072	9 170	9 177	9 177	9 177
23	Romania	Orbis	8 618	7 880	8 039	8 129	7 928	7 921	8 089	8 177	7 977	7 880	8 039	8 029	7 880	8 039	8 029	7 880	8 029	7 880	8 029	7 880	4 225	4 073	3 912	3 582	3 582	3 582	3 582
24	Slovakia	Orbis	4 911	4 524	4 727	4 930	4 848	4 551	4 735	4 883	4 804	4 524	4 706	4 851	4 772	4 524	4 706	4 851	4 772	4 524	4 706	4 851	4 772	4 524	4 706	4 852	4 772	4 772	4 772
25	Slovenia	Orbis	2 447	2 004	2 237	2 287	2 230	1 340	2 308	2 353	2 308	2 065	2 273	2 317	2 272	2 305	2 273	2 317	2 272	2 305	2 273	2 317	2 272	1 300	2 232	2 275	2 239	2 239	2 239
26	Spain	Orbis	42 950	28 719	38 183	39 614	40 097	29 058	38 542	39 985	40 470	28 729	38 191	39 621	40 093	28 729	38 191	39 621	40 093	28 729	38 191	39 621	40 101	28 346	37 724	39 089	39 573	39 573	39 573
27	Sweden	Orbis	24 784	21 857	21 864	21 789	21 467	22 011	22 020	21 943	21 612	21 856	21 863	21 787	21 468	21 857	21 864	21 789	21 468	21 856	21 863	21 787	21 468	21 855	21 864	21 786	21 468	21 468	21 468
28	United Kingdom	Orbis	75 001	60 888	67 789	65 226	62 416	62 077	69 126	66 561	63 677	61 400	68 439	65 882	63 014	61 400	68 439	65 882	63 014	61 400	68 439	65 882	63 014	61 400	68 508	64 175	61 507	61 507	61 507

Appendix 3
Shareholder equity & liability in absolute terms

Balance sheet - Shareholder equity & liability																													
#	Country	Database	Number of companies	Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable										
				2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012					
2	Belgium	Bel-first	14,567	13,421	13,678	13,855	13,814	13,552	13,819	13,986	13,955	13,566	13,833	14,001	13,970	13,970	13,915	13,944	13,944	13,915	13,555	13,830	13,990	13,964	13,513	13,759	13,948	13,890	
10	France	Dienne	71,870	56,478	62,354	64,184	64,930	3	1	3	6	0	0	0	0	0	0	0	0	0	0	0	0	0	56,949	63,192	65,380	65,407	
11	Germany	Daine	65,264	41,972	59,030	59,826	60,117	42,658	59,803	60,527	60,808	27,134	47,357	47,707	49,749	49,749	60,804	60,804	60,804	61,060	27,135	47,358	47,707	49,749	17,663	32,371	32,578	32,183	
14	Ireland	Fame	4,960	4,146	4,489	4,400	4,247	4,146	4,400	4,400	4,247	4,146	4,489	4,400	4,247	4,400	4,489	4,400	4,400	4,247	4,146	4,489	4,400	4,247	4,146	4,489	4,400	4,247	
15	Italy	Aida	74,050	64,694	66,640	67,116	67,235	64,704	66,641	67,117	67,235	64,682	66,639	67,117	67,235	64,691	66,640	67,117	67,235	64,691	67,235	64,695	66,640	67,117	67,235	62,202	64,924	65,716	66,141
18	Luxembourg	Bel-first	1,462	1,013	1,191	1,230	1,208	1,121	1,292	1,330	1,289	1,121	1,292	1,330	1,289	1,061	1,238	1,258	1,258	1,225	1,225	1,101	1,273	1,304	1,247	1,115	1,287	1,328	1,287
20	The Netherlands	Reach	13,460	4,490	5,787	5,907	5,947	1,324	1,759	1,765	1,742	0	0	0	0	41	48	59	70	70	1	9	10	10	5,101	6,536	6,665	6,565	
22	Portugal	Sabi	9,659	8,615	8,962	9,095	9,092	8,706	9,057	9,197	9,189	6,940	7,199	7,276	7,282	6,941	7,201	7,282	7,285	7,285	8,703	9,050	9,181	9,172	8,526	8,659	8,982	8,942	
26	Spain	Sabi	42,703	34,947	38,475	39,382	39,965	35,286	38,881	39,704	40,213	29,414	32,369	33,203	33,722	29,427	32,381	33,218	33,743	35,080	35,080	38,658	39,501	39,982	31,678	34,907	35,783	36,228	
28	United Kingdom	Fame	73,805	68,668	69,544	68,136	68,136	68,668	69,544	68,136	68,668	69,544	68,136	68,668	69,544	68,136	68,668	69,544	68,136	68,668	69,544	68,668	69,544	68,136	68,668	69,544	68,136	68,668	69,544

Appendix 3
Milestone 10 - Assets in absolute terms (Amadeus)

#	Country	Database	Number of companies	Balance sheet - Assets												Intangibles																
				Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			2013		2012		2011						
2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011					
1	Austria	Amadeus	11 568	9 076	10 740	10 759	10 602	8 820	10 467	10 128	10 338	8 700	10 325	9 971	10 173	9 071	9 520	10 747	10 589	8 932	10 564	10 554	10 385	10 076	10 735	10 754	10 586	8 933	10 564	10 548	10 548	10 378
2	Belgium	Amadeus	14 491	13 413	13 884	13 881	13 688	13 154	13 681	13 627	13 641	13 464	13 260	13 288	13 135	13 413	13 884	13 881	13 688	13 120	13 574	13 598	13 425	13 378	13 842	13 833	13 646	13 120	13 574	13 598	13 424	
3	Bulgaria	Amadeus	3 984	3 789	3 812	3 718	3 551	3 750	3 771	3 670	3 501	3 750	3 670	3 501	3 771	3 670	3 501	3 789	3 812	3 718	3 551	3 750	3 812	3 789	3 812	3 718	3 551	3 789	3 812	3 718	3 551	
4	Croatia	Amadeus	2 407	2 269	2 336	2 324	2 239	2 249	2 249	2 297	2 222	2 222	2 269	2 222	2 269	2 269	2 336	2 324	2 239	2 269	2 269	2 336	2 324	2 239	2 269	2 336	2 324	2 239	2 269	2 336	2 324	2 239
5	Cyprus	Amadeus	369	162	247	296	35	159	238	294	35	157	236	290	35	162	247	296	35	162	244	244	244	35	162	246	246	296	35	160	244	292
6	Czech Republic	Amadeus	12 647	7 293	10 148	10 269	7 293	9 512	10 084	10 084	10 190	7 250	9 511	10 082	10 185	7 293	9 570	10 148	10 269	7 290	9 570	10 145	10 250	7 291	9 570	10 148	10 259	7 279	9 569	10 145	10 250	
7	Denmark	Amadeus	4 927	4 741	4 674	4 635	4 348	4 403	4 378	4 254	4 084	4 296	4 271	4 156	4 422	4 740	4 674	4 535	4 348	4 619	4 548	4 422	4 234	3 368	3 306	3 225	3 097	4 605	4 533	4 406	4 180	
8	Estonia	Amadeus	1 904	1 737	1 797	1 788	1 761	1 697	1 760	1 751	1 733	1 414	1 451	1 469	1 483	1 737	1 797	1 788	1 761	1 646	1 675	1 680	1 648	1 717	1 776	1 764	1 739	1 394	1 428	1 446	1 478	
9	Finland	Amadeus	10 632	8 063	8 271	8 148	7 845	7 638	7 785	7 716	7 638	7 358	7 603	7 532	7 259	8 063	8 271	8 148	7 845	7 853	8 047	7 932	7 632	8 062	8 269	8 146	7 843	7 853	8 047	7 932	7 632	
10	France	Amadeus	87 382	58 582	68 589	68 278	56 382	63 554	66 058	66 028	56 381	63 545	66 040	66 012	56 342	65 735	68 328	68 196	58 340	65 722	68 312	68 193	58 341	65 734	68 327	68 196	63 443	68 139	68 449	67 694	68 139	
11	Germany	Amadeus	66 776	21 675	54 160	55 146	54 310	21 093	53 143	54 090	53 323	20 792	52 376	53 256	52 377	21 675	54 160	55 146	54 310	21 233	54 067	53 156	21 579	53 993	55 074	54 216	21 233	53 152	54 069	53 156		
12	Greece	Amadeus	4 469	3 944	4 215	4 264	4 152	3 944	4 211	4 261	4 147	3 944	4 211	4 261	4 147	3 944	4 215	4 264	4 152	3 944	4 215	4 264	3 944	4 215	4 264	4 152	3 944	4 215	4 264	4 152	3 944	
13	Hungary	Amadeus	6 879	6 232	6 509	6 543	6 360	6 186	6 469	6 516	6 344	6 005	6 233	6 214	5 946	6 232	6 509	6 543	6 360	6 056	6 288	6 274	6 064	5 972	6 127	6 107	5 671	6 043	6 267	6 236	5 961	
14	Ireland	Amadeus	4 756	3 639	4 198	4 130	3 955	3 239	3 759	3 719	3 558	2 717	3 196	3 199	3 088	3 639	4 198	4 130	3 955	3 031	3 536	3 523	3 388	3 581	4 126	4 069	3 883	3 031	3 536	3 523	3 388	
15	Italy	Amadeus	72 535	68 292	68 292	68 607	67 852	63 114	67 803	68 130	67 399	63 114	67 803	68 130	67 399	63 443	68 139	68 449	67 694	63 562	68 292	68 607	67 852	63 443	68 139	68 449	67 694	63 443	68 139	68 449	67 694	
16	Latvia	Amadeus	2 052	1 848	1 915	1 880	1 803	1 824	1 902	1 866	1 789	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	1 848	1 915	1 880	1 803	
17	Lithuania	Amadeus	2 491	1 706	2 074	2 068	2 149	1 686	2 063	2 056	2 146	1 687	2 046	2 027	2 119	1 706	2 074	2 068	2 149	1 686	2 063	2 056	2 146	1 582	1 686	1 853	1 878	1 686	2 056	2 039	2 122	
18	Luxembourg	Amadeus	1 555	966	1 341	1 404	1 348	942	1 318	1 385	1 318	894	1 262	1 335	1 276	966	1 341	1 404	1 348	1 315	1 283	1 351	1 303	966	1 341	1 404	1 348	915	1 341	1 404	1 348	
19	Malta	Amadeus	829	105	399	627	737	104	394	620	723	104	394	620	723	105	399	627	737	105	399	627	737	105	399	627	737	105	399	627	737	
20	The Netherlands	Amadeus	11 231	7 371	9 889	10 056	9 444	6 998	9 459	9 551	8 964	6 706	9 058	9 174	8 600	7 371	9 889	10 056	9 444	7 033	9 523	9 621	9 025	7 360	9 865	10 037	9 427	7 033	9 523	9 621	9 025	
21	Poland	Amadeus	21 203	14 159	18 815	19 263	18 779	14 000	18 600	19 015	18 550	13 413	17 630	18 024	17 626	14 152	18 804	19 263	18 782	13 950	18 439	18 819	18 431	13 861	18 334	18 799	18 331	13 237	17 516	17 892	17 588	
22	Portugal	Amadeus	9 426	8 381	8 932	8 970	8 878	8 322	8 869	8 900	8 814	8 148	8 656	8 641	8 564	8 381	8 932	8 970	8 878	8 218	8 757	8 766	8 691	8 348	8 692	8 931	8 838	8 019	8 543	8 568	8 479	
23	Romania	Amadeus	8 035	7 544	7 623	7 658	7 484	7 521	7 610	7 640	7 521	7 610	7 484	7 521	7 610	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 544	7 623	7 658	7 484	7 623	7 658	7 484		
24	Slovakia	Amadeus	4 911	4 285	4 327	4 416	4 315	4 247	4 307	4 380	4 276	4 199	4 265	4 280	4 356	4 285	4 327	4 416	4 315	4 264	4 327	4 416	4 315	4 264	4 327	4 416	4 315	4 264	4 315	4 264	4 278	
25	Slovenia	Amadeus	2 239	1 247	1 754	2 177	2 136	1 219	2 132	2 149	2 107	1 198	2 101	2 100	2 069	1 247	1 754	2 177	2 136	2 122	2 122	2 122	2 094	1 244	2 153	2 174	2 129	2 122	2 127	2 127	2 094	
26	Spain	Amadeus	40 904	30 665	37 623	38 547	38 299	29 222	36 652	37 548	37 338	28 994	36 303	37 085	36 870	29 979	37 623	38 546	38 299	29 728	37 547	38 050	37 794	29 948	37 578	38 495	38 257	29 728	37 251	38 049	37 794	
27	Sweden	Amadeus	23 713	20 971	21 452	21 331	20 600	18 933	19 550	19 587	19 104	18 932	19 548	19 583	19 101	20 969	21 452	21 328	20 597	20 970	21 450	21 327	20 597	20 969	21 451	21 328	20 597	21 450	21 327	20 597	20 969	
28	United Kingdom	Amadeus	71 984	61 525	65 732	64 290	61 127	56 067	59 961	58 591	55 637	51 714	55 413	54 335	51 655	61 525	65 732	64 290	61 127	55 571	59 693	61 321	58 888	61 321	65 419	63 977	60 802	55 568	59 643	58 583	55 632	

Appendix 3
Milestone 10 - Assets in absolute terms (Orbis)

#	Country	Database	Number of companies	Balance sheet - Assets												Intangibles								
				Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			2013	2012	2011
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	
1	Austria	Orbis	12 474	9 164	11 196	11 266	11 135	8 772	10 759	10 465	10 705	9 033	11 046	11 109	10 976	10 976	11 045	11 111	10 976	10 976	8 878	10 855	10 890	10 749
2	Belgium	Orbis	14 491	14 034	14 424	14 564	14 505	13 642	14 017	14 155	14 105	13 305	13 670	13 837	13 819	13 914	14 289	14 412	14 347	13 541	14 324	13 914	13 914	14 037
3	Bulgaria	Orbis	4 523	4 124	4 213	4 131	3 931	4 005	4 098	4 017	3 820	4 078	4 098	4 017	3 820	4 078	4 166	4 083	3 884	4 078	4 083	3 884	4 166	3 884
4	Croatia	Orbis	2 627	2 394	2 480	2 494	2 411	2 311	2 391	2 389	2 332	2 311	2 391	2 332	2 311	2 391	2 418	2 432	2 351	2 335	2 418	2 432	2 351	2 351
5	Cyprus	Orbis	434	125	245	322	350	102	215	287	327	102	213	285	322	104	217	297	329	104	217	294	324	324
6	Czech Republic	Orbis	14 026	7 020	9 921	10 638	10 906	7 021	9 789	10 497	10 759	7 067	10 495	10 754	7 065	9 860	10 574	10 636	7 062	9 860	10 577	10 845	10 574	10 636
7	Denmark	Orbis	5 511	5 082	5 032	4 998	4 892	4 551	4 539	4 509	4 402	4 423	4 403	4 387	4 272	4 923	4 870	4 834	4 730	4 768	4 711	4 695	4 590	4 532
8	Estonia	Orbis	2 024	1 804	1 880	1 891	1 877	1 745	1 824	1 831	1 829	1 449	1 496	1 528	1 785	1 861	1 872	1 859	1 872	1 765	1 835	1 846	1 835	1 550
9	Finland	Orbis	11 692	8 573	8 674	8 608	8 554	7 924	7 936	8 040	8 014	7 735	7 842	7 922	7 800	8 514	8 611	8 563	8 502	8 264	8 342	8 289	8 245	8 245
10	France	Orbis	90 970	57 538	67 469	70 468	70 914	55 525	64 135	66 917	67 749	55 518	64 116	66 873	67 703	57 523	70 924	69 307	70 070	57 520	66 411	69 293	66 410	69 293
11	Germany	Orbis	77 398	21 788	60 050	61 470	61 183	19 887	57 492	58 773	58 544	19 887	57 484	58 764	59 384	20 508	58 740	60 093	59 787	20 031	57 484	58 772	58 364	58 364
12	Greece	Orbis	5 045	4 078	4 439	4 406	4 723	4 059	4 409	4 576	4 691	4 059	4 409	4 576	4 691	4 059	4 416	4 579	4 698	4 059	4 416	4 579	4 698	4 416
13	Hungary	Orbis	7 387	6 873	6 974	7 010	6 770	6 552	6 881	6 913	6 692	6 274	6 525	6 530	6 200	6 615	6 910	6 948	6 711	6 335	6 587	6 594	6 331	6 540
14	Ireland	Orbis	5 731	3 886	4 999	4 936	4 723	3 379	4 408	4 361	4 168	3 775	3 779	3 646	3 808	4 915	4 844	4 844	4 630	3 171	4 163	4 149	3 991	3 989
15	Italy	Orbis	76 430	65 242	70 835	71 757	71 822	64 094	69 578	70 454	70 514	64 340	68 903	67 820	66 392	64 441	69 861	70 814	70 844	64 641	70 183	71 066	71 123	70 844
16	Latvia	Orbis	2 257	2 038	2 117	2 066	1 999	1 977	2 058	2 014	1 954	2 038	2 117	2 066	2 019	2 095	2 043	1 977	2 019	2 095	2 043	1 977	2 019	1 977
17	Lithuania	Orbis	2 708	1 703	2 094	2 098	2 197	1 678	2 067	2 069	2 176	1 617	2 060	2 052	2 150	1 687	2 078	2 081	2 179	1 677	2 060	1 886	1 881	1 886
18	Luxembourg	Orbis	2 047	1 097	1 505	1 572	1 505	1 036	1 433	1 470	1 401	1 004	1 387	1 430	1 382	1 062	1 460	1 434	1 004	1 387	1 430	1 434	1 004	1 382
19	Malta	Orbis	817	108	364	568	730	92	339	539	695	92	339	539	695	92	344	547	708	92	344	547	708	708
20	The Netherlands	Orbis	12 693	7 755	10 982	10 979	10 704	7 170	10 185	10 169	9 906	7 170	10 185	10 169	9 906	7 170	10 169	10 169	10 169	7 631	10 798	10 798	10 252	9 977
21	Poland	Orbis	21 492	13 181	19 072	19 533	19 103	12 988	18 798	19 226	18 803	13 181	17 968	18 384	18 032	13 129	19 007	19 032	12 905	18 569	18 979	18 569	12 256	17 647
22	Portugal	Orbis	9 834	8 681	9 199	9 294	8 493	9 294	8 493	9 008	9 124	9 140	9 329	8 811	8 899	8 661	9 090	9 199	9 211	8 349	8 950	9 042	9 157	8 760
23	Romania	Orbis	8 618	7 921	8 089	8 177	7 978	7 635	8 011	8 069	7 898	7 835	8 011	8 069	7 898	8 069	8 129	7 928	7 880	8 039	8 129	7 928	7 880	8 129
24	Slovakia	Orbis	4 911	4 551	4 735	4 883	4 804	4 465	4 672	4 813	4 724	4 480	4 650	4 613	4 724	4 524	4 706	4 852	4 772	4 523	4 705	4 851	4 770	4 460
25	Slovenia	Orbis	2 447	1 340	2 309	2 354	2 308	1 270	2 244	2 282	2 240	1 270	2 227	2 250	2 212	1 305	2 272	2 318	2 272	1 275	2 227	2 250	2 212	2 212
26	Spain	Orbis	42 950	29 058	38 541	39 984	40 470	27 971	37 149	38 534	39 050	27 917	37 149	38 534	39 050	28 760	38 220	39 643	40 111	28 401	37 699	38 991	39 475	37 699
27	Sweden	Orbis	24 784	22 011	22 020	21 943	21 612	19 648	19 782	19 833	19 751	19 648	19 782	19 833	19 751	18 855	21 862	21 786	18 855	21 862	21 786	21 855	21 862	21 467
28	United Kingdom	Orbis	75 001	62 014	69 069	66 524	63 644	55 233	61 645	59 382	56 834	60 719	58 803	55 597	54 621	64 951	67 015	64 185	64 185	54 336	60 751	58 857	56 662	60 708

Appendix 3
Milestone 10 - Assets in absolute terms (local databases)

#	Country	Database	Number of companies	Balance sheet - Assets																							
				Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			Intangibles					
				2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012			
2	Belgium	Bel-first	14 567	13 566	13 833	14 001	13 970	13 564	13 833	14 001	13 970	12 842	13 111	13 287	13 330	10 303	10 584	10 773	10 827	6 937	7 023	6 923					
10	France	Diane	71 870	58 961	63 214	65 418	65 413	56 777	62 845	64 849	65 222	62 354	64 181	64 930	57 111	52 050	52 566	52 566	35 005	49 158	49 315	48 972					
11	Germany	Dafine	65 264	42 826	60 064	60 834	61 112	41 685	58 780	59 495	59 833	22 984	32 449	32 532	32 469	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247				
14	Ireland	Farme	4 960	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247				
15	Italy	Farme	74 050	64 704	66 641	67 117	67 236	64 693	66 640	67 117	67 236	64 693	66 641	67 117	67 236	64 704	66 641	67 117	67 236	64 704	66 641	67 117	67 236				
18	Luxembourg	Aida	1 462	1 121	1 292	1 330	1 289	1 121	1 292	1 330	1 289	908	1 043	1 089	1 062	551	623	651	631	566	610	634	614				
20	The Netherlands	Bel-first	13 460	9 379	11 941	12 160	12 145	8 641	11 012	11 260	11 252	5 931	7 485	7 553	7 472	7 660	9 860	10 108	10 133	5 876	7 590	7 817	4 617				
22	Portugal	Reach	9 599	8 709	9 059	9 196	9 190	8 634	8 977	9 119	9 117	7 453	7 079	6 640	6 519	8 057	8 374	8 497	8 522	8 634	8 977	9 119	4 474				
26	Spain	Sabi	42 703	35 300	38 893	39 717	40 221	34 131	37 591	38 455	38 989	32 286	35 239	35 406	35 622	32 919	36 195	37 043	37 629	28 522	31 477	32 221	25 450				
28	United Kingdom	Farme	73 805	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136				

Appendix 3

Milestone 10 - Other elements in absolute terms (Amadeus)

Other

#	Country	Database	Number of companies	Working capital				FTE's			
				2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	11 568	8 874	10 532	10 484	10 310	7 701	8 626	8 041	7 648
2	Belgium	Amadeus	14 491	13 263	13 657	13 667	13 447	12 394	12 834	12 874	12 671
3	Bulgaria	Amadeus	3 994	3 789	3 812	3 718	3 551	3 814	3 753	3 718	3 515
4	Croatia	Amadeus	2 407	2 269	2 336	2 324	2 239	2 219	2 276	2 266	2 185
5	Cyprus	Amadeus	369	35	162	246	296	28	126	183	215
6	Czech Republic	Amadeus	12 647	7 291	9 570	10 148	10 259	6 100	11 271	11 287	10 796
7	Denmark	Amadeus	4 927	3 214	3 142	3 078	2 943	3 933	3 876	3 797	3 749
8	Estonia	Amadeus	1 904	1 681	1 734	1 708	1 681	1 416	1 441	1 416	1 384
9	Finland	Amadeus	10 632	8 051	8 249	8 119	7 814	8 463	8 714	8 270	6 464
10	France	Amadeus	87 382	58 313	65 699	68 307	68 187	36 846	34 542	30 384	33 823
11	Germany	Amadeus	66 776	12 579	41 121	41 862	42 394	11 789	26 153	26 003	25 154
12	Greece	Amadeus	4 469	3 944	4 215	4 264	4 152	3 896	4 074	4 095	3 845
13	Hungary	Amadeus	6 879	5 360	5 387	5 275	4 757	5 925	6 105	6 150	5 619
14	Ireland	Amadeus	4 756	3 321	3 838	3 797	3 643	2 065	2 460	2 434	2 381
15	Italy	Amadeus	72 535	63 443	68 139	68 449	67 693	60 497	64 583	64 693	62 655
16	Latvia	Amadeus	2 052	1 848	1 915	1 880	1 803	1 840	1 916	1 866	1 790
17	Lithuania	Amadeus	2 491	1 478	1 731	1 749	1 814	1 787	2 469	2 457	2 421
18	Luxembourg	Amadeus	1 555	917	1 259	1 333	1 272	520	701	743	725
19	Malta	Amadeus	829	105	399	627	737	72	234	365	364
20	The Netherlands	Amadeus	11 231	4 380	5 939	5 939	5 463	6 618	8 792	9 017	8 512
21	Poland	Amadeus	21 203	13 840	18 307	18 762	18 298	985	3 426	5 888	9 817
22	Portugal	Amadeus	9 426	8 329	8 883	8 906	8 813	7 695	8 103	8 201	8 065
23	Romania	Amadeus	8 035	4 160	3 977	3 810	3 519	7 544	7 623	7 658	7 484
24	Slovakia	Amadeus	4 911	4 264	4 327	4 416	4 315	3 875	4 063	4 008	3 928
25	Slovenia	Amadeus	2 239	1 240	2 112	2 132	2 099	1 508	2 078	2 096	2 096
26	Spain	Amadeus	40 804	29 586	37 145	37 997	37 755	28 957	35 484	36 158	35 759
27	Sweden	Amadeus	23 713	20 967	21 451	21 324	20 597	21 283	21 663	21 925	21 203
28	United Kingdom	Amadeus	71 984	60 213	64 244	62 783	59 608	50 485	52 885	50 855	47 165

Appendix 3

Milestone 10 - Other elements in absolute terms (Orbis)

Other												
#	Country	Database	Number of companies	Working capital				FTE's				
				2014	2013	2012	2011	2014	2013	2012	2011	
1	Austria	Orbis	12 474	8 281	10 217	10 256	10 057	7 499	8 748	8 218	7 820	
2	Belgium	Orbis	14 491	12 829	13 168	13 342	13 290	12 718	13 137	13 313	13 275	
3	Bulgaria	Orbis	4 523	4 077	4 164	4 082	3 881	4 090	4 061	4 090	3 837	
4	Croatia	Orbis	2 627	2 335	2 417	2 430	2 350	2 259	2 342	2 357	2 300	
5	Cyprus	Orbis	434	92	207	278	307	60	157	209	219	
6	Czech Republic	Orbis	14 026	7 062	9 860	10 577	10 845	5 868	11 876	11 862	11 529	
7	Denmark	Orbis	5 511	3 291	3 223	3 214	3 135	4 087	4 053	4 077	4 149	
8	Estonia	Orbis	2 024	1 725	1 795	1 789	1 775	1 468	1 508	1 491	1 466	
9	Finland	Orbis	11 602	8 469	8 561	8 491	8 446	9 076	9 331	9 027	6 970	
10	France	Orbis	90 970	57 390	70 277	69 180	70 957	36 368	34 679	30 645	35 304	
11	Germany	Orbis	77 398	18 671	55 066	56 309	55 723	13 530	29 173	29 175	28 849	
12	Greece	Orbis	5 045	4 050	4 403	4 568	4 688	4 014	4 261	4 402	4 685	
13	Hungary	Orbis	7 397	5 588	5 620	5 528	4 935	6 191	6 412	6 484	5 873	
14	Ireland	Orbis	5 731	3 203	4 187	4 120	3 976	2 173	2 914	2 884	2 816	
15	Italy	Orbis	76 430	64 411	69 927	70 802	70 835	61 302	66 297	67 232	66 017	
16	Latvia	Orbis	2 257	2 019	2 095	2 043	1 977	2 017	2 101	2 037	1 973	
17	Lithuania	Orbis	2 708	1 431	1 672	1 684	1 761	1 919	2 645	2 622	2 567	
18	Luxembourg	Orbis	2 047	960	1 326	1 348	1 301	652	820	830	810	
19	Malta	Orbis	817	83	334	538	699	79	260	360	370	
20	The Netherlands	Orbis	12 693	4 351	6 184	6 143	5 902	6 675	9 325	9 549	9 374	
21	Poland	Orbis	21 492	12 793	18 458	18 926	18 507	1 167	3 624	6 112	10 144	
22	Portugal	Orbis	9 834	8 555	9 077	9 188	9 197	7 871	8 351	8 548	8 463	
23	Romania	Orbis	8 618	7 880	8 037	8 124	3 582	7 884	8 036	8 109	7 945	
24	Slovakia	Orbis	4 911	4 524	4 702	4 848	4 768	4 022	4 300	4 244	4 241	
25	Slovenia	Orbis	2 447	1 294	2 225	2 264	2 230	1 294	2 225	2 264	2 230	
26	Spain	Orbis	42 950	28 614	38 071	39 467	39 932	26 972	35 818	37 039	37 380	
27	Sweden	Orbis	24 784	21 772	21 796	21 717	21 406	22 207	22 168	22 564	22 305	
28	United Kingdom	Orbis	75 001	57 375	63 856	61 694	59 056	49 060	53 934	51 128	47 993	

Appendix 3

Milestone 10 - Other elements in absolute terms (local databases)

Other												
#	Country	Database	Number of companies	Working capital				FTE's				
				2014	2013	2012	2011	2014	2013	2012	2011	
2	Belgium	Bel-first	14 567	13 532	13 811	13 974	13 942	12 447	12 749	12 959	12 934	
10	France	Diane	71 870	56 961	63 214	65 418	65 414	36 344	33 182	28 519	33 145	
11	Germany	Dafne	65 264	39 157	56 309	56 919	56 847	19 831	27 844	27 581	27 627	
14	Ireland	Fame	4 960	4 146	4 489	4 400	4 247	4 146	4 489	4 400	4 247	
15	Italy	Aida	74 050	61 972	64 704	65 449	65 894	64 786	66 609	67 070	66 839	
18	Luxembourg	Bel-first	1 462	1 028	1 166	1 189	1 138	581	680	698	694	
20	The Netherlands	Reach	13 460	3 684	4 774	4 931	4 914	7 714	9 663	9 875	9 757	
22	Portugal	Sabi	9 599	8 705	9 048	9 188	9 177	8 241	8 561	8 716	8 614	
26	Spain	Sabi	42 703	34 992	38 580	39 426	39 909	32 855	36 021	36 746	37 119	
28	United Kingdom	Fame	73 805	68 668	69 544	68 181	66 136	68 668	69 544	68 181	66 136	

Appendix 3 (Milestone 11)

This appendix provides the data availability for the whole EU-28 MS screening the most representative databases and covering specific financial information. For **milestone 11**, the data collected are the following for the period 2008-2010:

- General information:
 - Independence test;
 - Date of incorporation;
 - Business description;
 - Primary NACE codes.
- Profit & Loss:
 - Turnover;
 - Gross profit;
 - Operating profit;
 - Financial profit;
 - Extraordinary profit;
 - Net profit.
- Shareholder equity & liability:
 - Share capital;
 - Net equity;
 - Total liabilities;
 - Long term debt;
 - Short term debt;
 - Accounts payables.
- Assets:
 - Total assets;
 - Cash & liquidity;
 - Operating assets;
 - Current assets;
 - Immovable assets;
 - Inventories;
 - Intangibles.
- Other :
 - Working capital;
 - FTE's.

The data collected appear first in relative terms then in absolute terms. For the absolute terms, the data collected appear per database: Amadeus, Orbis and the local databases.

Appendix 3
Milestone 11 - General information in relative terms

General Information						
#	Country	Database	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	91%	100%	66%	100%
		Orbis	88%	99%	66%	99%
2	Belgium	Amadeus	71%	100%	86%	100%
		Bel-first	69%	100%	84%	95%
		Orbis	69%	100%	86%	99%
3	Bulgaria	Amadeus	93%	78%	69%	100%
		Orbis	90%	77%	68%	100%
4	Croatia	Amadeus	74%	96%	81%	100%
		Orbis	71%	96%	82%	100%
5	Cyprus	Amadeus	61%	100%	89%	92%
		Orbis	64%	98%	90%	94%
6	Czech Republic	Amadeus	76%	100%	74%	100%
		Orbis	73%	100%	72%	100%
7	Denmark	Amadeus	73%	99%	91%	98%
		Orbis	69%	99%	90%	97%
8	Estonia	Amadeus	94%	100%	66%	98%
		Orbis	92%	100%	66%	96%
9	Finland	Amadeus	55%	96%	64%	100%
		Orbis	52%	96%	62%	100%
10	France	Amadeus	76%	93%	78%	93%
		Diane	82%	100%	n.a.	100%
		Orbis	78%	100%	77%	88%
11	Germany	Amadeus	91%	100%	73%	100%
		Dafne	93%	99%	96%	95%
		Orbis	85%	99%	78%	100%
12	Greece	Amadeus	87%	99%	84%	100%
		Orbis	83%	99%	84%	100%
13	Hungary	Amadeus	19%	100%	74%	100%
		Orbis	19%	100%	69%	100%
14	Ireland	Amadeus	90%	100%	86%	100%
		Fame	90%	100%	n.a.	100%
		Orbis	82%	100%	87%	88%
15	Italy	Amadeus	86%	100%	83%	100%
		Aida	82%	93%	85%	93%
		Orbis	84%	100%	83%	100%
16	Latvia	Amadeus	90%	100%	68%	100%
		Orbis	91%	100%	66%	100%
17	Lithuania	Amadeus	77%	100%	79%	100%
		Orbis	73%	100%	76%	100%
18	Luxembourg	Amadeus	86%	100%	80%	100%
		Bel-first	96%	100%	82%	100%
		Orbis	84%	99%	80%	90%
19	Malta	Amadeus	67%	100%	78%	71%
		Orbis	68%	99%	82%	75%
20	The Netherlands	Amadeus	72%	100%	93%	100%
		Reach	68%	100%	97%	100%
		Orbis	69%	100%	93%	99%
21	Poland	Amadeus	76%	100%	82%	100%
		Orbis	75%	100%	82%	100%
22	Portugal	Amadeus	90%	84%	88%	100%
		Sabi	85%	100%	87%	100%
		Orbis	88%	99%	87%	100%
23	Romania	Amadeus	93%	100%	77%	98%
		Orbis	91%	100%	77%	97%
24	Slovakia	Amadeus	77%	100%	73%	99%
		Orbis	72%	100%	72%	98%
25	Slovenia	Amadeus	91%	99%	72%	100%
		Orbis	89%	98%	71%	100%

Appendix 3
Milestone 11 - General information in relative terms

General Information						
#	Country	Database	Independence test	Date of incorporation	Business description	Primary NACE codes
26	Spain	Amadeus	83%	100%	84%	100%
		Sabi	70%	100%	83%	100%
		Orbis	80%	99%	84%	100%
27	Sweden	Amadeus	66%	99%	75%	94%
		Orbis	64%	99%	74%	93%
28	United Kingdom	Amadeus	49%	56%	49%	54%
		Fame	87%	100%	n.a.	98%
		Orbis	87%	100%	88%	97%

Appendix 3
Milestone 1.1 - Profit & Loss in relative terms

#	Country	Database	Profit & Loss																	
			Turnover			Gross profit			Operating profit			Financial profit			Extraordinary profit			Net profit		
			2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
1	Austria	Amadeus	72%	65%	36%	0%	0%	0%	42%	44%	42%	35%	40%	38%	4%	3%	3%	46%	43%	41%
		Orbis	72%	64%	36%	1%	1%	1%	44%	41%	64%	34%	38%	37%	4%	4%	3%	45%	42%	41%
2	Belgium	Amadeus	81%	76%	72%	0%	0%	0%	92%	90%	88%	92%	90%	88%	63%	62%	61%	91%	89%	88%
		Bel-first	83%	78%	75%	0%	0%	0%	94%	92%	90%	94%	92%	90%	63%	62%	62%	94%	91%	90%
3	Bulgaria	Orbis	86%	81%	76%	1%	1%	1%	96%	94%	92%	96%	94%	92%	66%	65%	64%	96%	92%	92%
		Amadeus	84%	80%	83%	0%	0%	0%	78%	76%	73%	78%	76%	73%	78%	76%	73%	78%	76%	73%
4	Croatia	Orbis	81%	77%	73%	0%	0%	0%	73%	73%	68%	73%	71%	68%	73%	71%	68%	74%	72%	68%
		Amadeus	91%	90%	88%	0%	0%	0%	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	90%	88%
5	Cyprus	Orbis	90%	87%	83%	3%	1%	1%	88%	85%	82%	88%	85%	82%	87%	85%	82%	90%	87%	83%
		Amadeus	63%	46%	36%	63%	48%	37%	63%	48%	37%	63%	48%	37%	63%	48%	37%	63%	48%	37%
6	Czech Republic	Orbis	66%	52%	42%	59%	45%	35%	61%	47%	38%	61%	47%	38%	13%	13%	13%	66%	52%	42%
		Amadeus	87%	78%	74%	0%	0%	0%	80%	78%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%
7	Denmark	Orbis	85%	75%	71%	0%	0%	0%	76%	74%	70%	76%	74%	70%	76%	74%	70%	77%	74%	71%
		Amadeus	66%	0%	0%	68%	0%	0%	73%	0%	0%	73%	0%	0%	1%	0%	0%	73%	0%	0%
8	Estonia	Orbis	70%	6%	4%	70%	3%	2%	70%	3%	2%	75%	4%	2%	3%	2%	2%	78%	6%	5%
		Amadeus	87%	83%	79%	25%	24%	24%	88%	84%	81%	88%	84%	81%	88%	84%	81%	87%	84%	81%
9	Finland	Orbis	86%	83%	80%	25%	24%	24%	87%	83%	80%	87%	83%	80%	87%	83%	80%	87%	83%	80%
		Amadeus	68%	65%	63%	2%	2%	2%	68%	66%	63%	68%	66%	63%	28%	28%	29%	68%	66%	63%
10	France	Orbis	69%	66%	63%	2%	2%	2%	69%	66%	63%	69%	66%	63%	30%	30%	30%	69%	66%	64%
		Amadeus	78%	76%	75%	1%	1%	1%	77%	75%	75%	76%	75%	74%	76%	75%	74%	77%	75%	75%
11	Germany	Diane	88%	86%	85%	n.a.	n.a.	n.a.	88%	86%	85%	88%	85%	84%	0%	0%	0%	88%	86%	85%
		Orbis	79%	76%	74%	1%	1%	1%	76%	75%	74%	76%	74%	74%	76%	74%	73%	77%	75%	74%
12	Greece	Amadeus	70%	61%	40%	2%	2%	2%	45%	41%	38%	45%	41%	38%	24%	10%	9%	44%	40%	37%
		Dafine	68%	55%	39%	2%	2%	2%	51%	45%	42%	51%	45%	42%	28%	12%	10%	51%	45%	42%
13	Hungary	Orbis	70%	37%	41%	2%	2%	2%	43%	38%	35%	43%	38%	35%	24%	11%	9%	43%	39%	36%
		Amadeus	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%
14	Ireland	Orbis	91%	87%	85%	90%	86%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	91%	87%	85%
		Amadeus	88%	84%	75%	0%	0%	0%	89%	86%	76%	89%	86%	74%	54%	49%	47%	89%	86%	76%
15	Italy	Orbis	87%	83%	73%	0%	0%	0%	87%	84%	74%	87%	84%	74%	52%	49%	45%	88%	84%	75%
		Amadeus	70%	60%	55%	54%	48%	44%	74%	65%	61%	72%	63%	59%	0%	0%	0%	69%	61%	56%
16	Latvia	Fame	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	73%	69%
		Orbis	70%	60%	55%	49%	44%	42%	72%	63%	59%	70%	61%	57%	1%	1%	1%	69%	60%	56%
17	Lithuania	Amadeus	90%	86%	83%	0%	0%	0%	90%	86%	83%	90%	86%	83%	90%	86%	83%	90%	86%	83%
		Aida	89%	88%	86%	90%	87%	84%	89%	88%	86%	89%	88%	86%	89%	88%	86%	89%	88%	86%
18	Luxembourg	Orbis	90%	87%	83%	0%	0%	0%	90%	86%	82%	90%	86%	82%	89%	86%	82%	90%	87%	83%
		Amadeus	83%	72%	67%	79%	50%	48%	83%	72%	67%	83%	53%	51%	83%	53%	51%	83%	53%	51%
19	Malta	Orbis	92%	85%	84%	82%	64%	61%	83%	65%	62%	83%	65%	62%	82%	62%	60%	83%	65%	62%
		Amadeus	88%	82%	81%	77%	60%	57%	78%	60%	57%	77%	60%	57%	7%	4%	5%	78%	61%	58%
20	The Netherlands	Orbis	76%	66%	52%	1%	0%	0%	76%	66%	52%	76%	66%	52%	36%	29%	24%	76%	66%	52%
		Bel-first	72%	61%	47%	0%	0%	0%	79%	69%	54%	78%	69%	54%	37%	29%	24%	79%	69%	54%
20	The Netherlands	Orbis	68%	59%	45%	2%	2%	2%	62%	55%	43%	62%	55%	43%	31%	25%	20%	64%	57%	44%
		Amadeus	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%
20	The Netherlands	Orbis	79%	66%	59%	75%	63%	56%	76%	64%	56%	76%	64%	56%	76%	64%	56%	79%	66%	59%
		Amadeus	60%	54%	46%	36%	37%	21%	73%	67%	55%	73%	67%	55%	66%	60%	45%	73%	67%	50%
20	The Netherlands	Reach	63%	57%	49%	25%	25%	9%	75%	70%	57%	16%	14%	17%	2%	2%	1%	2%	2%	1%

Appendix 3
Milestone 1.1 - Profit & Loss in relative terms

#	Country	Database	Profit & Loss																				
			Turnover		Gross profit		Operating profit		Financial profit		Extraordinary profit		Net profit										
			2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009							
21	Poland	Orbis	61%	55%	47%	2008	34%	35%	20%	20%	54%	2008	72%	66%	57%	2008	66%	60%	44%	2008	73%	67%	50%
		Amadeus	83%	79%	74%	2009	16%	15%	14%	14%	74%	2009	84%	79%	74%	2009	7%	6%	7%	2009	84%	79%	74%
		Orbis	84%	79%	74%	2010	16%	15%	14%	14%	74%	2010	84%	79%	74%	2010	7%	6%	7%	2010	84%	80%	74%
22	Portugal	Amadeus	91%	85%	82%	2008	0%	0%	0%	0%	85%	2008	92%	87%	85%	2008	2%	84%	82%	2008	92%	87%	85%
		Sabi	93%	89%	86%	2009	0%	0%	0%	0%	89%	2009	94%	92%	89%	2009	2%	89%	86%	2009	94%	92%	89%
		Orbis	91%	86%	83%	2010	1%	0%	0%	0%	85%	2010	92%	88%	85%	2010	2%	84%	82%	2010	93%	88%	86%
23	Romania	Amadeus	88%	85%	80%	2008	0%	0%	0%	0%	80%	2008	88%	85%	80%	2008	88%	85%	80%	2008	88%	85%	80%
		Orbis	87%	83%	78%	2009	0%	0%	0%	0%	83%	2009	86%	83%	80%	2009	86%	83%	78%	2009	87%	83%	78%
		Amadeus	87%	80%	61%	2010	0%	0%	0%	0%	85%	2010	85%	80%	61%	2010	84%	80%	61%	2010	84%	80%	61%
24	Slovakia	Orbis	85%	77%	58%	2008	0%	0%	0%	0%	57%	2008	81%	76%	57%	2008	81%	76%	57%	2008	81%	76%	57%
		Amadeus	91%	81%	76%	2009	0%	0%	0%	0%	76%	2009	92%	81%	76%	2009	81%	73%	68%	2009	92%	81%	76%
		Orbis	90%	79%	73%	2010	1%	1%	0%	0%	73%	2010	89%	78%	73%	2010	79%	70%	65%	2010	90%	79%	74%
26	Spain	Amadeus	89%	85%	81%	2008	0%	0%	0%	0%	82%	2008	90%	87%	82%	2008	1%	1%	4%	2008	90%	86%	82%
		Sabi	90%	86%	82%	2009	0%	0%	0%	0%	83%	2009	94%	91%	88%	2009	0%	0%	4%	2009	91%	87%	83%
		Orbis	89%	86%	81%	2010	0%	0%	0%	0%	86%	2010	90%	86%	82%	2010	1%	1%	4%	2010	90%	87%	83%
27	Sweden	Amadeus	87%	84%	76%	2008	13%	14%	13%	13%	76%	2008	84%	80%	76%	2008	84%	80%	76%	2008	84%	80%	76%
		Orbis	88%	85%	77%	2009	14%	14%	14%	14%	76%	2009	83%	80%	76%	2009	84%	80%	76%	2009	84%	81%	77%
		Amadeus	69%	61%	47%	2010	55%	51%	45%	45%	59%	2010	71%	66%	59%	2010	0%	1%	1%	2010	70%	66%	59%
28	United Kingdom	Fame	86%	82%	79%	2008	86%	82%	79%	79%	59%	2008	86%	82%	79%	2008	86%	82%	79%	2008	86%	82%	79%
		Orbis	69%	62%	48%	2009	54%	50%	45%	45%	59%	2009	70%	65%	60%	2009	2%	2%	2%	2009	70%	66%	60%
		Orbis	69%	62%	48%	2010	54%	50%	45%	45%	59%	2010	70%	65%	60%	2010	2%	2%	2%	2010	70%	66%	60%

Appendix 3
Milestone 11 - Shareholder equity & liability in relative terms

Balance sheet - Shareholder equity & liability

#	Country	Database	Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable			
			2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	
1	Austria	Amadeus	84%	77%	79%	84%	77%	79%	91%	84%	77%	79%	84%	77%	79%	84%	77%	79%	82%	75%	77%
		Orbis	81%	75%	77%	82%	76%	78%	81%	74%	77%	77%	74%	81%	74%	77%	81%	74%	77%	79%	72%
2	Belgium	Amadeus	92%	90%	88%	91%	89%	88%	92%	90%	88%	90%	92%	90%	88%	92%	90%	88%	91%	90%	88%
		Bel-first	93%	91%	89%	94%	92%	90%	94%	92%	90%	90%	94%	92%	90%	92%	94%	92%	94%	92%	90%
3	Bulgaria	Orbis	96%	94%	92%	97%	94%	93%	96%	94%	92%	96%	94%	92%	96%	94%	92%	96%	95%	94%	92%
		Amadeus	78%	76%	73%	78%	76%	73%	78%	76%	73%	78%	76%	73%	78%	76%	73%	78%	77%	75%	72%
4	Croatia	Orbis	73%	71%	68%	74%	72%	69%	73%	71%	68%	73%	71%	68%	73%	71%	68%	72%	72%	71%	67%
		Amadeus	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	91%	90%	88%
5	Cyprus	Orbis	88%	85%	82%	90%	87%	83%	88%	85%	82%	88%	85%	82%	88%	85%	82%	88%	88%	85%	82%
		Amadeus	63%	48%	37%	63%	48%	37%	58%	38%	28%	58%	38%	28%	58%	38%	28%	58%	63%	48%	37%
6	Czech Republic	Orbis	61%	47%	38%	67%	53%	42%	61%	47%	38%	61%	47%	38%	61%	47%	38%	61%	61%	47%	38%
		Amadeus	82%	78%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%	80%	80%	78%	74%
7	Denmark	Orbis	80%	74%	70%	77%	74%	71%	76%	74%	70%	76%	74%	70%	76%	74%	70%	76%	76%	74%	70%
		Amadeus	71%	0%	0%	73%	0%	0%	71%	0%	0%	71%	0%	0%	73%	0%	0%	68%	0%	0%	
8	Estonia	Orbis	73%	4%	2%	78%	6%	5%	73%	4%	2%	73%	4%	2%	75%	4%	2%	69%	3%	2%	
		Amadeus	83%	100%	81%	83%	100%	81%	83%	100%	80%	83%	100%	80%	83%	100%	80%	83%	83%	80%	81%
9	Finland	Orbis	86%	83%	80%	87%	84%	80%	86%	83%	80%	86%	83%	80%	86%	83%	80%	86%	86%	79%	80%
		Amadeus	68%	66%	63%	68%	66%	63%	68%	66%	63%	68%	66%	63%	68%	66%	63%	68%	68%	65%	63%
10	France	Orbis	69%	66%	63%	69%	66%	64%	67%	64%	61%	67%	64%	61%	67%	64%	61%	67%	68%	66%	63%
		Amadeus	77%	75%	75%	77%	75%	75%	77%	75%	75%	77%	75%	75%	77%	75%	75%	77%	77%	75%	75%
11	Germany	Orbis	88%	85%	84%	88%	84%	84%	88%	84%	84%	88%	84%	84%	88%	84%	84%	88%	88%	86%	85%
		Amadeus	76%	74%	74%	77%	75%	74%	76%	74%	74%	76%	74%	74%	76%	74%	74%	76%	76%	74%	74%
12	Greece	Orbis	78%	76%	73%	79%	77%	74%	79%	77%	74%	79%	77%	74%	79%	77%	74%	79%	82%	77%	74%
		Amadeus	89%	86%	82%	90%	87%	83%	89%	86%	82%	90%	87%	83%	89%	86%	82%	90%	90%	87%	84%
13	Hungary	Orbis	73%	71%	68%	76%	74%	71%	74%	72%	69%	74%	72%	69%	74%	72%	69%	74%	75%	75%	75%
		Amadeus	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	90%	87%	84%
14	Ireland	Orbis	90%	87%	84%	91%	87%	85%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	90%	87%	84%
		Amadeus	88%	84%	74%	88%	85%	75%	87%	84%	74%	87%	84%	74%	88%	85%	74%	88%	87%	84%	74%
15	Italy	Orbis	75%	66%	62%	77%	68%	64%	77%	68%	64%	77%	68%	64%	77%	68%	64%	77%	73%	65%	60%
		Amadeus	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	73%	69%	80%	80%	73%	69%
16	Latvia	Orbis	72%	65%	60%	76%	68%	63%	74%	66%	62%	74%	66%	62%	74%	66%	62%	74%	70%	63%	58%
		Amadeus	90%	87%	83%	90%	87%	83%	90%	87%	83%	90%	87%	83%	90%	87%	83%	90%	90%	87%	83%
17	Lithuania	Orbis	89%	88%	86%	89%	88%	86%	89%	88%	86%	89%	88%	86%	89%	88%	86%	89%	86%	84%	83%
		Amadeus	90%	86%	83%	90%	86%	83%	90%	86%	83%	90%	86%	83%	90%	86%	83%	90%	90%	86%	83%
18	Luxembourg	Orbis	83%	53%	51%	83%	53%	50%	83%	53%	50%	83%	53%	50%	83%	53%	50%	83%	83%	53%	50%
		Amadeus	82%	51%	49%	83%	52%	49%	82%	51%	49%	82%	51%	49%	82%	51%	49%	82%	82%	51%	49%
19	Lithuania	Orbis	84%	65%	62%	84%	65%	62%	84%	65%	62%	84%	65%	62%	84%	65%	62%	84%	70%	56%	52%
		Amadeus	78%	61%	58%	79%	61%	58%	78%	61%	58%	78%	61%	58%	78%	61%	58%	78%	65%	52%	49%
20	Luxembourg	Orbis	80%	75%	64%	80%	75%	64%	74%	65%	57%	78%	70%	61%	75%	68%	59%	76%	71%	59%	
		Amadeus	69%	81%	84%	83%	77%	88%	91%	88%	77%	88%	91%	88%	77%	88%	91%	88%	84%	75%	87%
21	Luxembourg	Orbis	66%	62%	53%	67%	63%	54%	62%	56%	48%	64%	58%	50%	62%	56%	48%	62%	62%	59%	49%
		Amadeus	88%	85%	84%	88%	84%	84%	88%	84%	84%	88%	84%	84%	88%	84%	84%	88%	87%	86%	84%

Appendix 3
Milestone 11 - Shareholder equity & liability in relative terms

Balance sheet - Shareholder equity & liability																				
#	Country	Database	Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable		
			2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
19	Malta	Amadeus	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%	78%	65%	57%
		Orbis	76%	64%	56%	79%	66%	59%	76%	64%	57%	76%	64%	57%	76%	64%	57%	76%	64%	56%
20	The Netherlands	Amadeus	38%	36%	36%	78%	74%	66%	76%	73%	58%	76%	73%	58%	78%	74%	66%	78%	74%	66%
		Reach	44%	43%	43%	12%	11%	10%	0%	0%	0%	1%	1%	0%	0%	0%	1%	45%	42%	37%
21	Poland	Orbis	40%	38%	38%	79%	74%	66%	75%	73%	57%	75%	73%	57%	77%	73%	77%	74%	43%	40%
		Amadeus	84%	81%	74%	84%	79%	74%	80%	76%	71%	80%	76%	71%	84%	79%	74%	84%	79%	74%
22	Portugal	Orbis	84%	81%	74%	80%	76%	71%	80%	76%	71%	80%	76%	71%	84%	79%	74%	84%	79%	74%
		Amadeus	92%	87%	85%	92%	87%	85%	92%	87%	85%	92%	87%	85%	92%	87%	85%	92%	87%	85%
23	Romania	Sabi	93%	92%	89%	94%	92%	90%	74%	63%	64%	74%	67%	64%	94%	92%	89%	92%	91%	88%
		Orbis	92%	88%	85%	93%	89%	86%	92%	88%	85%	92%	88%	85%	92%	88%	85%	92%	87%	85%
24	Slovakia	Amadeus	88%	85%	80%	88%	85%	80%	88%	85%	80%	88%	85%	80%	88%	85%	80%	88%	85%	80%
		Orbis	86%	83%	78%	87%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	0%
25	Slovenia	Amadeus	85%	80%	61%	85%	80%	61%	85%	80%	61%	85%	80%	61%	85%	80%	61%	85%	80%	61%
		Orbis	82%	76%	57%	82%	77%	57%	81%	76%	57%	81%	76%	57%	81%	76%	57%	81%	76%	57%
26	Spain	Amadeus	91%	80%	75%	92%	81%	76%	92%	81%	76%	92%	81%	76%	92%	81%	76%	92%	81%	75%
		Orbis	88%	77%	72%	91%	80%	74%	90%	78%	73%	90%	78%	73%	90%	78%	73%	90%	77%	72%
27	Sweden	Amadeus	91%	87%	83%	91%	87%	83%	91%	87%	83%	91%	87%	83%	91%	87%	83%	91%	87%	81%
		Sabi	91%	87%	84%	91%	88%	84%	76%	73%	69%	80%	77%	73%	91%	87%	83%	91%	87%	75%
28	United Kingdom	Orbis	67%	87%	82%	91%	87%	83%	90%	87%	82%	90%	87%	82%	90%	87%	82%	90%	87%	91%
		Amadeus	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%
28	United Kingdom	Orbis	84%	80%	76%	84%	81%	77%	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%
		Amadeus	79%	75%	68%	80%	75%	69%	80%	75%	69%	80%	75%	69%	80%	75%	69%	80%	75%	66%
28	United Kingdom	Fame	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%
		Orbis	79%	75%	69%	80%	76%	70%	79%	75%	69%	79%	75%	69%	79%	75%	69%	79%	75%	67%

Appendix 3
Milestone 11 - Assets in relative terms

#		Country		Database		Balance sheet - Assets																				
						Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			Intangibles		
						2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
1	Austria	Amadeus Orbis	84%	77%	79%	82%	75%	77%	81%	74%	75%	84%	77%	79%	83%	76%	77%	84%	77%	79%	84%	77%	79%	83%	76%	77%
2	Belgium	Amadeus Bel-first	92%	90%	88%	90%	88%	87%	88%	87%	85%	92%	90%	88%	90%	88%	87%	91%	89%	88%	91%	89%	88%	90%	88%	87%
3	Bulgaria	Amadeus Orbis	97%	94%	93%	94%	92%	91%	93%	91%	89%	96%	245%	92%	94%	92%	90%	96%	93%	91%	96%	93%	91%	94%	92%	90%
4	Croatia	Amadeus Orbis	78%	76%	73%	77%	75%	72%	77%	75%	72%	78%	76%	73%	83%	79%	76%	78%	76%	73%	78%	76%	73%	78%	76%	73%
5	Cyprus	Amadeus Orbis	74%	72%	69%	72%	70%	67%	72%	70%	67%	73%	71%	68%	79%	74%	71%	73%	71%	68%	73%	71%	68%	71%	68%	68%
6	Czech Republic	Amadeus Orbis	90%	87%	83%	90%	88%	87%	90%	90%	87%	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	90%	88%	91%	90%	88%
7	Denmark	Amadeus Orbis	90%	87%	83%	87%	84%	81%	87%	84%	81%	88%	85%	82%	88%	85%	82%	88%	85%	82%	88%	85%	82%	88%	85%	82%
8	Estonia	Amadeus Orbis	63%	48%	37%	63%	48%	37%	46%	38%	28%	63%	48%	37%	62%	48%	37%	63%	48%	37%	63%	48%	37%	63%	48%	37%
9	Finland	Amadeus Orbis	67%	53%	42%	61%	47%	38%	61%	47%	38%	61%	47%	38%	61%	47%	38%	61%	47%	38%	61%	47%	38%	61%	47%	38%
10	France	Amadeus Orbis	80%	78%	74%	80%	77%	74%	80%	77%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%	80%	78%	74%
11	Germany	Amadeus Orbis	77%	74%	71%	76%	74%	70%	76%	74%	70%	76%	74%	70%	76%	74%	70%	76%	74%	70%	76%	74%	70%	76%	74%	70%
12	Greece	Amadeus Orbis	73%	70%	66%	69%	66%	63%	67%	64%	61%	73%	70%	67%	71%	68%	65%	73%	70%	67%	71%	68%	65%	73%	70%	67%
13	Hungary	Amadeus Orbis	78%	74%	71%	80%	77%	74%	79%	77%	74%	80%	78%	74%	80%	77%	74%	80%	77%	74%	80%	77%	74%	80%	77%	74%
14	Ireland	Amadeus Fame	91%	87%	85%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%	90%	87%	84%
15	Italy	Amadeus Aida	90%	86%	86%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%
16	Latvia	Amadeus Orbis	90%	87%	83%	89%	86%	82%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%	89%	86%	83%
17	Lithuania	Amadeus Orbis	83%	53%	50%	82%	53%	50%	82%	53%	50%	83%	53%	50%	83%	53%	50%	83%	53%	50%	83%	53%	50%	83%	53%	50%
18	Luxembourg	Amadeus Bel-first	84%	65%	62%	83%	65%	62%	81%	64%	60%	84%	65%	62%	82%	64%	61%	82%	64%	61%	82%	64%	61%	82%	64%	61%
19	Malta	Amadeus Orbis	79%	75%	64%	78%	73%	63%	76%	59%	57%	78%	61%	58%	76%	59%	57%	76%	59%	57%	76%	59%	57%	76%	59%	57%
20	The Netherlands	Amadeus Reach	80%	75%	64%	80%	75%	64%	79%	75%	64%	80%	75%	64%	79%	75%	64%	80%	75%	64%	79%	75%	64%	79%	75%	64%
		Orbis	86%	83%	75%	80%	77%	70%	85%	51%	46%	85%	82%	74%	68%	63%	55%	71%	68%	63%	55%	52%	49%	31%	29%	26%
		Orbis	79%	74%	66%	73%	69%	61%	73%	69%	62%	77%	73%	65%	74%	69%	62%	77%	73%	65%	74%	69%	62%	73%	69%	61%

Appendix 3
Milestone 11 - Assets in relative terms

#	Country	Database	Balance sheet - Assets																				
			Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			Intangibles		
			2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
21	Poland	Amadeus	84%	79%	74%	83%	78%	73%	78%	74%	69%	84%	79%	74%	82%	78%	73%	82%	77%	73%	79%	74%	70%
		Orbis	84%	80%	74%	83%	78%	73%	79%	75%	70%	84%	79%	74%	82%	78%	73%	82%	77%	73%	79%	74%	70%
22	Portugal	Amadeus	92%	87%	85%	92%	87%	84%	89%	85%	83%	92%	87%	85%	90%	85%	83%	92%	87%	85%	88%	85%	83%
		Sabi	94%	92%	90%	94%	91%	89%	66%	50%	45%	94%	92%	90%	88%	86%	84%	73%	72%	69%	45%	47%	48%
23	Romania	Orbis	93%	89%	86%	91%	87%	84%	89%	85%	83%	92%	88%	85%	89%	85%	83%	91%	87%	85%	87%	85%	83%
		Amadeus	88%	85%	80%	87%	85%	80%	87%	85%	80%	88%	85%	80%	88%	85%	80%	88%	85%	80%	88%	85%	80%
24	Slovakia	Orbis	87%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	78%	86%	83%	78%
		Amadeus	85%	80%	61%	83%	79%	59%	83%	79%	59%	85%	80%	61%	85%	80%	61%	85%	80%	61%	84%	80%	61%
25	Slovenia	Orbis	82%	77%	57%	80%	75%	55%	80%	75%	55%	81%	76%	57%	81%	76%	57%	81%	76%	57%	81%	76%	57%
		Amadeus	92%	81%	76%	94%	91%	81%	92%	89%	80%	92%	81%	76%	90%	80%	75%	92%	81%	76%	90%	80%	75%
26	Spain	Orbis	91%	80%	74%	89%	78%	72%	87%	77%	72%	90%	78%	73%	87%	77%	72%	89%	78%	73%	87%	77%	72%
		Amadeus	91%	87%	83%	88%	85%	80%	87%	84%	79%	87%	83%	89%	86%	81%	81%	91%	87%	82%	89%	86%	81%
27	Sweden	Sabi	91%	88%	84%	89%	85%	81%	80%	77%	73%	91%	88%	84%	86%	83%	79%	74%	71%	68%	60%	58%	56%
		Orbis	91%	87%	83%	88%	84%	80%	88%	84%	80%	87%	82%	87%	89%	85%	81%	90%	86%	82%	89%	85%	81%
28	United Kingdom	Amadeus	84%	80%	76%	78%	75%	71%	78%	75%	71%	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%
		Orbis	84%	81%	77%	77%	75%	71%	77%	75%	71%	84%	80%	76%	84%	80%	76%	84%	80%	76%	84%	80%	76%
28	United Kingdom	Fame	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%	86%	82%	79%
		Orbis	80%	76%	70%	71%	67%	62%	71%	67%	62%	79%	75%	69%	72%	68%	63%	79%	74%	60%	72%	68%	63%

Appendix 3
Milestone 11 - Other elements in relative terms

Other								
#	Country	Database	Working capital			FTE's		
			2010	2009	2008	2010	2009	2008
1	Austria	Amadeus	82%	75%	77%	63%	57%	15%
		Orbis	74%	67%	69%	60%	55%	16%
2	Belgium	Amadeus	91%	90%	88%	86%	84%	82%
		Bel-first	94%	91%	90%	87%	85%	84%
		Orbis	89%	88%	86%	90%	88%	85%
3	Bulgaria	Amadeus	75%	74%	72%	84%	81%	77%
		Orbis	71%	69%	67%	80%	77%	72%
4	Croatia	Amadeus	91%	90%	88%	88%	87%	83%
		Orbis	87%	85%	82%	85%	82%	78%
5	Cyprus	Amadeus	63%	48%	37%	49%	41%	31%
		Orbis	57%	43%	34%	42%	39%	25%
6	Czech Republic	Amadeus	80%	78%	74%	81%	72%	57%
		Orbis	76%	74%	70%	78%	69%	54%
7	Denmark	Amadeus	49%	0%	0%	64%	0%	0%
		Orbis	49%	3%	2%	67%	5%	4%
8	Estonia	Amadeus	82%	73%	81%	67%	68%	70%
		Orbis	85%	71%	79%	69%	67%	69%
9	Finland	Amadeus	68%	65%	63%	53%	52%	48%
		Orbis	68%	66%	63%	53%	52%	48%
10	France	Amadeus	77%	75%	75%	41%	38%	40%
		Diane	88%	86%	85%	49%	45%	47%
		Orbis	76%	74%	74%	42%	39%	40%
11	Germany	Amadeus	62%	57%	53%	36%	35%	33%
		Dafne	83%	79%	75%	40%	38%	36%
		Orbis	69%	66%	62%	36%	34%	33%
12	Greece	Amadeus	90%	87%	84%	83%	78%	68%
		Orbis	90%	87%	84%	84%	79%	71%
13	Hungary	Amadeus	66%	62%	57%	81%	79%	58%
		Orbis	64%	59%	54%	79%	77%	56%
14	Ireland	Amadeus	72%	64%	59%	47%	42%	40%
		Fame	80%	73%	69%	80%	73%	69%
		Orbis	65%	58%	53%	46%	41%	38%
15	Italy	Amadeus	90%	87%	83%	61%	63%	64%
		Aida	85%	83%	82%	84%	83%	80%
		Orbis	89%	86%	83%	61%	63%	64%
16	Latvia	Amadeus	83%	53%	50%	82%	73%	67%
		Orbis	82%	51%	49%	82%	73%	67%
17	Lithuania	Amadeus	68%	55%	52%	96%	92%	88%
		Orbis	61%	51%	47%	93%	89%	84%
18	Luxembourg	Amadeus	76%	71%	59%	42%	31%	19%
		Bel-first	71%	64%	56%	43%	33%	20%
		Orbis	61%	56%	49%	37%	27%	18%
19	Malta	Amadeus	78%	65%	57%	38%	30%	28%
		Orbis	76%	63%	56%	40%	33%	30%
20	The Netherlands	Amadeus	53%	41%	36%	64%	66%	44%
		Reach	34%	31%	29%	61%	64%	34%
		Orbis	42%	39%	35%	62%	65%	44%

Appendix 3
Milestone 11 - Other elements in relative terms

Other								
#	Country	Database	Working capital			FTE's		
			2010	2009	2008	2010	2009	2008
21	Poland	Amadeus	82%	77%	73%	58%	82%	56%
		Orbis	82%	77%	72%	60%	83%	56%
22	Portugal	Amadeus	92%	87%	84%	83%	81%	79%
		Sabi	94%	92%	90%	86%	85%	83%
		Orbis	92%	88%	85%	83%	82%	79%
23	Romania	Amadeus	40%	0%	0%	88%	85%	80%
		Orbis	38%	0%	0%	86%	83%	78%
24	Slovakia	Amadeus	85%	80%	61%	76%	72%	59%
		Orbis	81%	76%	57%	73%	68%	55%
25	Slovenia	Amadeus	91%	80%	75%	88%	81%	78%
		Orbis	88%	77%	72%	86%	78%	75%
26	Spain	Amadeus	89%	86%	81%	85%	81%	76%
		Sabi	91%	87%	83%	84%	81%	76%
		Orbis	90%	86%	82%	84%	81%	75%
27	Sweden	Amadeus	84%	80%	76%	86%	83%	75%
		Orbis	83%	80%	76%	87%	84%	76%
28	United Kingdom	Amadeus	78%	73%	66%	60%	55%	48%
		Fame	86%	82%	79%	86%	82%	79%
		Orbis	74%	69%	63%	59%	54%	48%

Appendix 3

Milestone 11 - General information in absolute terms (Amadeus)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	11 568	10 558	11 549	7 639	11 562
2	Belgium	Amadeus	14 491	10 302	14 489	12 455	14 422
3	Bulgaria	Amadeus	3 994	3 715	3 135	2 752	3 989
4	Croatia	Amadeus	2 407	1 776	2 316	1 958	2 407
5	Cyprus	Amadeus	369	226	369	330	338
6	Czech Republic	Amadeus	12 647	9 614	12 647	9 366	12 643
7	Denmark	Amadeus	4 927	3 585	4 898	4 468	4 813
8	Estonia	Amadeus	1 904	1 782	1 904	1 257	1 859
9	Finland	Amadeus	10 632	5 810	10 225	6 782	10 628
10	France	Amadeus	87 382	66 314	81 325	67 777	81 334
11	Germany	Amadeus	66 776	61 088	66 446	49 047	66 770
12	Greece	Amadeus	4 469	3 889	4 413	3 772	4 469
13	Hungary	Amadeus	6 879	1 308	6 854	5 097	6 877
14	Ireland	Amadeus	4 756	4 300	4 756	4 111	4 752
15	Italy	Amadeus	72 535	62 419	72 530	60 284	72 497
16	Latvia	Amadeus	2 052	1 845	2 052	1 392	2 048
17	Lithuania	Amadeus	2 491	1 925	2 491	1 970	2 489
18	Luxembourg	Amadeus	1 555	1 340	1 553	1 249	1 553
19	Malta	Amadeus	829	555	829	643	592
20	The Netherlands	Amadeus	11 231	8 047	11 231	10 468	11 231
21	Poland	Amadeus	21 203	16 106	21 198	17 341	21 202
22	Portugal	Amadeus	9 426	8 475	7 957	8 259	9 426
23	Romania	Amadeus	8 035	7 446	8 035	6 214	7 889
24	Slovakia	Amadeus	4 911	3 769	4 911	3 584	4 856
25	Slovenia	Amadeus	2 239	2 042	2 207	1 610	2 238
26	Spain	Amadeus	40 804	33 940	40 791	34 171	40 804
27	Sweden	Amadeus	23 713	15 555	23 369	17 776	22 390
28	United Kingdom	Amadeus	71 984	35 557	39 996	35 077	39 068

Appendix 3

Milestone 11 - General information in absolute terms (Orbis)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Orbis	12 474	10 991	12 382	8 223	12 382
2	Belgium	Orbis	15 353	10 546	15 322	13 180	15 252
3	Bulgaria	Orbis	4 523	4 092	3 498	3 055	4 514
4	Croatia	Orbis	2 627	1 878	2 518	2 143	2 627
5	Cyprus	Orbis	434	278	427	390	407
6	Czech Republic	Orbis	14 026	10 266	14 016	10 108	14 022
7	Denmark	Orbis	5 511	3 806	5 450	4 969	5 369
8	Estonia	Orbis	2 024	1 864	2 022	1 337	1 952
9	Finland	Orbis	11 602	6 082	11 174	7 239	11 589
10	France	Orbis	90 970	70 704	90 627	69 631	79 976
11	Germany	Orbis	77 398	65 984	76 325	60 545	77 307
12	Greece	Orbis	5 045	4 202	5 004	4 261	5 041
13	Hungary	Orbis	7 397	1 439	7 362	5 111	7 392
14	Ireland	Orbis	5 731	4 692	5 717	4 961	5 068
15	Italy	Orbis	76 430	64 533	76 130	63 350	76 357
16	Latvia	Orbis	2 257	2 063	2 254	1 495	2 252
17	Lithuania	Orbis	2 708	1 975	2 707	2 048	2 702
18	Luxembourg	Orbis	2 047	1 724	2 025	1 642	1 849
19	Malta	Orbis	817	555	812	674	614
20	The Netherlands	Orbis	12 693	8 793	12 650	11 836	12 611
21	Poland	Orbis	21 492	16 137	21 452	17 670	21 487
22	Portugal	Orbis	9 834	8 681	9 784	8 572	9 826
23	Romania	Orbis	8 618	7 800	8 612	6 641	8 347
24	Slovakia	Orbis	5 584	4 036	5 582	3 999	5 464
25	Slovenia	Orbis	2 447	2 172	2 402	1 744	2 446
26	Spain	Orbis	42 950	34 320	42 600	36 018	42 917
27	Sweden	Orbis	24 784	15 814	24 420	18 459	23 082
28	United Kingdom	Orbis	75 001	65 510	74 899	65 771	72 824

Appendix 3

Milestone 11 - General information in absolute terms (local databases)

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
2	Belgium	Bel-first	14 567	10 074	14 566	12 235	13 860
10	France	Diane	71 870	59 108	71 861	Not able to download	71 870
11	Germany	Dafne	65 264	60 851	64 935	62 951	62 256
14	Ireland	Fame	4 960	4 464	4 960	Not available	4 960
15	Italy	Aida	74 050	60 795	69 207	63 108	69 196
18	Luxembourg	Bel-first	1 462	1 404	1 460	1 199	1 460
20	The Netherlands	Reach	13 460	9 187	13 460	13 116	13 460
22	Portugal	Sabi	9 599	8 174	9 593	8 351	9 599
26	Spain	Sabi	42 703	30 040	42 688	35 437	42 702
28	United Kingdom	Fame	73 805	64 258	73 799	Not able to download	72 122

Milestone 1.1 - Profit & Loss in absolute terms (Amadeus)

#	Country	Database	Number of companies	Profit & Loss															
				Turnover		Gross profit		Operating profit		Financial profit		Extraordinary profit		Net profit					
				2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	
1	Austria	Amadeus	11 568	8 346	7 491	4 110	8	15	14	4 826	4 826	4 094	4 635	4 375	443	392	5 308	5 009	4 787
2	Belgium	Amadeus	14 491	11 783	11 037	10 501	45	42	40	13 290	12 974	12 739	12 976	12 741	9 155	8 948	13 258	12 942	12 703
3	Bulgaria	Amadeus	3 994	3 339	3 203	3 305	0	0	0	3 105	3 024	2 897	3 105	3 031	2 908	3 105	3 105	3 023	2 896
4	Croatia	Amadeus	2 407	2 193	2 176	2 108	0	0	0	2 193	2 176	2 108	2 193	2 176	2 108	2 193	2 176	2 176	2 108
5	Cyprus	Amadeus	369	231	171	131	232	176	135	232	176	135	232	176	135	232	176	176	135
6	Czech Republic	Amadeus	12 647	10 966	9 848	9 386	29	32	50	10 125	9 840	9 382	10 125	9 840	9 382	10 096	9 840	9 382	9 382
7	Denmark	Amadeus	4 927	3 256	0	0	3 349	0	0	3 608	0	0	3 610	0	0	61	3 610	0	0
8	Estonia	Amadeus	1 904	1 650	1 583	1 527	470	456	452	1 667	1 601	1 542	1 667	1 601	1 542	1 667	1 601	1 599	1 542
9	Finland	Amadeus	10 632	7 233	6 947	6 668	179	172	168	7 272	6 983	6 705	7 274	6 983	6 705	3 030	3 063	6 983	6 707
10	France	Amadeus	87 382	67 866	66 116	65 160	539	536	523	67 038	65 649	65 130	66 755	65 409	64 908	66 701	65 346	65 757	65 155
11	Germany	Amadeus	66 776	46 697	40 810	26 810	1 106	1 055	988	30 030	27 333	25 333	30 092	27 382	25 348	16 291	6 807	29 219	26 561
12	Greece	Amadeus	4 469	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 883	3 772
13	Hungary	Amadeus	6 879	6 030	5 812	5 156	0	0	0	6 114	5 896	5 232	6 113	5 896	6 231	3 722	3 504	5 896	5 232
14	Ireland	Amadeus	4 756	3 343	2 861	2 610	2 547	2 266	2 114	3 517	3 092	2 880	3 423	3 005	2 804	16	13	3 288	2 888
15	Italy	Amadeus	72 535	65 274	62 632	60 171	0	0	0	65 332	62 707	60 178	65 332	62 707	60 178	65 271	62 601	62 707	60 178
16	Latvia	Amadeus	2 052	1 697	1 471	1 371	1 617	1 035	989	1 697	1 471	1 371	1 694	1 092	1 044	1 694	1 092	1 044	1 044
17	Lithuania	Amadeus	2 491	2 281	2 122	2 082	2 053	1 591	1 513	2 069	1 609	1 532	2 062	1 609	1 532	160	83	102	1 537
18	Luxembourg	Amadeus	1 555	1 177	1 032	803	9	5	5	1 178	1 032	802	1 178	1 032	805	558	446	1 178	1 032
19	Malta	Amadeus	829	648	537	474	648	537	474	648	537	474	648	537	474	648	537	474	474
20	The Netherlands	Amadeus	11 231	6 733	6 011	5 127	4 032	4 157	2 348	8 166	7 527	6 129	8 185	7 551	6 561	7 463	6 757	5 054	5 663
21	Poland	Amadeus	21 203	17 664	16 716	15 639	3 434	3 268	3 072	17 772	16 793	15 680	17 746	16 775	15 664	1 408	1 369	17 758	16 799
22	Portugal	Amadeus	9 426	8 580	7 984	7 723	0	0	0	8 701	8 217	7 983	8 701	8 225	7 987	142	7 939	8 216	7 980
23	Romania	Amadeus	8 035	7 042	6 805	6 424	0	0	0	7 042	6 805	6 424	7 042	6 805	6 424	7 042	6 805	6 424	6 424
24	Slovakia	Amadeus	4 911	4 266	3 949	3 020	11	3	3	4 154	3 945	2 999	4 154	3 945	2 999	4 143	3 942	2 996	4 114
25	Slovenia	Amadeus	2 239	2 035	1 807	1 692	0	0	0	2 058	1 814	1 704	2 063	1 820	1 702	1 814	1 634	1 524	2 053
26	Spain	Amadeus	40 804	36 415	34 836	32 946	0	0	0	36 879	35 361	33 612	36 905	35 380	33 644	232	212	36 766	35 245
27	Sweden	Amadeus	23 713	20 665	19 877	17 990	3 121	3 246	3 200	19 805	18 991	17 978	19 810	18 985	17 982	19 824	18 998	17 990	17 990
28	United Kingdom	Amadeus	71 984	50 006	44 268	33 782	39 811	36 559	32 400	50 758	47 088	42 213	50 994	47 453	42 683	358	667	50 638	47 202

Appendix 3
Milestone 11 - Profit & Loss in absolute terms (Orbis)

#	Country	Database	Number of companies	Profit & Loss																	
				Turnover		Gross profit		Operating profit		Financial profit		Extraordinary profit		Net profit							
				2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008			
1	Austria	Orbis	12 474	8 922	7 991	4 520	66	73	69	5 469	5 176	7 987	4 225	4 801	4 563	499	442	433	5 572	5 278	5 088
2	Belgium	Orbis	14 491	12 455	11 666	11 071	108	112	119	13 888	13 569	13 312	13 890	13 570	13 314	9 592	9 353	9 288	13 976	16 642	13 376
3	Bulgaria	Orbis	4 523	3 674	3 483	3 302	22	9	5	3 315	3 311	3 062	3 316	3 218	3 073	3 311	3 213	3 069	3 360	3 249	3 098
4	Croatia	Orbis	2 627	2 354	2 276	2 186	72	23	23	2 259	2 225	2 147	2 229	2 225	2 145	2 298	2 220	2 145	2 354	2 276	2 186
5	Cyprus	Orbis	434	288	226	182	257	195	154	266	206	165	266	206	165	57	56	55	288	227	184
6	Czech Republic	Orbis	14 026	11 967	10 452	9 942	28	33	52	10 705	10 382	9 884	10 705	10 382	9 884	10 685	10 358	9 838	10 763	10 437	9 935
7	Denmark	Orbis	5 511	3 858	317	247	3 848	179	118	3 848	179	118	4 153	201	130	175	112	107	4 292	325	249
8	Estonia	Orbis	2 024	1 748	1 670	1 607	502	486	478	1 751	1 677	1 610	1 751	1 677	1 610	1 751	1 678	1 610	1 762	1 789	1 624
9	Finland	Orbis	11 602	7 967	7 663	7 327	273	263	257	7 970	7 668	7 333	7 972	7 668	7 333	3 529	3 481	3 438	8 013	7 707	7 373
10	France	Orbis	90 970	71 492	69 232	67 707	562	561	547	69 035	68 579	67 020	68 848	67 418	66 876	68 708	67 344	66 802	69 928	68 271	67 516
11	Germany	Orbis	77 398	54 377	28 263	31 838	1 627	1 537	1 446	32 981	29 584	27 413	33 050	29 762	27 429	18 489	8 229	7 146	33 269	30 025	27 683
12	Greece	Orbis	5 045	4 580	4 396	4 271	4 544	4 361	4 236	4 557	4 377	4 251	4 557	4 377	4 251	4 557	4 375	4 249	4 580	4 399	4 273
13	Hungary	Orbis	7 397	6 399	6 161	5 423	16	16	15	6 431	6 208	5 466	6 430	6 208	5 464	3 850	3 333	3 333	6 482	6 249	5 514
14	Ireland	Orbis	5 731	4 031	3 460	3 134	2 836	2 535	2 409	4 117	3 628	3 358	4 002	3 522	3 268	80	68	62	3 950	3 466	3 202
15	Italy	Orbis	76 430	69 035	66 237	63 598	197	193	190	68 408	65 647	62 948	68 408	65 647	62 948	68 302	65 510	62 862	69 101	66 319	63 606
16	Latvia	Orbis	2 257	1 868	1 619	1 509	1 758	1 104	1 054	1 845	1 597	1 489	1 840	1 163	1 114	1 840	1 163	1 113	1 863	1 185	1 134
17	Lithuania	Orbis	2 708	2 395	2 219	2 184	2 089	1 615	1 537	2 104	1 632	1 555	2 098	1 632	1 554	1 89	111	128	2 120	1 652	1 572
18	Luxembourg	Orbis	2 047	1 387	1 206	921	49	38	33	1 276	1 123	872	1 276	1 124	875	637	515	416	1 315	1 157	904
19	Malta	Orbis	817	642	541	481	615	515	454	623	523	461	623	523	462	623	523	461	643	542	480
20	The Netherlands	Orbis	12 693	7 725	6 977	5 916	4 350	4 496	2 574	9 055	8 402	6 814	9 076	8 427	7 286	8 318	7 572	5 565	9 247	8 563	6 359
21	Poland	Orbis	21 492	18 004	17 023	15 875	3 432	3 260	3 013	18 025	17 020	15 838	17 996	17 002	15 822	1 436	1 384	1 438	18 073	17 087	15 942
22	Portugal	Orbis	9 834	8 976	8 416	8 130	52	48	44	9 030	8 605	8 353	9 030	8 613	8 359	200	8 300	8 030	9 097	8 680	8 425
23	Romania	Orbis	8 618	7 464	7 170	6 737	13	11	10	7 422	7 131	6 706	6 706	7 131	7 422	7 422	7 131	6 706	7 465	7 171	6 738
24	Slovakia	Orbis	5 584	4 756	4 301	3 237	20	12	8	4 549	4 265	3 173	4 549	4 265	3 173	4 537	4 261	3 170	4 532	4 254	3 168
25	Slovenia	Orbis	2 447	2 191	1 936	1 795	13	13	12	2 182	1 907	1 781	2 187	1 915	1 781	1 921	1 724	1 596	2 210	1 936	1 800
26	Spain	Orbis	42 950	38 416	36 756	34 803	115	111	106	38 638	37 064	35 270	38 663	37 084	35 306	327	305	1 621	38 848	37 249	35 443
27	Sweden	Orbis	24 784	21 733	20 999	18 990	3 430	3 561	3 497	20 680	19 892	18 864	20 670	19 874	18 857	20 696	19 890	18 865	20 829	20 020	18 992
28	United Kingdom	Orbis	75 001	52 058	46 257	35 891	40 501	37 302	33 578	52 253	48 695	44 280	52 500	49 119	44 808	1 216	1 427	1 518	52 757	49 424	45 129

Appendix 3

Milestone 11 - Profit & Loss in absolute terms (local databases)

#	Country	Database	Number of companies	Profit & Loss																
				Turnover		Gross profit		Operating profit		Financial profit		Extraordinary profit		Net profit						
				2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008		
2	Belgium	Bel-first	14 567	12 087	11 369	10 932	0	0	13 670	13 352	13 159	13 658	13 336	13 150	9 234	9 043	9 011	13 640	13 320	13 131
10	France	Diane	71 870	63 466	61 480	60 777	n.a.	n.a.	63 467	61 480	60 777	63 225	61 245	60 489	0	0	0	63 467	61 480	60 777
11	Germany	Daine	65 264	44 205	35 912	25 683	1 227	1 134	33 175	29 611	27 404	33 022	29 488	27 306	18 055	7 745	6 701	33 180	29 618	27 409
14	Ireland	Fame	4 960	3 976	3 613	3 427	3 976	3 613	3 976	3 613	3 427	3 976	3 613	3 427	3 976	3 613	3 427	3 976	3 613	3 427
15	Italy	Aida	74 050	66 148	64 946	63 761	66 738	64 102	62 264	66 185	65 000	66 143	64 883	63 738	66 144	64 926	63 739	66 185	65 000	63 766
18	Luxembourg	Bel-first	1 462	1 046	897	689	4	2	1 152	1 010	791	1 142	1 003	787	542	431	352	1 152	1 010	794
20	The Netherlands	Reach	13 460	8 421	7 667	6 567	3 309	3 301	1 170	10 053	9 394	2 161	1 913	2 229	291	305	94	291	305	94
22	Portugal	Sabi	9 599	8 902	8 538	8 249	0	0	9 040	8 835	8 581	8 526	8 792	8 528	156	8 517	8 242	9 030	8 830	8 576
26	Spain	Sabi	42 703	38 241	36 708	34 901	0	0	38 706	37 238	35 592	40 221	38 978	37 515	162	157	1 501	38 717	37 245	35 596
28	United Kingdom	Fame	73 805	63 389	60 853	58 564	63 389	60 853	58 564	63 389	60 853	63 389	60 853	58 564	63 389	60 853	58 564	63 389	60 853	58 564

Appendix 3
Milestone 11 - Shareholder equity & liability in absolute terms (Amadeus)

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability																	
				Share capital		Net equity		Total liabilities		Long term debt		Short term debt		Accounts payable							
				2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009		
1	Austria	Amadeus	11 568	9 769	8 950	9 138	9 768	8 951	9 144	10 579	9 751	8 932	9 756	8 939	9 138	9 762	8 946	9 139	9 508	8 707	8 861
2	Belgium	Amadeus	14 491	13 293	12 976	12 743	13 258	12 942	12 703	13 293	12 975	12 743	13 293	12 976	12 743	13 293	12 975	12 743	13 234	12 974	12 743
3	Bulgaria	Amadeus	3 994	3 104	3 028	2 912	3 104	3 028	2 912	3 104	3 028	2 912	3 104	3 028	2 912	3 104	3 028	2 912	3 070	3 013	2 891
4	Croatia	Amadeus	2 407	2 193	2 176	2 108	2 193	2 176	2 108	2 193	2 176	2 108	2 193	2 176	2 108	2 193	2 176	2 108	2 193	2 176	2 108
5	Cyprus	Amadeus	369	232	176	135	232	176	135	215	141	104	215	141	104	215	141	104	232	176	135
6	Czech Republic	Amadeus	12 647	10 378	9 840	9 383	10 125	9 840	9 383	10 125	9 840	9 383	10 125	9 840	9 383	10 125	9 840	9 383	10 125	9 840	9 383
7	Denmark	Amadeus	4 927	3 507	0	0	3 610	0	0	3 485	0	0	3 485	0	0	3 610	0	0	3 363	0	0
8	Estonia	Amadeus	1 904	1 583	1 904	1 534	1 583	1 904	1 534	1 582	1 904	1 532	1 582	1 904	1 532	1 582	1 904	1 534	1 574	1 527	1 534
9	Finland	Amadeus	10 632	7 275	6 987	6 707	7 275	6 987	6 707	6 038	5 747	5 495	6 041	5 752	5 499	7 265	6 971	6 694	7 243	6 943	6 665
10	France	Amadeus	87 382	67 054	65 662	65 140	67 087	65 685	65 144	67 038	65 658	65 140	67 038	65 658	65 140	67 039	65 659	65 140	67 037	65 659	65 139
11	Germany	Amadeus	66 776	51 937	50 638	48 505	52 596	51 314	49 180	52 596	51 314	49 180	52 596	51 314	49 180	52 596	51 314	49 180	41 557	38 309	35 338
12	Greece	Amadeus	4 469	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883	3 772
13	Hungary	Amadeus	6 879	6 155	5 925	5 241	6 156	5 926	5 246	6 151	5 924	5 242	6 151	5 924	5 242	6 151	5 924	5 249	6 127	5 889	5 222
14	Ireland	Amadeus	4 756	3 557	3 162	2 956	3 645	3 240	3 027	3 645	3 240	3 027	3 645	3 240	3 027	3 645	3 240	3 027	3 459	3 093	2 864
15	Italy	Amadeus	72 535	65 332	62 743	60 286	65 331	62 743	60 286	65 331	62 743	60 286	65 331	62 743	60 286	65 331	62 743	60 286	65 332	62 743	60 286
16	Latvia	Amadeus	2 052	1 694	1 092	1 044	1 694	1 087	1 036	1 694	1 087	1 036	1 694	1 087	1 036	1 694	1 087	1 036	1 694	1 085	1 036
17	Lithuania	Amadeus	2 491	2 080	1 620	1 541	2 084	1 620	1 541	2 084	1 620	1 541	2 084	1 620	1 541	2 084	1 620	1 541	1 740	1 390	1 304
18	Luxembourg	Amadeus	1 555	1 241	1 162	998	1 241	1 162	998	1 144	1 013	890	1 207	1 093	952	1 164	1 058	914	1 184	1 110	922
19	Malta	Amadeus	829	648	537	474	648	537	474	648	537	474	648	537	474	648	537	474	648	537	474
20	The Netherlands	Amadeus	11 231	4 255	4 042	4 041	8 815	8 261	7 374	8 502	8 208	6 472	8 503	8 208	6 474	8 814	8 260	7 374	5 002	4 592	4 094
21	Poland	Amadeus	21 203	17 785	17 083	15 726	17 794	16 817	15 702	17 002	16 082	15 007	17 004	16 084	15 019	17 786	16 808	15 690	17 748	16 760	15 663
22	Portugal	Amadeus	9 426	8 710	8 240	8 007	8 713	8 242	8 010	8 712	8 242	8 010	8 712	8 242	8 010	8 713	8 242	8 010	8 687	8 201	7 974
23	Romania	Amadeus	8 035	7 042	6 805	6 424	7 042	6 805	6 424	7 042	6 805	6 424	7 042	6 805	6 424	7 042	6 805	6 424	3 219	0	0
24	Slovakia	Amadeus	4 911	4 154	3 945	2 999	4 154	3 945	2 999	4 154	3 945	2 999	4 154	3 945	2 999	4 154	3 945	2 999	4 154	3 945	2 999
25	Slovenia	Amadeus	2 239	2 037	1 796	1 681	2 067	1 822	1 707	2 067	1 822	1 704	2 067	1 822	1 704	2 067	1 822	1 704	2 042	1 798	1 689
26	Spain	Amadeus	40 804	36 996	35 483	33 717	37 001	35 489	33 722	37 001	35 489	33 722	37 001	35 489	33 722	37 000	35 489	33 722	36 497	34 965	33 207
27	Sweden	Amadeus	23 713	19 829	19 003	17 995	19 830	19 003	17 995	19 828	19 002	17 992	19 830	19 003	17 995	19 828	19 002	17 992	19 828	19 002	17 992
28	United Kingdom	Amadeus	71 984	57 051	53 936	49 224	57 486	54 218	49 371	57 491	54 222	49 373	57 491	54 222	49 373	57 491	54 222	49 373	56 119	52 773	47 789

Appendix 3
Milestone 11 - Shareholder equity & liability in absolute terms (Orbis)

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability																	
				Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable		
				2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
1	Austria	Orbis	12 474	10 095	9 295	9 551	10 243	9 440	9 694	10 081	9 286	9 550	10 084	9 290	9 554	10 090	9 292	9 552	9 827	9 042	9 266
2	Belgium	Orbis	14 491	13 897	13 573	13 314	14 015	13 682	13 418	13 893	13 570	13 316	13 893	13 570	13 316	13 893	13 570	13 316	13 828	13 567	13 311
3	Bulgaria	Orbis	4 523	3 312	3 211	3 075	3 357	3 250	3 112	3 312	3 211	3 075	3 312	3 211	3 075	3 312	3 211	3 075	3 277	3 194	3 053
4	Croatia	Orbis	2 627	2 299	2 225	2 147	2 354	2 276	2 186	2 299	2 225	2 147	2 299	2 225	2 147	2 299	2 225	2 147	2 229	2 225	2 145
5	Cyprus	Orbis	434	266	206	164	289	228	183	266	206	164	266	206	164	266	206	164	265	206	164
6	Czech Republic	Orbis	14 026	11 193	10 386	9 883	10 763	10 437	9 937	10 705	10 382	9 884	10 705	10 382	9 884	10 705	10 382	9 884	10 705	10 382	9 884
7	Denmark	Orbis	5 511	4 037	198	130	4 292	324	248	4 005	196	128	4 005	196	128	4 153	201	130	3 821	184	125
8	Estonia	Orbis	2 024	1 747	1 678	1 610	1 763	1 692	1 624	1 746	1 678	1 610	1 746	1 678	1 610	1 747	1 678	1 610	1 732	1 601	1 610
9	Finland	Orbis	11 602	7 974	7 672	7 335	8 014	7 709	7 372	6 617	6 272	5 999	6 618	6 275	6 002	7 963	7 654	7 322	7 937	7 622	7 284
10	France	Orbis	90 970	69 108	67 598	67 037	69 832	68 298	67 501	69 030	67 583	67 031	69 030	67 584	67 030	69 216	67 584	67 210	69 041	67 589	67 029
11	Germany	Orbis	77 398	56 868	55 235	52 754	58 955	57 305	54 783	57 601	55 992	53 498	57 601	55 992	53 498	57 601	55 992	53 498	45 360	41 631	38 254
12	Greece	Orbis	5 045	4 557	4 377	4 251	4 580	4 399	4 273	4 557	4 377	4 251	4 557	4 377	4 251	4 557	4 377	4 251	4 557	4 376	4 250
13	Hungary	Orbis	7 397	6 473	6 240	5 474	6 532	6 293	5 536	6 471	6 239	5 480	6 470	6 239	5 480	6 474	6 241	5 487	6 443	6 197	5 454
14	Ireland	Orbis	5 731	4 151	3 701	3 442	4 348	3 872	3 600	4 261	3 799	3 530	4 261	3 799	3 530	4 261	3 799	3 530	4 027	3 627	3 336
15	Italy	Orbis	76 430	68 410	65 692	63 066	69 096	66 361	63 726	68 405	65 690	63 067	68 405	65 690	63 067	68 405	65 690	63 067	68 411	65 692	63 064
16	Latvia	Orbis	2 257	1 840	1 157	1 106	1 863	1 179	1 126	1 840	1 157	1 106	1 840	1 157	1 106	1 840	1 157	1 106	1 840	1 155	1 105
17	Lithuania	Orbis	2 708	2 116	1 643	1 564	2 137	1 659	1 576	2 118	1 643	1 564	2 118	1 643	1 564	2 118	1 643	1 564	1 761	1 404	1 322
18	Luxembourg	Orbis	2 047	1 341	1 260	1 076	1 379	1 295	1 107	1 261	1 152	986	1 308	1 191	1 028	1 261	1 152	986	1 278	1 203	997
19	Malta	Orbis	817	619	519	458	643	542	481	623	523	462	623	523	462	623	523	462	622	521	460
20	The Netherlands	Orbis	12 693	5 066	4 848	4 765	9 975	9 428	8 407	9 478	9 216	7 279	9 478	9 216	7 279	9 811	9 272	9 811	5 478	5 054	4 526
21	Poland	Orbis	21 492	18 040	17 314	15 886	18 114	17 107	15 912	17 235	16 294	15 160	17 235	16 294	15 160	18 042	17 036	15 848	18 001	16 987	15 820
22	Portugal	Orbis	9 834	9 040	8 629	8 381	9 120	8 707	8 456	9 043	8 631	8 384	9 043	8 631	8 384	9 043	8 631	8 384	9 017	8 585	8 344
23	Romania	Orbis	8 618	7 422	7 131	6 706	7 464	7 170	6 738	7 422	7 131	6 706	7 422	7 131	6 706	7 422	7 131	6 706	3 265	11	10
24	Slovakia	Orbis	5 584	4 572	4 265	3 178	4 580	4 295	3 202	4 549	4 265	3 173	4 549	4 265	3 173	4 549	4 265	3 173	4 549	4 265	3 173
25	Slovenia	Orbis	2 447	2 151	1 882	1 752	2 227	1 951	1 812	2 193	1 916	1 783	2 193	1 916	1 783	2 193	1 917	1 783	2 167	1 893	1 768
26	Spain	Orbis	42 950	28 758	37 189	35 387	39 102	37 509	35 689	38 760	37 195	35 393	38 760	37 195	35 394	38 760	37 195	35 393	28 346	37 724	39 089
27	Sweden	Orbis	24 784	20 704	19 903	18 882	20 837	20 026	19 000	20 704	19 902	18 880	20 704	19 903	18 882	20 704	19 902	18 880	20 704	19 902	18 880
28	United Kingdom	Orbis	75 001	58 957	56 048	51 773	60 085	56 957	52 500	59 463	56 378	51 952	59 463	56 378	51 952	59 463	56 378	51 952	57 941	54 712	50 177

Appendix 3
Milestone 11 - Assets in absolute terms (Amadeus)

Balance sheet - Assets																				
#	Country	Database	Number of companies	Total assets		Cash & liquidity		Operating assets		Current assets		Immovable assets		Inventories		Intangibles				
				2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	
1	Austria	Amadeus	11 568	8 955	9 144	9 523	8 732	8 890	9 370	8 575	8 711	9 673	8 748	8 926	9 768	8 949	9 140	9 571	8 746	8 921
2	Belgium	Amadeus	14 491	13 293	12 975	12 741	13 099	12 806	12 815	12 372	13 293	12 975	12 741	13 054	12 755	12 949	12 718	13 053	12 754	12 552
3	Bulgaria	Amadeus	3 994	3 028	2 912	3 075	3 001	2 875	3 000	2 873	3 103	3 026	2 912	3 306	3 148	3 026	2 912	3 102	3 026	2 912
4	Croatia	Amadeus	2 407	2 193	2 176	2 155	2 085	2 173	2 155	2 085	2 193	2 176	2 108	2 193	2 176	2 176	2 108	2 193	2 176	2 108
5	Cyprus	Amadeus	369	232	176	135	232	176	140	103	232	176	135	232	176	135	232	176	135	135
6	Czech Republic	Amadeus	12 647	10 125	9 840	9 382	10 059	9 782	9 325	10 058	9 780	9 323	10 125	9 840	9 382	10 125	9 840	9 382	10 117	9 833
7	Denmark	Amadeus	4 927	3 610	0	3 382	0	0	3 280	0	0	3 610	0	0	2 537	0	0	3 469	0	0
8	Estonia	Amadeus	1 904	1 583	1 504	1 569	1 580	1 519	1 496	1 498	1 519	1 583	1 504	1 534	1 466	1 534	1 497	1 509	1 534	1 534
9	Finland	Amadeus	10 632	7 275	6 987	6 707	6 929	6 665	6 477	6 523	6 326	6 707	6 987	6 796	6 535	7 272	6 986	6 703	7 069	6 535
10	France	Amadeus	87 382	67 052	65 662	65 140	64 971	63 607	63 164	64 968	63 605	63 163	67 039	65 659	65 140	67 038	65 138	67 038	65 657	65 138
11	Germany	Amadeus	66 776	52 596	51 314	49 180	51 618	50 292	48 126	50 654	49 224	47 093	52 596	51 314	49 180	51 423	50 001	47 890	52 505	51 214
12	Greece	Amadeus	4 469	4 032	3 883	3 772	4 027	3 880	3 766	4 027	3 880	3 766	4 032	3 883	3 772	4 032	3 883	3 772	4 032	3 883
13	Hungary	Amadeus	6 879	6 157	5 925	5 253	6 131	5 901	5 224	5 720	5 371	4 883	6 153	5 924	5 248	5 919	5 655	5 085	5 441	5 079
14	Ireland	Amadeus	4 756	3 641	3 235	3 025	3 272	2 902	2 714	2 878	2 603	2 440	3 641	3 235	3 025	3 163	2 860	2 680	3 182	2 973
15	Italy	Amadeus	72 535	65 332	62 743	60 286	65 059	62 450	59 986	65 059	62 449	59 982	65 331	62 743	60 286	65 332	62 742	60 286	65 331	62 742
16	Latvia	Amadeus	2 052	1 694	1 085	1 036	1 682	1 080	1 032	1 682	1 080	1 032	1 694	1 085	1 036	1 694	1 085	1 036	1 694	1 085
17	Lithuania	Amadeus	2 491	2 084	1 620	1 541	2 078	1 614	1 535	2 028	1 584	1 506	2 084	1 620	1 541	2 033	1 588	1 511	1 784	1 399
18	Luxembourg	Amadeus	1 555	1 241	1 162	998	1 217	1 138	982	1 173	1 091	948	1 240	1 162	998	1 193	1 114	961	1 238	1 160
19	Malta	Amadeus	829	648	537	747	629	523	629	523	453	648	537	747	648	537	474	648	537	474
20	The Netherlands	Amadeus	11 231	8 815	8 259	7 374	8 375	7 863	6 994	8 029	7 549	6 697	8 815	8 259	7 373	8 420	7 883	7 058	8 772	8 245
21	Poland	Amadeus	21 203	17 792	16 812	15 704	17 562	16 590	15 434	16 618	15 741	14 720	17 789	16 809	15 702	17 464	16 540	15 466	17 383	16 426
22	Portugal	Amadeus	9 426	8 713	8 242	8 010	8 644	8 171	7 925	8 394	8 007	7 785	8 713	8 242	8 010	8 508	8 054	7 837	8 668	8 216
23	Romania	Amadeus	8 035	7 042	6 805	6 424	7 029	6 790	6 409	7 029	6 790	6 409	7 042	6 805	6 424	7 042	6 805	6 424	7 042	6 805
24	Slovakia	Amadeus	4 911	4 150	3 940	2 998	4 084	3 875	2 915	4 077	3 872	2 915	4 154	3 945	2 999	4 154	3 940	2 998	4 154	3 945
25	Slovenia	Amadeus	2 239	2 067	1 822	1 707	2 107	2 048	1 806	2 069	1 992	1 782	2 067	1 822	1 704	2 009	1 687	2 062	1 821	1 689
26	Spain	Amadeus	40 804	37 001	35 489	33 722	36 105	34 575	32 730	35 594	34 078	32 260	37 000	35 489	33 722	36 450	34 949	33 201	36 450	34 949
27	Sweden	Amadeus	23 713	19 830	19 003	17 995	18 446	17 838	16 946	18 442	17 838	16 945	19 829	19 001	17 992	19 826	19 003	17 994	19 829	19 001
28	United Kingdom	Amadeus	71 984	57 440	54 164	49 326	52 125	48 955	44 118	48 606	45 746	41 114	57 440	54 164	49 326	52 625	48 831	45 014	57 131	53 740

Appendix 3
Milestone 11 - Assets in absolute terms (Orbis)

Balance sheet - Assets																									
#	Country	Database	Number of companies	Total assets		Cash & liquidity		Operating assets		Current assets		Immovable assets		Inventories		Intangibles									
				2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009						
1	Austria	Orbis	12 474	9 441	9 694	9 845	9 073	9 296	9 106	9 295	9 557	9 888	9 083	9 324	10 094	9 292	9 553	9 882	9 082	9 320					
2	Belgium	Orbis	14 015	13 681	13 416	13 683	13 383	13 152	12 956	13 893	35 570	13 314	13 618	13 092	13 866	13 547	13 228	13 617	13 317	13 092					
3	Bulgaria	Orbis	4 523	3 250	3 112	3 279	3 183	3 034	3 279	3 182	3 209	3 569	3 361	3 233	3 310	3 209	3 075	3 310	3 208	3 073					
4	Croatia	Orbis	2 627	2 276	2 186	2 279	2 202	2 119	2 202	2 225	2 225	2 299	2 225	2 147	2 225	2 225	2 225	2 225	2 225	2 147					
5	Cyprus	Orbis	434	289	183	265	205	164	205	206	206	264	206	164	266	206	164	264	206	164					
6	Czech Republic	Orbis	14 026	10 437	9 937	10 629	10 317	9 816	10 313	9 814	10 705	10 382	9 884	10 697	10 375	10 705	10 382	9 884	10 697	10 375					
7	Denmark	Orbis	5 511	4 293	3 25	3 860	185	127	3 747	183	201	4 026	197	130	2 880	164	119	3 986	197	130					
8	Estonia	Orbis	2 024	1 763	1 692	1 731	1 658	1 593	1 631	1 568	1 678	1 651	1 591	1 610	1 744	1 537	1 610	1 632	1 580	1 610					
9	Finland	Orbis	11 602	8 015	7 710	7 373	7 566	7 309	7 064	7 372	7 116	6 880	7 974	7 671	7 334	7 670	7 331	7 736	7 442	7 124					
10	France	Orbis	69 632	68 086	67 497	66 803	65 378	64 917	66 790	63 620	64 916	69 036	67 583	67 030	69 040	67 587	67 030	69 040	67 587	67 030					
11	Germany	Orbis	58 959	57 308	54 791	56 418	54 768	52 262	56 173	54 408	52 064	57 601	55 992	53 498	56 173	54 408	51 964	56 179	54 416	51 972					
12	Greece	Orbis	5 045	4 399	4 273	4 551	4 372	5 045	4 551	4 557	4 377	4 557	4 377	4 251	4 557	4 377	4 251	4 557	4 377	4 251					
13	Hungary	Orbis	7 397	6 293	5 543	6 447	6 213	5 456	5 989	6 521	5 082	6 240	5 485	5 298	5 904	5 662	5 273	6 013	5 650	5 107					
14	Ireland	Orbis	5 731	4 344	3 598	3 825	3 408	3 175	3 384	3 058	3 789	3 528	3 707	3 356	4 188	3 729	3 467	3 697	3 351	3 102					
15	Italy	Orbis	76 430	66 365	63 727	68 094	65 372	62 739	68 067	65 372	62 739	68 405	65 692	63 063	68 405	65 690	63 067	68 405	65 689	63 063					
16	Latvia	Orbis	2 257	1 863	1 179	1 822	1 147	1 101	1 822	1 147	1 840	1 157	1 106	1 106	1 840	1 157	1 106	1 840	1 157	1 106					
17	Lithuania	Orbis	2 708	1 659	1 576	2 112	1 636	1 557	2 067	1 610	1 534	2 120	1 643	1 564	1 809	1 417	1 334	2 067	1 610	1 534					
18	Luxembourg	Orbis	2 047	1 379	1 295	1 316	1 237	1 060	1 287	1 209	1 038	1 341	1 261	1 077	1 339	1 259	1 065	1 287	1 209	1 038					
19	Malta	Orbis	643	542	481	607	511	445	607	511	462	623	523	462	623	523	462	623	523	462					
20	The Netherlands	Orbis	12 693	9 974	9 425	9 256	8 760	7 778	9 309	8 760	7 836	9 811	9 270	8 262	9 330	8 809	7 880	9 255	8 804	7 732					
21	Poland	Orbis	21 492	17 102	15 914	17 805	16 814	15 595	17 036	16 131	15 080	18 046	17 040	15 860	17 698	16 642	15 590	16 898	15 994	14 947					
22	Portugal	Orbis	9 834	8 707	8 456	8 967	8 551	8 289	8 737	8 407	8 384	8 801	8 407	8 177	8 995	8 599	8 336	8 591	8 407	8 177					
23	Romania	Orbis	8 618	7 172	6 739	7 405	7 114	6 685	7 422	7 114	6 685	7 422	7 131	6 706	7 422	7 131	6 706	7 422	7 131	6 706					
24	Slovakia	Orbis	5 584	4 580	4 295	4 480	4 198	3 089	4 480	4 198	3 089	4 549	4 265	3 173	4 546	4 265	3 173	4 537	4 255	3 170					
25	Slovenia	Orbis	2 447	1 951	1 812	2 170	1 899	1 759	1 886	1 759	2 193	1 817	1 783	1 763	2 185	1 916	1 778	2 125	1 887	1 762					
26	Spain	Orbis	42 950	37 510	35 690	37 811	36 213	34 327	37 811	36 213	34 327	38 763	37 196	35 393	38 108	36 569	34 788	38 108	35 299	34 788					
27	Sweden	Orbis	24 784	20 837	20 026	19 145	18 574	17 696	19 145	18 696	17 696	19 901	18 879	19 903	20 704	19 901	18 878	20 701	19 903	18 881					
28	United Kingdom	Orbis	75 001	60 044	56 905	53 557	50 595	46 190	53 557	50 595	46 190	59 398	56 307	51 131	59 053	55 825	45 331	53 792	51 082	46 882					

Appendix 3
 Milestone 11 - Assets in absolute terms (local databases)

Balance sheet - Assets																			
#	Country	Database	Number of companies	Total assets		Cash & liquidity		Operating assets		Current assets		Immovable assets		Inventories		Intangibles			
				2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
2	Belgium	Bel-first	14 567	13 673	13 160	13 673	13 354	13 162	12 662	12 348	13 672	13 350	13 159	12 641	10 172	6 689	6 515	6 356	
10	France	Diane	71 870	63 467	60 777	63 444	61 475	60 776	4	3	63 225	61 245	60 489	1	3	1	3	1	
11	Germany	Dafne	65 264	58 803	54 406	57 583	55 734	53 137	31 152	30 965	58 797	56 985	54 378	56 502	48 333	46 681	44 984	42 963	
14	Ireland	Fame	4 960	3 976	3 427	3 976	3 613	3 427	3 976	3 613	3 976	3 613	3 427	3 976	3 613	3 976	3 613	3 427	
15	Italy	Aida	74 050	66 181	63 868	66 183	65 036	63 870	66 181	64 991	66 182	65 029	63 868	66 183	65 024	66 183	65 026	63 869	
18	Luxembourg	Bel-first	1 462	1 212	978	1 212	1 131	978	786	724	1 210	1 130	978	1 021	561	516	522	448	
20	The Netherlands	Reach	13 460	11 632	11 190	10 773	10 354	9 365	7 166	6 856	11 470	11 030	9 997	9 615	7 420	4 206	3 897	3 534	
22	Portugal	Sabi	9 599	9 053	8 860	8 976	8 775	8 511	6 337	4 788	9 050	8 858	8 606	8 414	6 868	6 671	4 488	4 613	
26	Spain	Sabi	42 703	38 978	37 515	37 850	36 366	34 612	34 252	32 703	38 833	37 372	35 713	36 597	31 719	30 442	29 026	25 586	23 757
28	United Kingdom	Fame	73 805	63 389	58 564	63 389	60 853	58 564	63 389	60 853	63 389	60 853	58 564	63 389	60 853	63 389	60 853	58 564	

Appendix 3

Milestone 11 - Other elements in absolute terms (Amadeus)

Other										
#	Country	Database	Number of companies	Working capital			FTE's			
				2010	2009	2008	2010	2009	2008	
1	Austria	Amadeus	11 568	9 501	8 699	8 857	7 315	6 605	1 699	
2	Belgium	Amadeus	14 491	13 234	12 974	12 743	12 430	12 169	11 828	
3	Bulgaria	Amadeus	3 994	2 990	2 946	2 859	3 351	3 221	3 068	
4	Croatia	Amadeus	2 407	2 193	2 176	2 108	2 123	2 099	2 003	
5	Cyprus	Amadeus	369	232	176	135	179	151	115	
6	Czech Republic	Amadeus	12 647	10 125	9 840	9 382	10 281	9 169	7 174	
7	Denmark	Amadeus	4 927	2 395	0	0	3 132	0	0	
8	Estonia	Amadeus	1 904	1 564	1 384	1 534	1 277	1 299	1 342	
9	Finland	Amadeus	10 632	7 242	6 943	6 662	5 660	5 516	5 128	
10	France	Amadeus	87 382	67 037	65 659	65 139	36 243	33 576	34 580	
11	Germany	Amadeus	66 776	41 525	38 282	35 316	24 298	23 307	22 073	
12	Greece	Amadeus	4 469	4 032	3 883	3 772	3 709	3 477	3 045	
13	Hungary	Amadeus	6 879	4 547	4 248	3 891	5 565	5 444	3 983	
14	Ireland	Amadeus	4 756	3 407	3 041	2 816	2 224	2 011	1 889	
15	Italy	Amadeus	72 535	65 331	62 743	60 286	44 401	45 443	46 383	
16	Latvia	Amadeus	2 052	1 694	1 085	1 036	1 684	1 496	1 383	
17	Lithuania	Amadeus	2 491	1 704	1 378	1 287	2 384	2 300	2 193	
18	Luxembourg	Amadeus	1 555	1 181	1 108	916	654	483	299	
19	Malta	Amadeus	829	647	536	473	311	252	229	
20	The Netherlands	Amadeus	11 231	5 985	4 591	4 053	7 136	7 428	4 912	
21	Poland	Amadeus	21 203	17 345	16 378	15 403	12 352	17 293	11 787	
22	Portugal	Amadeus	9 426	8 645	8 180	7 939	7 777	7 670	7 452	
23	Romania	Amadeus	8 035	3 219	0	0	7 042	6 805	6 424	
24	Slovakia	Amadeus	4 911	4 154	3 945	2 999	3 740	3 556	2 883	
25	Slovenia	Amadeus	2 239	2 037	1 797	1 685	1 978	1 809	1 740	
26	Spain	Amadeus	40 804	36 455	34 893	33 125	34 511	32 983	30 904	
27	Sweden	Amadeus	23 713	19 827	19 000	17 989	20 467	19 741	17 851	
28	United Kingdom	Amadeus	71 984	55 827	52 427	47 442	43 150	39 479	34 861	

Appendix 3
Milestone 1.1 - Other elements in absolute terms (Orbis)

Other									
#	Country	Database	Number of companies	Working capital			FTE's		
				2010	2009	2008	2010	2009	2008
1	Austria	Orbis	12 474	9 207	8 408	8 612	7 444	6 800	1 945
2	Belgium	Orbis	14 491	12 922	12 722	12 520	13 022	12 755	12 384
3	Bulgaria	Orbis	4 523	3 191	3 122	3 018	3 626	3 468	3 277
4	Croatia	Orbis	2 627	2 296	2 223	2 146	2 224	2 164	2 055
5	Cyprus	Orbis	434	248	187	146	181	170	107
6	Czech Republic	Orbis	14 026	10 705	10 380	9 881	11 004	9 633	7 536
7	Denmark	Orbis	5 511	2 713	140	97	3 669	273	205
8	Estonia	Orbis	2 024	1 721	1 439	1 609	1 400	1 356	1 402
9	Finland	Orbis	11 602	7 921	7 605	7 265	6 181	6 058	5 580
10	France	Orbis	90 970	68 938	67 479	66 932	38 041	35 248	36 282
11	Germany	Orbis	77 398	53 173	50 785	48 191	27 762	26 565	25 164
12	Greece	Orbis	5 045	4 549	4 368	4 241	4 233	3 982	3 588
13	Hungary	Orbis	7 397	4 725	4 389	4 018	5 813	5 703	4 130
14	Ireland	Orbis	5 731	3 728	3 310	3 049	2 617	2 361	2 157
15	Italy	Orbis	76 430	68 397	65 658	63 057	46 816	47 916	48 841
16	Latvia	Orbis	2 257	1 840	1 155	1 105	1 840	1 648	1 514
17	Lithuania	Orbis	2 708	1 657	1 368	1 286	2 513	2 409	2 287
18	Luxembourg	Orbis	2 047	1 250	1 141	1 002	750	561	366
19	Malta	Orbis	817	617	517	455	324	272	245
20	The Netherlands	Orbis	12 693	5 352	4 955	4 430	7 861	8 193	5 537
21	Poland	Orbis	21 492	17 564	16 567	15 533	12 824	17 837	12 105
22	Portugal	Orbis	9 834	9 025	8 609	8 372	8 153	8 025	7 779
23	Romania	Orbis	8 618	3 265	11	10	7 438	7 150	6 720
24	Slovakia	Orbis	5 584	4 547	4 263	3 171	4 050	3 812	3 054
25	Slovenia	Orbis	2 447	2 155	1 890	1 763	2 111	1 920	1 838
26	Spain	Orbis	42 950	38 584	37 020	35 233	36 248	34 686	32 384
27	Sweden	Orbis	24 784	20 646	19 847	18 818	21 559	20 828	18 811
28	United Kingdom	Orbis	75 001	55 600	52 079	47 421	44 008	40 415	36 249

Appendix 3

Milestone 11 - Other elements in absolute terms (local databases)

Other									
#	Country	Database	Number of companies	Working capital			FTE's		
				2010	2009	2008	2010	2009	2008
2	Belgium	Bel-first	14 567	13 643	13 321	13 122	12 695	12 449	12 254
10	France	Diane	71 870	63 467	61 480	60 777	35 565	32 626	33 564
11	Germany	Dafne	65 264	54 207	51 646	48 946	26 407	25 072	23 691
14	Ireland	Fame	4 960	3 976	3 613	3 427	3 976	3 613	3 427
15	Italy	Aida	74 050	62 769	61 586	60 521	62 224	61 175	59 449
18	Luxembourg	Bel-first	1 462	1 040	935	812	635	480	299
20	The Netherlands	Reach	13 460	4 575	4 234	3 869	8 234	8 607	4 518
22	Portugal	Sabi	9 599	9 036	8 850	8 602	8 299	8 184	7 941
26	Spain	Sabi	42 703	38 663	37 199	35 552	35 952	34 529	32 576
28	United Kingdom	Fame	73 805	63 389	60 853	58 564	63 389	60 853	58 564

Appendix 4 (Milestone 12)

This appendix provides the data availability for the whole EU-28 Member State Region screening the most representative databases and covering specific financial information per (relevant) sector. For **milestone 12**, the sectors in scope are: Pharmaceutical and Healthcare, Transports and Logistics and Textile. For each sector, the data collected are the following for the period 2011-2014:

- General information:
 - Independence test;
 - Date of incorporation;
 - Business description;
 - Primary NACE codes.
- Profit & Loss:
 - Turnover;
 - Gross profit;
 - Operating profit;
 - Financial profit;
 - Extraordinary profit;
 - Net profit.
- Shareholder equity & liability:
 - Share capital;
 - Net equity;
 - Total liabilities;
 - Long term debt;
 - Short term debt;
 - Accounts payables.
- Assets:
 - Total assets;
 - Cash & liquidity;
 - Operating assets;
 - Current assets;
 - Immovable assets;
 - Inventories;
 - Intangibles.
- Other :
 - Working capital;
 - FTE's.

For each sector, the data collected appear first in relative terms then in absolute terms.

Appendix 4
Pharmaceutical & Healthcare - General information in relative terms

General Information						
#	Country	Database	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	92%	100%	70%	100%
2	Belgium	Amadeus	89%	100%	86%	100%
3	Bulgaria	Amadeus	94%	91%	66%	100%
4	Croatia	Amadeus	79%	93%	83%	100%
5	Cyprus	Amadeus	50%	100%	83%	100%
6	Czech Republic	Amadeus	87%	100%	78%	100%
7	Denmark	Amadeus	88%	100%	94%	100%
8	Estonia	Amadeus	100%	100%	57%	100%
9	Finland	Amadeus	74%	86%	67%	100%
10	France	Amadeus	87%	100%	85%	100%
11	Germany	Amadeus	96%	99%	73%	100%
12	Greece	Amadeus	94%	100%	90%	100%
13	Hungary	Amadeus	33%	100%	80%	100%
14	Ireland	Amadeus	95%	100%	90%	100%
15	Italy	Amadeus	93%	100%	85%	100%
16	Latvia	Amadeus	100%	100%	78%	100%
17	Lithuania	Amadeus	98%	100%	85%	100%
18	Luxembourg	Amadeus	60%	100%	60%	100%
19	Malta	Amadeus	89%	100%	72%	100%
20	The Netherlands	Amadeus	92%	100%	91%	100%
21	Poland	Amadeus	79%	100%	84%	100%
22	Portugal	Amadeus	94%	90%	89%	100%
23	Romania	Amadeus	97%	100%	68%	100%
24	Slovakia	Amadeus	82%	100%	82%	100%
25	Slovenia	Amadeus	95%	100%	68%	100%
26	Spain	Amadeus	84%	100%	88%	100%
27	Sweden	Amadeus	88%	100%	78%	100%
28	United Kingdom	Amadeus	98%	100%	89%	100%

Appendix 4
Pharmaceutical & Healthcare - Shareholder equity & liability in relative terms

#	Country	Database	Balance sheet - Shareholder equity & liability																				
			Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable					
			2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012
1	Austria	Amadeus	83%	97%	98%	83%	96%	98%	96%	98%	97%	97%	98%	96%	96%	98%	96%	83%	96%	97%	96%	96%	95%
2	Belgium	Amadeus	92%	97%	96%	92%	95%	97%	95%	96%	92%	97%	96%	95%	92%	96%	95%	92%	97%	96%	92%	96%	95%
3	Bulgaria	Amadeus	99%	98%	98%	99%	94%	98%	94%	98%	99%	99%	98%	94%	99%	98%	94%	99%	99%	99%	99%	98%	94%
4	Croatia	Amadeus	98%	100%	93%	99%	90%	98%	90%	93%	100%	98%	100%	93%	90%	93%	90%	96%	100%	93%	90%	93%	90%
5	Cyprus	Amadeus	0%	50%	75%	0%	83%	83%	83%	83%	0%	50%	75%	83%	83%	83%	83%	0%	50%	75%	83%	83%	83%
6	Czech Republic	Amadeus	61%	100%	86%	61%	90%	86%	90%	86%	61%	80%	86%	90%	86%	86%	90%	61%	80%	86%	61%	80%	86%
7	Denmark	Amadeus	99%	99%	98%	99%	97%	98%	97%	96%	100%	99%	96%	94%	95%	96%	99%	99%	99%	99%	99%	98%	97%
8	Estonia	Amadeus	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	96%
9	Finland	Amadeus	77%	82%	79%	77%	76%	76%	76%	76%	47%	59%	54%	52%	52%	79%	76%	77%	82%	79%	76%	76%	76%
10	France	Amadeus	70%	78%	81%	70%	78%	78%	81%	83%	69%	78%	80%	82%	69%	78%	80%	69%	78%	80%	69%	78%	82%
11	Germany	Amadeus	40%	85%	86%	40%	85%	86%	88%	87%	40%	86%	88%	87%	40%	86%	88%	40%	86%	88%	87%	67%	69%
12	Greece	Amadeus	94%	93%	97%	94%	94%	99%	94%	93%	94%	99%	97%	94%	94%	99%	97%	94%	94%	94%	94%	99%	94%
13	Hungary	Amadeus	92%	97%	98%	92%	94%	92%	94%	94%	92%	97%	98%	94%	92%	97%	98%	94%	92%	97%	98%	94%	94%
14	Ireland	Amadeus	82%	88%	92%	82%	88%	92%	88%	92%	82%	88%	92%	88%	92%	88%	92%	82%	88%	92%	88%	85%	91%
15	Italy	Amadeus	94%	98%	98%	94%	94%	94%	98%	96%	94%	98%	98%	96%	94%	98%	96%	94%	94%	98%	98%	98%	96%
16	Latvia	Amadeus	97%	97%	84%	97%	84%	97%	84%	84%	97%	84%	84%	84%	84%	84%	84%	97%	84%	84%	84%	84%	84%
17	Lithuania	Amadeus	71%	79%	87%	71%	79%	87%	79%	79%	71%	79%	87%	84%	71%	79%	87%	71%	79%	87%	71%	79%	79%
18	Luxembourg	Amadeus	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
19	Malta	Amadeus	33%	67%	89%	33%	89%	89%	89%	89%	33%	67%	89%	89%	89%	89%	33%	67%	89%	89%	89%	89%	89%
20	The Netherlands	Amadeus	42%	70%	73%	42%	52%	86%	82%	82%	52%	86%	92%	82%	86%	92%	52%	86%	92%	83%	40%	62%	58%
21	Poland	Amadeus	68%	92%	92%	68%	88%	92%	88%	88%	65%	89%	90%	84%	65%	89%	90%	68%	92%	92%	88%	91%	88%
22	Portugal	Amadeus	88%	94%	96%	88%	94%	96%	94%	96%	88%	94%	96%	94%	88%	94%	96%	88%	94%	96%	88%	94%	94%
23	Romania	Amadeus	97%	98%	87%	97%	98%	98%	87%	97%	98%	98%	96%	87%	97%	98%	96%	87%	97%	98%	87%	49%	41%
24	Slovakia	Amadeus	95%	97%	95%	95%	95%	97%	95%	95%	52%	95%	95%	95%	52%	95%	95%	95%	95%	95%	95%	95%	95%
25	Slovenia	Amadeus	82%	95%	95%	82%	95%	95%	95%	95%	82%	95%	95%	95%	82%	95%	95%	82%	95%	95%	82%	95%	95%
26	Spain	Amadeus	71%	92%	96%	71%	92%	96%	96%	71%	92%	96%	96%	71%	92%	96%	71%	92%	96%	96%	71%	92%	94%
27	Sweden	Amadeus	92%	92%	93%	92%	92%	92%	93%	93%	92%	92%	92%	93%	93%	92%	92%	92%	92%	92%	93%	93%	93%
28	United Kingdom	Amadeus	87%	95%	94%	87%	91%	91%	91%	91%	87%	95%	94%	91%	87%	95%	94%	87%	95%	94%	91%	86%	89%

Appendix 4
Pharmaceutical & Healthcare - Assets in relative terms

#	Country	Database	Balance sheet - Assets																							
			Total assets			Cash & liquidity			Operating assets			Current assets			Immovable assets			Inventories			Intangibles					
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	83%	97%	98%	96%	80%	93%	92%	94%	78%	92%	91%	93%	83%	97%	98%	96%	81%	95%	96%	98%	81%	95%	96%	95%
2	Belgium	Amadeus	92%	97%	98%	95%	85%	90%	92%	92%	85%	89%	92%	91%	92%	97%	96%	96%	95%	92%	97%	96%	92%	97%	96%	95%
3	Bulgaria	Amadeus	93%	98%	98%	94%	97%	95%	95%	90%	97%	98%	95%	90%	99%	99%	98%	94%	99%	99%	99%	98%	99%	99%	98%	94%
4	Croatia	Amadeus	98%	100%	93%	90%	98%	100%	93%	90%	98%	100%	93%	90%	98%	100%	93%	90%	98%	98%	100%	93%	90%	100%	93%	90%
5	Cyprus	Amadeus	0%	50%	75%	83%	0%	42%	67%	83%	0%	42%	67%	83%	0%	50%	75%	83%	0%	50%	75%	83%	0%	50%	75%	83%
6	Czech Republic	Amadeus	61%	80%	86%	90%	61%	80%	86%	90%	61%	80%	86%	90%	61%	80%	86%	90%	61%	80%	86%	90%	61%	80%	86%	90%
7	Denmark	Amadeus	99%	99%	98%	97%	81%	82%	83%	81%	79%	82%	83%	81%	99%	99%	98%	97%	95%	97%	95%	98%	95%	96%	96%	95%
8	Estonia	Amadeus	100%	100%	100%	96%	100%	100%	96%	100%	100%	100%	100%	96%	100%	100%	96%	100%	100%	100%	100%	100%	100%	100%	100%	95%
9	Finland	Amadeus	77%	82%	79%	76%	63%	65%	69%	66%	61%	65%	66%	65%	77%	82%	79%	76%	77%	82%	79%	76%	75%	79%	76%	74%
10	France	Amadeus	70%	78%	81%	83%	67%	75%	77%	80%	67%	75%	77%	80%	69%	78%	80%	82%	69%	78%	80%	82%	69%	78%	80%	82%
11	Germany	Amadeus	40%	86%	85%	87%	40%	84%	85%	84%	39%	84%	85%	84%	40%	85%	87%	85%	40%	86%	88%	87%	40%	85%	87%	85%
12	Greece	Amadeus	94%	99%	97%	94%	94%	95%	97%	94%	94%	99%	97%	94%	94%	99%	97%	94%	94%	94%	99%	97%	94%	99%	97%	94%
13	Hungary	Amadeus	92%	97%	98%	94%	88%	93%	96%	92%	88%	93%	95%	90%	92%	97%	98%	94%	91%	96%	96%	96%	91%	96%	97%	92%
14	Ireland	Amadeus	82%	88%	92%	93%	76%	82%	86%	88%	72%	79%	81%	82%	82%	88%	92%	88%	82%	88%	91%	92%	78%	84%	85%	86%
15	Italy	Amadeus	94%	96%	95%	95%	94%	95%	96%	96%	94%	95%	96%	95%	94%	95%	96%	96%	94%	94%	98%	98%	94%	98%	98%	96%
16	Latvia	Amadeus	97%	94%	84%	84%	94%	94%	84%	84%	94%	94%	84%	84%	97%	97%	84%	84%	97%	97%	84%	84%	97%	97%	84%	84%
17	Lithuania	Amadeus	71%	79%	87%	94%	71%	79%	87%	94%	69%	77%	87%	92%	71%	79%	87%	94%	69%	77%	87%	92%	69%	77%	87%	92%
18	Luxembourg	Amadeus	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
19	Malta	Amadeus	33%	67%	89%	89%	33%	67%	89%	89%	33%	67%	89%	89%	33%	67%	89%	89%	33%	67%	89%	89%	33%	67%	89%	89%
20	The Netherlands	Amadeus	52%	86%	92%	92%	42%	76%	83%	76%	39%	70%	77%	70%	52%	86%	92%	83%	49%	80%	85%	77%	52%	86%	92%	85%
21	Poland	Amadeus	68%	92%	92%	88%	67%	90%	91%	87%	65%	87%	90%	85%	68%	91%	92%	88%	68%	90%	92%	88%	64%	87%	89%	86%
22	Portugal	Amadeus	88%	94%	96%	94%	87%	93%	95%	93%	86%	92%	94%	91%	88%	94%	96%	94%	87%	93%	96%	94%	87%	92%	94%	92%
23	Romania	Amadeus	97%	96%	96%	87%	96%	96%	87%	97%	96%	97%	95%	87%	97%	96%	96%	87%	97%	96%	96%	87%	97%	96%	96%	87%
24	Slovakia	Amadeus	95%	97%	95%	95%	95%	95%	95%	95%	92%	95%	95%	94%	95%	97%	95%	95%	95%	95%	97%	95%	92%	96%	94%	92%
25	Slovenia	Amadeus	52%	95%	95%	95%	52%	93%	93%	93%	52%	93%	93%	93%	52%	95%	95%	95%	52%	95%	95%	95%	52%	95%	95%	95%
26	Spain	Amadeus	72%	92%	96%	96%	68%	85%	91%	91%	67%	87%	90%	89%	70%	91%	96%	96%	70%	91%	96%	96%	70%	91%	95%	94%
27	Sweden	Amadeus	92%	93%	93%	93%	81%	82%	85%	85%	81%	82%	85%	85%	92%	92%	93%	93%	92%	92%	93%	93%	92%	92%	93%	93%
28	United Kingdom	Amadeus	87%	95%	94%	91%	79%	87%	86%	84%	76%	84%	84%	81%	87%	95%	94%	91%	82%	90%	89%	94%	82%	90%	89%	86%

Appendix 4
Pharmaceutical & Healthcare - Other elements in relative terms

Other										
#	Country	Database	Working capital				FTE's			
			2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	83%	96%	97%	95%	64%	70%	67%	61%
2	Belgium	Amadeus	92%	96%	95%	95%	90%	94%	93%	92%
3	Bulgaria	Amadeus	99%	99%	98%	94%	99%	98%	98%	93%
4	Croatia	Amadeus	98%	100%	93%	90%	98%	100%	90%	90%
5	Cyprus	Amadeus	0%	50%	75%	83%	0%	50%	75%	67%
6	Czech Republic	Amadeus	61%	80%	86%	90%	56%	97%	98%	94%
7	Denmark	Amadeus	82%	82%	82%	84%	88%	86%	89%	92%
8	Estonia	Amadeus	100%	100%	100%	93%	96%	96%	96%	86%
9	Finland	Amadeus	77%	82%	79%	76%	88%	91%	71%	62%
10	France	Amadeus	69%	78%	80%	82%	52%	50%	40%	45%
11	Germany	Amadeus	24%	67%	67%	69%	23%	46%	47%	46%
12	Greece	Amadeus	94%	99%	97%	94%	93%	95%	94%	91%
13	Hungary	Amadeus	86%	86%	82%	73%	90%	96%	97%	90%
14	Ireland	Amadeus	80%	85%	91%	90%	76%	81%	85%	86%
15	Italy	Amadeus	94%	98%	98%	96%	93%	97%	97%	93%
16	Latvia	Amadeus	97%	97%	84%	84%	97%	97%	84%	84%
17	Lithuania	Amadeus	65%	71%	73%	79%	71%	100%	100%	98%
18	Luxembourg	Amadeus	100%	80%	100%	100%	80%	80%	60%	60%
19	Malta	Amadeus	33%	67%	89%	89%	33%	44%	61%	67%
20	The Netherlands	Amadeus	40%	62%	70%	58%	50%	81%	90%	80%
21	Poland	Amadeus	67%	90%	92%	88%	5%	18%	27%	44%
22	Portugal	Amadeus	88%	94%	96%	94%	85%	89%	91%	90%
23	Romania	Amadeus	49%	46%	44%	41%	97%	98%	96%	87%
24	Slovakia	Amadeus	95%	97%	95%	95%	88%	97%	94%	94%
25	Slovenia	Amadeus	52%	95%	95%	95%	68%	93%	95%	93%
26	Spain	Amadeus	71%	92%	95%	94%	71%	90%	93%	93%
27	Sweden	Amadeus	92%	92%	93%	93%	95%	94%	95%	95%
28	United Kingdom	Amadeus	86%	94%	92%	89%	78%	84%	83%	78%

Appendix 4
Pharmaceutical & Healthcare - General information in absolute terms

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	264	244	263	186	264
2	Belgium	Amadeus	274	243	274	236	274
3	Bulgaria	Amadeus	94	88	86	62	94
4	Croatia	Amadeus	42	33	39	35	42
5	Cyprus	Amadeus	12	6	12	10	12
6	Czech Republic	Amadeus	207	181	207	161	207
7	Denmark	Amadeus	96	84	96	90	96
8	Estonia	Amadeus	28	28	28	16	28
9	Finland	Amadeus	136	101	117	91	136
10	France	Amadeus	1 038	898	1038	878	1 038
11	Germany	Amadeus	949	913	944	690	949
12	Greece	Amadeus	270	255	269	243	270
13	Hungary	Amadeus	136	45	136	109	136
14	Ireland	Amadeus	96	91	96	86	96
15	Italy	Amadeus	1 063	987	1063	905	1 063
16	Latvia	Amadeus	32	32	32	25	32
17	Lithuania	Amadeus	52	51	52	44	52
18	Luxembourg	Amadeus	5	3	5	3	5
19	Malta	Amadeus	18	16	18	13	18
20	The Netherlands	Amadeus	166	152	166	151	166
21	Poland	Amadeus	341	268	341	286	341
22	Portugal	Amadeus	232	217	208	207	232
23	Romania	Amadeus	173	168	173	118	173
24	Slovakia	Amadeus	93	76	93	76	93
25	Slovenia	Amadeus	44	42	44	30	44
26	Spain	Amadeus	639	539	639	563	639
27	Sweden	Amadeus	283	249	283	222	283
28	United Kingdom	Amadeus	710	695	710	635	710

Appendix 4
Pharmaceutical & Healthcare - Profit & Loss in absolute terms

#	Country	Database	Number of companies	Profit & Loss																							
				Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit			
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	264	172	207	221	213	0	0	0	0	120	155	150	149	133	150	150	133	8	14	17	18	120	155	150	149
2	Belgium	Amadeus	274	252	263	260	251	1	2	2	2	253	266	263	261	253	266	263	261	150	158	161	156	253	266	263	261
3	Bulgaria	Amadeus	94	93	93	93	88	0	0	0	0	93	93	92	87	93	92	87	93	93	93	92	87	93	93	92	87
4	Croatia	Amadeus	42	41	42	39	38	0	0	0	0	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38
5	Cyprus	Amadeus	12	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10	0	0	0	0	0	6	9	10
6	Czech Republic	Amadeus	207	127	206	205	195	0	2	1	1	127	166	178	187	127	166	178	187	127	164	177	166	127	166	178	187
7	Denmark	Amadeus	96	84	83	83	88	95	95	94	93	95	94	95	94	93	94	95	94	0	0	0	1	95	95	94	93
8	Estonia	Amadeus	28	27	27	28	27	4	4	4	4	28	28	28	27	28	28	28	27	28	28	28	27	28	28	28	27
9	Finland	Amadeus	136	127	122	109	103	9	8	8	7	105	112	108	103	105	112	108	103	33	40	38	36	97	105	112	108
10	France	Amadeus	1038	944	973	992	884	10	10	10	9	721	807	833	856	719	804	830	853	719	804	829	853	728	811	841	859
11	Germany	Amadeus	949	374	817	828	758	24	38	39	45	183	493	502	487	183	493	502	487	64	194	203	211	156	447	457	445
12	Greece	Amadeus	270	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253
13	Hungary	Amadeus	136	125	132	132	125	0	0	0	0	125	132	133	128	125	132	133	128	100	102	103	96	125	132	133	128
14	Ireland	Amadeus	96	75	79	82	83	72	77	79	81	76	81	87	89	76	81	86	89	0	0	1	0	76	81	87	89
15	Italy	Amadeus	1063	986	1041	1039	1019	0	0	0	0	996	1041	1039	1019	996	1041	1039	1019	996	1041	1039	1019	996	1041	1039	1019
16	Latvia	Amadeus	32	31	31	27	27	30	30	25	25	31	31	27	27	31	27	27	31	31	27	27	31	27	27	27	27
17	Lithuania	Amadeus	52	37	52	50	51	37	41	45	49	37	41	45	49	37	41	45	49	3	4	3	3	37	41	45	49
18	Luxembourg	Amadeus	5	4	5	5	5	0	0	0	0	4	5	5	5	4	5	5	5	2	4	2	2	4	5	5	5
19	Malta	Amadeus	18	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	6	6	6	6	12	16	16
20	The Netherlands	Amadeus	166	80	132	135	116	61	107	125	106	85	139	152	131	85	139	152	132	80	132	144	121	85	139	152	132
21	Poland	Amadeus	341	232	313	314	299	50	67	68	77	232	313	315	301	232	313	312	301	11	16	15	15	232	313	315	301
22	Portugal	Amadeus	232	205	217	223	216	0	0	0	0	205	217	223	219	205	217	223	219	0	0	0	0	205	217	223	219
23	Romania	Amadeus	173	168	169	166	151	0	0	0	0	168	169	166	151	168	169	166	151	168	169	166	151	168	169	166	151
24	Slovakia	Amadeus	93	88	93	90	90	2	1	1	2	88	90	88	88	88	90	88	88	88	86	89	87	86	88	90	88
25	Slovenia	Amadeus	44	23	42	42	41	0	0	0	0	23	42	42	41	23	42	42	41	21	21	21	21	23	42	42	41
26	Spain	Amadeus	639	462	588	610	607	0	0	0	0	452	588	611	610	452	588	611	610	8	3	2	7	462	588	611	610
27	Sweden	Amadeus	283	271	270	273	272	73	71	73	71	260	261	264	263	260	261	264	263	260	261	264	263	260	261	264	263
28	United Kingdom	Amadeus	710	583	645	630	601	554	599	592	558	595	647	634	606	597	647	634	605	6	6	5	4	598	648	634	606

Appendix 4
Pharmaceutical & Healthcare - Shareholder equity & liability in absolute terms

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability																			
				Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable				
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	264	220	255	258	254	220	254	258	254	220	255	258	254	220	254	258	254	218	253	255	251
2	Belgium	Amadeus	274	253	266	263	261	253	266	263	261	253	266	263	261	253	266	263	261	253	266	263	261
3	Bulgaria	Amadeus	94	93	93	92	88	93	93	92	88	93	93	92	88	93	93	92	88	93	92	88	88
4	Croatia	Amadeus	42	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38
5	Cyprus	Amadeus	12	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10
6	Czech Republic	Amadeus	207	127	206	205	195	127	166	178	187	127	166	178	187	127	166	178	187	127	166	178	187
7	Denmark	Amadeus	96	95	95	94	93	95	94	93	92	88	90	91	92	88	90	91	95	95	95	94	93
8	Estonia	Amadeus	28	28	28	28	27	28	28	28	27	28	28	28	27	28	28	28	27	28	28	28	27
9	Finland	Amadeus	136	105	112	108	103	105	112	108	103	64	80	74	71	64	80	74	71	105	112	108	103
10	France	Amadeus	1 038	722	808	836	858	723	808	837	859	721	807	834	856	721	807	834	856	721	807	834	856
11	Germany	Amadeus	949	361	806	820	809	384	815	833	821	384	815	833	821	384	815	833	821	233	635	637	656
12	Greece	Amadeus	270	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253
13	Hungary	Amadeus	136	125	132	133	128	125	132	133	128	125	132	133	128	125	132	133	128	125	132	133	128
14	Ireland	Amadeus	96	79	84	88	89	79	84	88	89	79	84	88	89	79	84	88	89	77	82	88	87
15	Italy	Amadeus	1 063	996	1 041	1 039	1 019	996	1 041	1 039	1 019	996	1 041	1 039	1 019	996	1 041	1 039	1 019	996	1 041	1 039	1 019
16	Latvia	Amadeus	32	31	31	27	27	31	31	27	27	31	31	27	27	31	31	27	27	31	31	27	27
17	Lithuania	Amadeus	52	37	41	45	49	37	41	45	49	37	41	45	49	37	41	45	49	34	37	38	41
18	Luxembourg	Amadeus	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
19	Malta	Amadeus	18	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16
20	The Netherlands	Amadeus	166	70	117	122	107	86	143	153	137	86	143	153	136	86	143	153	137	67	103	116	97
21	Poland	Amadeus	341	232	313	315	301	232	313	315	301	223	303	307	287	223	303	307	287	232	312	315	301
22	Portugal	Amadeus	232	205	217	223	219	205	217	223	219	205	217	223	219	205	217	223	219	205	217	223	219
23	Romania	Amadeus	173	168	169	166	151	168	169	166	151	168	169	166	151	168	169	166	151	85	79	76	71
24	Slovakia	Amadeus	93	88	90	88	88	88	90	88	88	88	90	88	88	88	90	88	88	88	90	88	88
25	Slovenia	Amadeus	44	36	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	23	42	42	42
26	Spain	Amadeus	639	452	588	612	611	452	588	612	611	452	588	612	611	452	588	612	611	451	587	608	602
27	Sweden	Amadeus	283	260	261	264	263	260	261	264	263	260	261	264	263	260	261	264	263	260	261	264	263
28	United Kingdom	Amadeus	710	617	676	665	645	617	676	666	645	617	676	666	645	617	676	666	645	608	665	664	634

Appendix 4
Pharmaceutical & Healthcare - Assets in absolute terms

		Balance sheet - Assets																																											
#	Country	Database	Number of companies	Total assets						Cash & liquidity						Operating assets						Current assets						Immovable assets						Inventories						Intangibles					
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011						
1	Austria	Amadeus	264	220	255	258	254	210	245	242	248	248	248	243	240	246	220	255	258	254	214	250	220	255	258	254	214	250	220	255	258	254	214	250	220	255	258	254	214						
2	Belgium	Amadeus	274	253	266	263	261	234	246	252	251	232	245	251	250	253	266	263	263	261	251	251	265	262	260	253	266	263	261	251	251	265	262	260	253	266	263	261	251						
3	Bulgaria	Amadeus	94	93	93	88	88	91	92	89	85	91	92	89	85	83	93	92	88	93	93	92	88	93	92	88	93	92	88	93	92	88	93	92	88	93	92	88	93						
4	Croatia	Amadeus	42	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38	41	42	39	38						
5	Cyprus	Amadeus	12	0	6	9	10	0	5	8	10	0	5	8	10	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10	0	6	9	10						
6	Czech Republic	Amadeus	207	166	178	187	187	127	165	178	187	187	127	165	178	187	127	166	178	187	127	166	178	187	127	166	178	187	127	166	178	187	127	166	178	187	127	166	178						
7	Denmark	Amadeus	96	95	95	94	93	78	79	80	79	80	79	80	78	95	95	94	93	91	93	92	91	80	80	81	80	80	81	82	81	82	81	82	81	82	81	82	81						
8	Estonia	Amadeus	28	28	28	28	27	28	28	28	27	26	24	21	22	19	28	28	28	28	27	24	23	26	24	28	28	28	27	23	20	23	20	23	20	23	20	23	20						
9	Finland	Amadeus	136	105	112	108	103	85	92	94	90	83	89	90	88	105	112	108	103	102	108	104	100	105	112	108	103	102	108	103	102	108	103	102	108	103	102	108	103						
10	France	Amadeus	722	808	836	858	858	695	779	801	835	695	779	801	835	721	807	834	866	721	807	834	866	721	807	834	866	721	807	834	866	721	807	834	866	721	807	834	866						
11	Germany	Amadeus	949	384	815	821	853	375	789	813	807	813	807	813	807	800	384	815	833	821	813	807	824	811	383	814	831	821	381	807	824	811	381	807	824	811	381	807							
12	Greece	Amadeus	270	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253	255	266	261	253						
13	Hungary	Amadeus	136	125	132	133	128	120	127	130	125	119	126	129	123	125	132	133	128	124	131	132	126	125	131	130	121	124	131	132	125	131	130	121	124	131	132	125	131						
14	Ireland	Amadeus	96	79	84	88	89	73	79	83	84	69	76	78	79	84	88	89	75	81	82	83	79	84	87	88	75	81	82	83	79	84	87	88	75	81	82	83							
15	Italy	Amadeus	1063	896	1041	1039	1019	995	1039	1037	1017	995	1039	1037	1017	996	1041	1039	1041	1039	1019	996	1041	1039	1041	1039	1041	1039	1041	1039	1041	1039	1041	1039	1041	1039	1041	1039	1041						
16	Latvia	Amadeus	32	31	31	27	27	30	31	27	27	27	27	31	31	27	27	31	31	27	27	27	31	31	27	27	31	31	27	27	31	31	27	27	31	31	27	27	31						
17	Lithuania	Amadeus	52	37	41	45	49	37	41	45	49	36	40	45	48	37	41	45	49	36	40	45	48	34	37	38	41	36	40	45	48	34	37	38	41	36	40	45	48						
18	Luxembourg	Amadeus	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5						
19	Malta	Amadeus	6	12	16	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16	6	12	16	16						
20	The Netherlands	Amadeus	166	143	153	137	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138	126	138						
21	Poland	Amadeus	341	232	313	315	301	228	308	312	286	223	295	307	290	232	313	315	301	231	308	312	299	230	307	313	299	219	298	305	292	313	313	299	219	298	305	292	313						
22	Portugal	Amadeus	232	205	217	223	219	201	201	215	221	216	199	213	217	210	205	217	223	219	202	216	222	217	205	217	223	219	201	213	219	213	219	213	219	213	219	213	219						
23	Romania	Amadeus	173	168	169	166	151	166	168	165	151	166	168	165	151	166	168	165	151	166	168	165	151	166	168	165	151	166	168	165	151	166	168	165	151	166	168	165	151						
24	Slovakia	Amadeus	93	88	90	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88						
25	Slovenia	Amadeus	44	23	42	42	42	23	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41						
26	Spain	Amadeus	639	462	588	612	611	433	564	579	430	559	577	571	452	588	612	611	449	583	604	603	452	588	612	611	449	583	604	603	452	588	612	611	449	583	604	603							
27	Sweden	Amadeus	283	260	261	264	263	229	232	241	241	229	232	241	241	260	261	264	262	260	261	264	263	261	264	262	260	261	264	262	260	261	264	262	260	261	264	262	260						
28	United Kingdom	Amadeus	710	617	676	686	645	564	616	614	599	543	595	593	572	617	676	686	645	581	641	631	614	617	676	686	645	581	641	631	614	617	676	686	645	581	641	631							

Appendix 4

Pharmaceutical & Healthcare - Other elements in absolute terms

Other											
#	Country	Database	Number of companies	Working capital				FTE's			
				2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	264	218	253	255	251	169	186	176	160
2	Belgium	Amadeus	274	253	264	261	259	246	258	255	252
3	Bulgaria	Amadeus	94	93	93	92	88	93	92	92	87
4	Croatia	Amadeus	42	41	42	39	38	41	42	38	38
5	Cyprus	Amadeus	12	0	6	9	10	0	6	9	8
6	Czech Republic	Amadeus	207	127	166	178	187	116	201	202	194
7	Denmark	Amadeus	96	79	79	79	81	84	83	85	88
8	Estonia	Amadeus	28	28	28	28	26	27	27	27	24
9	Finland	Amadeus	136	105	112	108	103	119	124	97	84
10	France	Amadeus	1 038	721	807	834	856	542	517	419	469
11	Germany	Amadeus	949	232	635	636	656	220	439	446	434
12	Greece	Amadeus	270	255	266	261	253	251	257	253	245
13	Hungary	Amadeus	136	117	117	112	99	123	131	132	123
14	Ireland	Amadeus	96	77	82	87	86	73	78	82	83
15	Italy	Amadeus	1 063	996	1 041	1 039	1 019	988	1 028	1 027	985
16	Latvia	Amadeus	32	31	31	27	27	31	31	27	27
17	Lithuania	Amadeus	52	34	37	38	41	37	52	52	51
18	Luxembourg	Amadeus	5	5	4	5	5	4	4	3	3
19	Malta	Amadeus	18	6	12	16	16	6	8	11	12
20	The Netherlands	Amadeus	166	67	103	116	97	83	135	149	133
21	Poland	Amadeus	341	230	307	313	299	17	63	92	151
22	Portugal	Amadeus	232	205	217	223	219	198	206	212	208
23	Romania	Amadeus	173	85	79	76	71	168	169	166	151
24	Slovakia	Amadeus	93	88	90	88	88	82	90	87	87
25	Slovenia	Amadeus	44	23	42	42	42	30	41	42	41
26	Spain	Amadeus	639	451	587	608	602	454	578	595	593
27	Sweden	Amadeus	283	260	261	264	262	268	266	270	270
28	United Kingdom	Amadeus	710	608	665	654	633	556	599	591	555

Appendix 4
Transport & Logistics - General information in relative terms

General Information						
#	Country	Database	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	93%	100%	63%	100%
2	Belgium	Amadeus	84%	100%	83%	100%
3	Bulgaria	Amadeus	94%	84%	60%	100%
4	Croatia	Amadeus	72%	96%	84%	100%
5	Cyprus	Amadeus	56%	100%	83%	100%
6	Czech Republic	Amadeus	82%	100%	68%	100%
7	Denmark	Amadeus	76%	97%	91%	100%
8	Estonia	Amadeus	97%	100%	65%	100%
9	Finland	Amadeus	55%	98%	62%	100%
10	France	Amadeus	88%	100%	77%	100%
11	Germany	Amadeus	92%	99%	70%	100%
12	Greece	Amadeus	67%	89%	83%	100%
13	Hungary	Amadeus	16%	100%	70%	100%
14	Ireland	Amadeus	95%	100%	85%	100%
15	Italy	Amadeus	76%	100%	83%	100%
16	Latvia	Amadeus	94%	100%	64%	100%
17	Lithuania	Amadeus	84%	100%	71%	100%
18	Luxembourg	Amadeus	87%	100%	74%	100%
19	Malta	Amadeus	87%	100%	80%	100%
20	The Netherlands	Amadeus	85%	100%	92%	100%
21	Poland	Amadeus	84%	100%	76%	100%
22	Portugal	Amadeus	92%	80%	87%	100%
23	Romania	Amadeus	95%	100%	69%	100%
24	Slovakia	Amadeus	80%	100%	67%	100%
25	Slovenia	Amadeus	99%	100%	68%	100%
26	Spain	Amadeus	86%	100%	80%	100%
27	Sweden	Amadeus	66%	98%	74%	100%
28	United Kingdom	Amadeus	95%	100%	88%	100%

Appendix 4
Transport & Logistics - Profit & Loss in relative terms

#	Country	Database	Profit & Loss																							
			Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit			
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	70%	87%	83%	80%	0%	0%	0%	32%	43%	44%	42%	32%	43%	44%	37%	1%	4%	3%	3%	32%	43%	44%	42%	
2	Belgium	Amadeus	94%	94%	93%	91%	0%	0%	0%	95%	98%	97%	96%	95%	96%	97%	96%	66%	67%	69%	65%	95%	96%	97%	96%	
3	Bulgaria	Amadeus	93%	98%	93%	94%	0%	0%	0%	93%	95%	93%	90%	96%	95%	93%	90%	96%	95%	93%	90%	96%	95%	93%	90%	
4	Croatia	Amadeus	93%	97%	97%	94%	0%	0%	0%	93%	97%	97%	94%	93%	97%	97%	94%	93%	97%	97%	94%	93%	97%	97%	94%	
5	Cyprus	Amadeus	11%	50%	61%	67%	11%	67%	61%	11%	50%	61%	67%	11%	50%	61%	67%	0%	0%	0%	0%	11%	50%	61%	67%	
6	Czech Republic	Amadeus	59%	99%	99%	93%	1%	1%	1%	59%	79%	83%	85%	59%	79%	83%	85%	58%	78%	82%	84%	59%	79%	83%	85%	
7	Denmark	Amadeus	85%	83%	82%	78%	84%	82%	76%	92%	94%	92%	85%	92%	94%	92%	88%	0%	0%	0%	1%	92%	94%	92%	88%	
8	Estonia	Amadeus	88%	94%	94%	95%	18%	21%	21%	89%	94%	96%	96%	89%	94%	96%	96%	89%	89%	94%	96%	89%	94%	96%	96%	
9	Finland	Amadeus	90%	94%	90%	79%	0%	0%	0%	79%	82%	79%	79%	79%	82%	79%	79%	33%	35%	35%	33%	79%	82%	79%	79%	
10	France	Amadeus	91%	95%	95%	89%	0%	0%	0%	75%	83%	86%	86%	75%	83%	86%	86%	75%	83%	86%	86%	76%	84%	87%	87%	
11	Germany	Amadeus	33%	83%	84%	80%	0%	1%	1%	11%	47%	48%	48%	11%	47%	48%	46%	5%	15%	16%	16%	10%	45%	46%	45%	
12	Greece	Amadeus	87%	93%	94%	90%	87%	93%	94%	87%	93%	94%	90%	87%	93%	94%	90%	87%	93%	94%	90%	87%	93%	94%	90%	
13	Hungary	Amadeus	94%	96%	96%	92%	0%	0%	0%	94%	97%	96%	93%	94%	97%	96%	93%	63%	61%	57%	49%	94%	96%	93%	93%	
14	Ireland	Amadeus	76%	86%	86%	86%	50%	56%	59%	76%	87%	89%	88%	76%	86%	86%	86%	1%	2%	1%	1%	76%	86%	85%	86%	
15	Italy	Amadeus	86%	93%	94%	93%	0%	0%	0%	86%	93%	94%	93%	86%	93%	94%	93%	86%	93%	94%	93%	86%	93%	94%	93%	
16	Latvia	Amadeus	95%	95%	95%	90%	92%	93%	91%	95%	96%	95%	95%	95%	96%	95%	90%	95%	96%	95%	90%	95%	96%	95%	90%	
17	Lithuania	Amadeus	67%	100%	96%	95%	64%	78%	80%	64%	78%	80%	86%	64%	78%	80%	85%	3%	4%	4%	6%	64%	78%	80%	86%	
18	Luxembourg	Amadeus	54%	81%	82%	84%	0%	0%	0%	54%	81%	82%	84%	54%	81%	82%	84%	39%	56%	57%	55%	54%	81%	82%	84%	
19	Malta	Amadeus	20%	50%	50%	80%	20%	50%	50%	20%	50%	50%	80%	20%	50%	50%	80%	20%	50%	50%	80%	20%	50%	50%	80%	
20	The Netherlands	Amadeus	56%	79%	76%	73%	26%	40%	40%	64%	87%	85%	82%	64%	87%	85%	82%	60%	82%	80%	76%	64%	87%	85%	82%	
21	Poland	Amadeus	66%	91%	91%	88%	6%	9%	9%	66%	91%	92%	88%	66%	91%	91%	88%	2%	4%	5%	6%	66%	91%	92%	88%	
22	Portugal	Amadeus	89%	94%	96%	94%	0%	0%	0%	90%	95%	97%	95%	90%	95%	97%	95%	0%	0%	0%	0%	90%	95%	97%	95%	
23	Romania	Amadeus	97%	97%	97%	95%	0%	0%	0%	97%	97%	97%	95%	97%	97%	97%	95%	97%	97%	97%	95%	97%	97%	97%	95%	
24	Slovakia	Amadeus	86%	92%	93%	91%	2%	2%	1%	86%	89%	90%	89%	86%	89%	90%	89%	85%	87%	89%	88%	86%	89%	89%	88%	
25	Slovenia	Amadeus	79%	99%	99%	97%	0%	0%	0%	69%	99%	99%	99%	69%	99%	99%	99%	65%	93%	90%	90%	68%	99%	99%	97%	
26	Spain	Amadeus	93%	93%	94%	93%	0%	0%	0%	77%	93%	95%	93%	77%	93%	95%	93%	0%	0%	0%	0%	78%	93%	94%	93%	
27	Sweden	Amadeus	96%	96%	95%	92%	5%	4%	4%	92%	92%	91%	88%	92%	92%	91%	88%	92%	91%	91%	88%	92%	92%	91%	88%	
28	United Kingdom	Amadeus	84%	90%	87%	83%	70%	76%	74%	84%	90%	87%	82%	84%	90%	87%	82%	1%	0%	0%	0%	83%	89%	87%	82%	

Appendix 4
Transport & Logistics - Assets in relative terms

#	Country	Database	Balance sheet - Assets																											
			Total assets				Cash & liquidity				Operating assets				Current assets				Immovable assets				Inventories				Intangibles			
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	81%	95%	95%	94%	80%	93%	88%	92%	89%	88%	91%	81%	95%	95%	94%	81%	94%	93%	93%	81%	94%	94%	94%	81%	94%	94%	93%	
2	Belgium	Amadeus	93%	96%	96%	94%	91%	94%	94%	93%	92%	91%	91%	93%	96%	96%	96%	94%	91%	94%	93%	94%	91%	94%	94%	91%	94%	94%	93%	
3	Bulgaria	Amadeus	96%	95%	93%	91%	95%	94%	93%	90%	94%	93%	90%	96%	95%	93%	91%	96%	95%	91%	96%	93%	96%	93%	91%	96%	95%	93%	91%	
4	Croatia	Amadeus	93%	97%	97%	94%	93%	96%	97%	94%	96%	97%	94%	93%	97%	97%	94%	93%	93%	97%	93%	93%	97%	94%	93%	97%	97%	94%	94%	
5	Cyprus	Amadeus	11%	50%	61%	67%	11%	50%	61%	67%	61%	61%	61%	11%	50%	61%	67%	11%	50%	61%	67%	11%	50%	61%	67%	11%	50%	61%	67%	
6	Czech Republic	Amadeus	59%	79%	83%	85%	59%	78%	82%	84%	82%	84%	84%	59%	79%	83%	85%	59%	79%	83%	85%	59%	79%	83%	85%	59%	79%	83%	85%	
7	Denmark	Amadeus	92%	94%	92%	88%	86%	85%	87%	80%	82%	85%	77%	92%	94%	92%	88%	86%	85%	87%	80%	82%	85%	77%	92%	94%	92%	88%	86%	
8	Estonia	Amadeus	89%	94%	96%	96%	89%	89%	81%	83%	84%	83%	84%	89%	94%	96%	96%	89%	89%	81%	83%	84%	83%	84%	89%	94%	96%	96%	89%	89%
9	Finland	Amadeus	82%	79%	79%	79%	72%	75%	73%	73%	72%	72%	72%	79%	82%	79%	77%	77%	80%	78%	77%	79%	82%	79%	77%	77%	80%	78%	77%	
10	France	Amadeus	76%	84%	86%	87%	72%	80%	83%	83%	83%	83%	83%	72%	80%	82%	86%	75%	84%	86%	86%	75%	84%	86%	86%	75%	84%	86%	86%	
11	Germany	Amadeus	32%	82%	84%	82%	31%	80%	82%	81%	80%	82%	80%	32%	82%	84%	82%	32%	81%	83%	82%	32%	82%	84%	82%	32%	81%	83%	81%	
12	Greece	Amadeus	87%	93%	94%	90%	87%	93%	94%	94%	93%	94%	90%	87%	93%	94%	90%	87%	93%	94%	94%	90%	87%	93%	94%	90%	87%	93%	94%	
13	Hungary	Amadeus	94%	97%	97%	93%	94%	92%	94%	93%	92%	94%	93%	94%	92%	94%	93%	92%	94%	93%	94%	93%	92%	94%	93%	94%	93%	94%	89%	
14	Ireland	Amadeus	78%	89%	90%	91%	67%	75%	79%	76%	79%	89%	90%	91%	79%	89%	90%	91%	67%	75%	79%	76%	79%	89%	90%	91%	67%	75%	79%	
15	Italy	Amadeus	85%	93%	94%	93%	86%	95%	95%	92%	86%	93%	94%	93%	86%	95%	94%	93%	86%	95%	94%	93%	86%	95%	94%	93%	86%	95%	94%	
16	Latvia	Amadeus	95%	96%	95%	90%	95%	95%	95%	90%	95%	95%	95%	95%	95%	96%	95%	95%	95%	95%	95%	95%	95%	96%	95%	95%	95%	96%	95%	
17	Lithuania	Amadeus	64%	78%	81%	86%	64%	77%	80%	86%	79%	85%	81%	64%	78%	81%	86%	63%	77%	79%	85%	54%	66%	65%	66%	63%	77%	79%	85%	
18	Luxembourg	Amadeus	20%	87%	80%	87%	17%	59%	87%	84%	86%	84%	82%	17%	59%	87%	87%	17%	59%	84%	86%	17%	59%	87%	87%	17%	59%	84%	85%	
19	Malta	Amadeus	67%	50%	50%	50%	62%	55%	55%	55%	55%	55%	55%	62%	55%	55%	55%	62%	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%	
20	The Netherlands	Amadeus	65%	91%	92%	88%	65%	89%	91%	91%	86%	86%	84%	65%	89%	91%	91%	65%	89%	91%	91%	86%	86%	84%	65%	89%	91%	92%	88%	
21	Poland	Amadeus	90%	95%	97%	96%	89%	97%	96%	94%	86%	91%	93%	92%	90%	95%	97%	96%	89%	97%	96%	94%	86%	91%	93%	92%	90%	95%	97%	
22	Portugal	Amadeus	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%
23	Romania	Amadeus	86%	89%	90%	89%	86%	88%	89%	88%	87%	89%	88%	86%	88%	89%	88%	86%	88%	89%	88%	87%	89%	88%	86%	88%	89%	88%	87%	
24	Slovakia	Amadeus	69%	99%	100%	97%	66%	96%	95%	95%	95%	95%	95%	66%	96%	95%	95%	66%	96%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	
25	Slovenia	Amadeus	79%	91%	93%	91%	75%	90%	92%	90%	92%	90%	94%	75%	90%	92%	90%	77%	92%	91%	93%	94%	93%	94%	93%	94%	93%	94%	93%	
26	Spain	Amadeus	92%	91%	88%	82%	83%	83%	83%	82%	82%	83%	83%	82%	82%	83%	83%	82%	82%	83%	83%	82%	82%	83%	83%	82%	82%	83%	83%	
27	Sweden	Amadeus	97%	94%	94%	92%	79%	84%	85%	84%	81%	81%	79%	94%	94%	94%	92%	80%	87%	88%	94%	94%	94%	92%	80%	87%	88%	86%		
28	United Kingdom	Amadeus	87%	94%	94%	92%	79%	84%	85%	84%	81%	81%	79%	94%	94%	94%	92%	80%	87%	88%	94%	94%	94%	92%	80%	87%	88%	86%		

Appendix 4
Transport & Logistics - Other elements in relative terms

Other										
#	Country	Database	Working capital				FTE's			
			2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	79%	94%	93%	92%	74%	81%	78%	75%
2	Belgium	Amadeus	92%	94%	94%	93%	86%	89%	89%	87%
3	Bulgaria	Amadeus	96%	95%	93%	91%	99%	97%	96%	89%
4	Croatia	Amadeus	93%	97%	97%	94%	93%	97%	95%	94%
5	Cyprus	Amadeus	11%	50%	61%	67%	6%	33%	33%	44%
6	Czech Republic	Amadeus	59%	79%	83%	85%	53%	97%	96%	92%
7	Denmark	Amadeus	48%	47%	44%	40%	75%	77%	78%	76%
8	Estonia	Amadeus	86%	91%	89%	89%	73%	77%	75%	73%
9	Finland	Amadeus	79%	82%	79%	79%	78%	85%	78%	63%
10	France	Amadeus	75%	83%	86%	86%	53%	45%	40%	44%
11	Germany	Amadeus	18%	61%	62%	62%	16%	36%	36%	34%
12	Greece	Amadeus	87%	93%	94%	90%	86%	90%	90%	84%
13	Hungary	Amadeus	82%	81%	80%	65%	92%	95%	95%	88%
14	Ireland	Amadeus	73%	81%	86%	83%	64%	71%	70%	70%
15	Italy	Amadeus	86%	93%	94%	93%	83%	90%	90%	87%
16	Latvia	Amadeus	95%	96%	95%	90%	95%	96%	94%	90%
17	Lithuania	Amadeus	54%	65%	64%	65%	67%	100%	99%	98%
18	Luxembourg	Amadeus	53%	74%	80%	81%	40%	59%	57%	55%
19	Malta	Amadeus	20%	50%	80%	80%	20%	40%	57%	53%
20	The Netherlands	Amadeus	40%	55%	53%	49%	59%	79%	83%	80%
21	Poland	Amadeus	62%	84%	86%	80%	3%	14%	26%	44%
22	Portugal	Amadeus	89%	95%	96%	94%	85%	90%	92%	88%
23	Romania	Amadeus	47%	44%	41%	37%	97%	97%	97%	95%
24	Slovakia	Amadeus	86%	89%	90%	89%	80%	84%	83%	81%
25	Slovenia	Amadeus	68%	99%	99%	96%	77%	97%	97%	97%
26	Spain	Amadeus	75%	91%	92%	91%	76%	90%	91%	89%
27	Sweden	Amadeus	92%	92%	91%	88%	95%	95%	94%	91%
28	United Kingdom	Amadeus	85%	92%	93%	91%	74%	79%	77%	72%

Appendix 4
Transport & Logistics - General information in absolute terms

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	707	661	706	446	707
2	Belgium	Amadeus	889	747	888	740	889
3	Bulgaria	Amadeus	206	193	174	124	206
4	Croatia	Amadeus	122	88	117	102	122
5	Cyprus	Amadeus	18	10	18	15	18
6	Czech Republic	Amadeus	632	517	632	430	632
7	Denmark	Amadeus	279	211	271	255	279
8	Estonia	Amadeus	190	185	190	123	190
9	Finland	Amadeus	592	326	580	369	592
10	France	Amadeus	4 171	3 688	4 171	3 204	4 171
11	Germany	Amadeus	3 352	3 097	3 329	2 351	3 352
12	Greece	Amadeus	214	143	191	177	214
13	Hungary	Amadeus	387	63	387	269	387
14	Ireland	Amadeus	135	128	135	115	135
15	Italy	Amadeus	3 821	2 894	3 821	3 160	3 821
16	Latvia	Amadeus	191	180	191	122	191
17	Lithuania	Amadeus	303	255	303	216	303
18	Luxembourg	Amadeus	98	85	98	73	98
19	Malta	Amadeus	30	26	30	24	30
20	The Netherlands	Amadeus	478	404	478	440	478
21	Poland	Amadeus	1 050	880	1 050	802	1 050
22	Portugal	Amadeus	542	501	433	471	542
23	Romania	Amadeus	493	469	493	342	493
24	Slovakia	Amadeus	328	263	328	221	328
25	Slovenia	Amadeus	149	148	149	101	149
26	Spain	Amadeus	2 315	1 984	2 315	1 863	2 315
27	Sweden	Amadeus	1 131	747	1 110	837	1 131
28	United Kingdom	Amadeus	2 567	2 436	2 565	2 247	2 567

Appendix 4
Transport & Logistics - Profit & Loss in absolute terms

#	Country	Database	Number of companies	Profit & Loss																							
				Turnover			Gross profit			Operating profit			Financial profit			Extraordinary profit			Net profit								
				2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012						
1	Austria	Amadeus	707	494	613	589	568	0	0	0	228	304	310	298	228	305	310	259	9	29	24	23	227	204	308	297	
2	Belgium	Amadeus	889	835	840	830	809	0	0	0	842	857	861	855	842	857	861	855	588	594	612	614	841	856	860	854	
3	Bulgaria	Amadeus	206	197	201	192	187	0	0	0	197	195	192	186	197	195	192	186	197	195	192	186	197	195	192	186	
4	Croatia	Amadeus	122	114	118	118	115	0	0	0	114	118	118	115	114	118	118	115	114	118	118	115	114	118	118	115	
5	Cyprus	Amadeus	16	2	9	11	12	2	9	11	2	9	11	12	2	9	11	12	0	0	0	0	2	9	11	12	
6	Czech Republic	Amadeus	632	372	626	624	588	6	5	7	372	499	525	535	372	499	525	535	366	494	518	532	372	499	625	535	
7	Denmark	Amadeus	279	236	232	229	217	235	228	213	202	256	261	258	246	257	261	258	246	0	0	0	4	257	261	258	246
8	Estonia	Amadeus	190	168	178	179	180	35	39	40	169	179	182	182	169	179	182	182	169	179	182	182	169	179	182	182	
9	Finland	Amadeus	592	531	559	533	467	1	1	1	467	487	470	468	467	487	470	468	197	206	205	198	467	487	470	468	
10	France	Amadeus	4,171	3,776	3,945	3,944	3,732	5	5	5	3,148	3,482	3,601	3,606	3,137	3,470	3,588	3,597	3,137	3,470	3,587	3,597	3,155	3,499	3,619	3,624	
11	Germany	Amadeus	3,352	1,091	2,782	2,829	2,675	10	28	43	369	1,564	1,619	1,554	369	1,564	1,619	1,554	154	507	533	540	395	1,499	1,556	1,492	
12	Greece	Amadeus	214	186	199	202	193	186	199	202	193	186	199	202	193	186	199	202	193	186	199	202	193	186	199	202	193
13	Hungary	Amadeus	387	363	373	373	356	0	0	0	363	374	373	358	363	374	373	358	242	237	221	191	363	374	373	358	
14	Ireland	Amadeus	135	102	116	116	116	67	76	79	103	117	120	119	102	116	116	116	1	3	2	2	102	116	116	116	
15	Italy	Amadeus	3,821	3,283	3,561	3,589	3,539	0	0	0	3,283	3,561	3,589	3,539	3,283	3,561	3,589	3,539	3,283	3,560	3,588	3,538	3,283	3,561	3,589	3,539	
16	Latvia	Amadeus	191	182	184	181	171	176	178	174	164	182	184	181	182	184	181	171	182	184	181	171	182	184	181	171	
17	Lithuania	Amadeus	303	204	302	291	288	194	236	243	258	194	236	243	260	194	236	241	259	9	12	13	17	194	236	243	260
18	Luxembourg	Amadeus	98	53	79	80	82	0	0	0	53	79	80	82	53	79	80	82	38	55	56	54	53	79	80	82	
19	Malta	Amadeus	30	6	15	24	24	6	15	24	6	15	24	24	6	15	24	24	6	15	24	24	6	15	24	24	
20	The Netherlands	Amadeus	478	268	378	361	350	125	190	189	187	305	416	407	392	306	416	407	392	289	392	382	361	306	416	407	393
21	Poland	Amadeus	1,050	688	957	959	921	62	92	98	105	688	960	962	924	688	957	960	923	18	46	50	60	688	960	962	924
22	Portugal	Amadeus	542	484	509	522	510	0	0	0	487	516	526	517	487	516	526	517	0	0	0	0	486	516	524	516	
23	Romania	Amadeus	493	478	479	479	470	0	0	0	478	479	479	470	478	479	479	470	478	479	479	470	478	479	479	470	
24	Slovakia	Amadeus	328	283	301	306	298	5	7	4	283	291	295	292	283	291	295	292	284	284	291	288	283	291	293	290	
25	Slovenia	Amadeus	149	103	147	148	144	0	0	0	103	148	148	144	103	148	148	145	97	139	134	130	102	147	148	144	
26	Spain	Amadeus	2,315	1,822	2,156	2,181	2,148	0	0	0	1,788	2,158	2,191	2,164	1,788	2,157	2,192	2,164	2	6	5	6	1,807	2,144	2,172	2,146	
27	Sweden	Amadeus	1,131	1,068	1,091	1,073	1,039	51	50	49	48	1,036	1,041	1,026	993	1,036	1,041	1,026	993	1,036	1,041	1,026	993	1,036	1,041	1,026	993
28	United Kingdom	Amadeus	2,567	2,151	2,302	2,241	2,118	1,808	1,943	1,889	1,743	2,147	2,300	2,237	2,110	2,146	2,289	2,236	2,107	16	11	10	9	2,140	2,295	2,226	2,096

Appendix 4
Transport & Logistics - Shareholder equity & liability in absolute terms

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability																			
				Share capital			Net equity			Total liabilities			Long term debt			Short term debt			Accounts payable				
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	707	575	671	671	664	575	671	665	671	670	665	671	671	665	671	671	665	560	664	658	652
2	Belgium	Amadeus	889	842	857	861	855	842	857	861	855	842	857	861	855	842	857	861	855	842	857	861	855
3	Bulgaria	Amadeus	206	197	195	192	187	197	195	192	187	197	195	192	187	197	195	192	187	197	195	192	187
4	Croatia	Amadeus	122	114	118	118	115	114	118	118	115	114	118	118	115	114	118	118	115	114	118	118	115
5	Cyprus	Amadeus	18	2	9	11	12	2	9	11	12	2	9	11	12	2	9	11	12	2	9	11	12
6	Czech Republic	Amadeus	632	372	580	583	549	372	499	525	535	372	499	525	535	372	499	525	535	372	499	525	535
7	Denmark	Amadeus	279	255	257	253	242	257	261	258	246	232	236	244	232	232	236	244	232	249	249	252	230
8	Estonia	Amadeus	190	169	179	182	182	169	179	182	182	169	179	182	182	169	179	182	182	169	179	182	181
9	Finland	Amadeus	592	467	487	470	468	467	487	470	468	394	407	405	381	394	407	405	381	467	467	469	467
10	France	Amadeus	4 171	3 151	3 494	3 605	3 613	3 153	3 495	3 610	3 618	3 148	3 482	3 601	3 607	3 148	3 482	3 601	3 607	3 148	3 482	3 601	3 607
11	Germany	Amadeus	3 352	1 076	2 710	2 771	2 720	1 085	2 747	2 809	2 761	1 085	2 747	2 809	2 761	1 085	2 747	2 809	2 761	589	2 051	2 074	2 085
12	Greece	Amadeus	214	186	199	202	193	186	199	202	193	186	199	202	193	186	199	202	193	186	199	202	193
13	Hungary	Amadeus	387	363	374	373	360	363	374	374	360	363	374	374	360	363	374	374	360	363	374	372	360
14	Ireland	Amadeus	135	104	118	119	120	106	120	122	123	106	120	122	123	106	120	122	123	99	110	117	115
15	Italy	Amadeus	3 821	3 283	3 581	3 589	3 539	3 283	3 588	3 588	3 538	3 283	3 588	3 588	3 538	3 283	3 588	3 588	3 538	3 588	3 561	3 589	3 539
16	Latvia	Amadeus	191	182	184	181	171	182	184	181	171	182	184	181	171	182	184	181	171	182	184	181	171
17	Lithuania	Amadeus	303	194	236	244	260	194	236	244	260	194	236	244	260	194	236	244	260	163	198	195	199
18	Luxembourg	Amadeus	98	60	85	85	85	60	85	85	85	60	85	85	85	60	85	85	84	52	73	78	79
19	Malta	Amadeus	30	6	15	24	24	6	15	24	24	6	15	24	24	6	15	24	24	6	15	24	24
20	The Netherlands	Amadeus	478	242	337	340	333	319	446	449	436	318	445	448	436	319	445	448	436	189	262	251	236
21	Poland	Amadeus	1 050	688	960	961	923	688	960	962	925	661	919	918	889	661	919	918	889	688	960	962	925
22	Portugal	Amadeus	542	487	516	526	518	487	516	526	518	487	516	526	518	487	516	526	518	487	516	526	515
23	Romania	Amadeus	483	478	479	479	470	478	479	479	470	478	479	479	470	478	479	479	470	230	219	203	183
24	Slovakia	Amadeus	328	283	292	300	295	283	291	295	292	283	291	295	292	283	291	295	292	283	291	295	292
25	Slovenia	Amadeus	149	123	134	135	131	103	148	149	145	103	148	149	145	103	148	149	145	103	148	148	145
26	Spain	Amadeus	2 315	1 789	2 159	2 193	2 168	1 822	2 160	2 194	2 168	1 790	2 167	2 194	2 167	1 790	2 167	2 194	2 168	1 748	2 117	2 129	2 115
27	Sweden	Amadeus	1 131	1 035	1 041	1 028	993	1 035	1 041	1 026	993	1 035	1 041	1 026	993	1 035	1 041	1 026	993	1 035	1 041	1 026	993
28	United Kingdom	Amadeus	2 567	2 219	2 415	2 411	2 354	2 225	2 426	2 422	2 367	2 225	2 426	2 422	2 367	2 225	2 426	2 422	2 367	2 196	2 381	2 387	2 334

Appendix 4

Transport & Logistics - Other elements in absolute terms

Other											
#	Country	Database	Number of companies	Working capital				FTE's			
				2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	707	559	663	658	652	522	571	549	528
2	Belgium	Amadeus	889	835	850	854	848	798	812	817	810
3	Bulgaria	Amadeus	206	197	195	192	187	203	200	198	184
4	Croatia	Amadeus	122	114	118	118	115	114	118	116	115
5	Cyprus	Amadeus	18	2	9	11	12	1	6	6	8
6	Czech Republic	Amadeus	632	371	499	525	535	335	611	607	582
7	Denmark	Amadeus	279	133	131	122	111	208	216	219	211
8	Estonia	Amadeus	190	163	173	170	170	138	147	143	138
9	Finland	Amadeus	592	466	487	469	467	461	502	462	373
10	France	Amadeus	4 171	3 148	3 482	3 601	3 607	2 202	1 878	1 658	1 827
11	Germany	Amadeus	3 352	587	2 048	2 071	2 084	536	1 214	1 199	1 133
12	Greece	Amadeus	214	186	199	202	193	184	193	193	179
13	Hungary	Amadeus	387	317	313	308	251	357	366	368	342
14	Ireland	Amadeus	135	99	110	116	112	86	96	94	94
15	Italy	Amadeus	3 821	3 283	3 560	3 588	3 538	3 190	3 421	3 434	3 329
16	Latvia	Amadeus	191	182	184	181	171	181	184	180	171
17	Lithuania	Amadeus	303	163	197	195	198	204	302	301	296
18	Luxembourg	Amadeus	98	52	73	78	79	39	58	56	54
19	Malta	Amadeus	30	6	15	24	24	6	12	17	16
20	The Netherlands	Amadeus	478	189	262	251	236	282	378	398	384
21	Poland	Amadeus	1 050	647	879	901	839	35	152	271	461
22	Portugal	Amadeus	542	483	513	521	512	460	488	497	477
23	Romania	Amadeus	493	230	219	203	183	478	479	479	470
24	Slovakia	Amadeus	328	283	291	295	292	262	275	271	266
25	Slovenia	Amadeus	149	101	148	147	143	114	145	145	144
26	Spain	Amadeus	2 315	1 746	2 109	2 126	2 111	1 759	2 078	2 107	2 065
27	Sweden	Amadeus	1 131	1 035	1 041	1 026	993	1 075	1 072	1 067	1 033
28	United Kingdom	Amadeus	2 567	2 189	2 370	2 379	2 328	1 894	2 020	1 967	1 858

Appendix 4
Textile - General information in relative terms

General Information						
#	Country	Database	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	88%	98%	61%	100%
2	Belgium	Amadeus	80%	100%	81%	100%
3	Bulgaria	Amadeus	93%	90%	76%	100%
4	Croatia	Amadeus	85%	96%	81%	100%
5	Cyprus	Amadeus	14%	100%	100%	100%
6	Czech Republic	Amadeus	80%	100%	78%	100%
7	Denmark	Amadeus	87%	99%	87%	100%
8	Estonia	Amadeus	95%	100%	60%	100%
9	Finland	Amadeus	65%	94%	66%	100%
10	France	Amadeus	84%	100%	78%	100%
11	Germany	Amadeus	94%	100%	71%	100%
12	Greece	Amadeus	90%	100%	84%	100%
13	Hungary	Amadeus	28%	99%	81%	100%
14	Ireland	Amadeus	100%	100%	82%	100%
15	Italy	Amadeus	90%	100%	82%	100%
16	Latvia	Amadeus	80%	100%	70%	100%
17	Lithuania	Amadeus	91%	100%	85%	100%
18	Luxembourg	Amadeus	100%	100%	75%	100%
19	Malta	Amadeus	79%	100%	57%	100%
20	The Netherlands	Amadeus	84%	100%	94%	100%
21	Poland	Amadeus	78%	100%	78%	100%
22	Portugal	Amadeus	90%	84%	86%	100%
23	Romania	Amadeus	97%	100%	87%	100%
24	Slovakia	Amadeus	85%	100%	82%	100%
25	Slovenia	Amadeus	88%	97%	85%	100%
26	Spain	Amadeus	85%	100%	80%	100%
27	Sweden	Amadeus	76%	100%	70%	100%
28	United Kingdom	Amadeus	94%	100%	89%	100%

Appendix 4
Textile - Profit & Loss in relative terms

#	Country	Database	Profit & Loss																							
			Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit			
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	67%	81%	84%	78%	0%	0%	0%	39%	47%	43%	43%	39%	47%	47%	37%	2%	5%	4%	4%	39%	47%	43%	43%	
2	Belgium	Amadeus	93%	93%	91%	86%	0%	0%	0%	94%	96%	96%	93%	94%	96%	96%	93%	68%	71%	71%	68%	94%	96%	96%	93%	
3	Bulgaria	Amadeus	98%	95%	96%	94%	0%	0%	0%	98%	96%	96%	93%	98%	98%	97%	92%	98%	98%	96%	93%	98%	96%	96%	93%	
4	Croatia	Amadeus	88%	92%	97%	92%	0%	0%	0%	88%	95%	97%	92%	88%	95%	97%	92%	88%	95%	97%	92%	88%	95%	97%	92%	
5	Cyprus	Amadeus	0%	14%	57%	100%	0%	14%	57%	100%	0%	100%	0%	0%	14%	57%	100%	0%	0%	0%	0%	0%	14%	57%	100%	
6	Czech Republic	Amadeus	60%	99%	97%	88%	0%	0%	0%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	
7	Denmark	Amadeus	84%	87%	88%	90%	96%	94%	96%	96%	97%	94%	91%	96%	97%	94%	91%	0%	0%	0%	1%	96%	97%	94%	91%	
8	Estonia	Amadeus	93%	88%	93%	90%	26%	26%	24%	93%	88%	93%	90%	93%	88%	93%	90%	93%	88%	93%	90%	93%	88%	93%	90%	
9	Finland	Amadeus	86%	91%	88%	84%	1%	1%	1%	78%	84%	84%	84%	78%	84%	84%	84%	28%	26%	28%	30%	78%	84%	84%	84%	
10	France	Amadeus	86%	93%	92%	86%	0%	0%	0%	65%	77%	80%	82%	65%	77%	80%	82%	65%	77%	79%	82%	66%	78%	80%	82%	
11	Germany	Amadeus	35%	81%	83%	77%	1%	2%	2%	12%	44%	46%	43%	12%	44%	46%	43%	3%	13%	14%	15%	12%	43%	45%	42%	
12	Greece	Amadeus	84%	93%	96%	95%	84%	93%	96%	84%	93%	96%	95%	84%	93%	96%	95%	84%	93%	96%	95%	84%	93%	96%	95%	
13	Hungary	Amadeus	88%	91%	90%	94%	0%	0%	0%	88%	91%	90%	94%	88%	91%	90%	94%	52%	50%	49%	56%	88%	91%	90%	94%	
14	Ireland	Amadeus	70%	82%	91%	95%	68%	77%	86%	75%	84%	93%	95%	75%	84%	93%	98%	0%	0%	0%	0%	75%	84%	91%	98%	
15	Italy	Amadeus	90%	95%	95%	94%	0%	0%	0%	90%	95%	95%	94%	90%	95%	95%	94%	90%	95%	95%	94%	90%	95%	95%	94%	
16	Latvia	Amadeus	91%	93%	91%	84%	84%	86%	84%	77%	91%	93%	91%	84%	86%	91%	84%	91%	93%	91%	84%	91%	93%	91%	84%	
17	Lithuania	Amadeus	76%	100%	95%	96%	72%	81%	82%	86%	72%	81%	82%	86%	72%	81%	82%	88%	0%	1%	1%	72%	81%	82%	88%	
18	Luxembourg	Amadeus	50%	63%	75%	75%	0%	0%	0%	50%	63%	75%	75%	50%	63%	75%	75%	13%	25%	38%	50%	50%	63%	75%	75%	
19	Malta	Amadeus	21%	71%	93%	100%	21%	71%	93%	100%	21%	71%	93%	100%	21%	71%	93%	100%	21%	71%	93%	100%	21%	71%	93%	
20	The Netherlands	Amadeus	46%	72%	77%	73%	44%	68%	73%	68%	55%	83%	87%	44%	68%	73%	84%	55%	80%	82%	81%	55%	83%	88%	85%	
21	Poland	Amadeus	61%	83%	90%	85%	16%	18%	19%	19%	83%	90%	85%	16%	18%	19%	83%	90%	85%	1%	3%	5%	4%	85%	85%	
22	Portugal	Amadeus	91%	95%	97%	96%	0%	0%	0%	91%	95%	97%	96%	91%	95%	97%	96%	0%	0%	0%	0%	91%	95%	97%	96%	
23	Romania	Amadeus	97%	97%	97%	95%	0%	0%	0%	97%	97%	97%	95%	97%	97%	97%	95%	97%	97%	97%	97%	95%	97%	97%	95%	
24	Slovakia	Amadeus	95%	95%	98%	92%	0%	0%	0%	95%	94%	96%	92%	95%	94%	96%	92%	95%	94%	94%	96%	92%	95%	94%	95%	
25	Slovenia	Amadeus	33%	96%	96%	92%	0%	0%	0%	33%	96%	96%	92%	33%	96%	96%	92%	27%	33%	33%	33%	96%	96%	99%	96%	
26	Spain	Amadeus	77%	93%	95%	96%	0%	0%	0%	74%	93%	95%	96%	74%	93%	95%	96%	0%	0%	0%	1%	77%	93%	95%	96%	
27	Sweden	Amadeus	94%	96%	97%	96%	11%	11%	11%	92%	94%	95%	94%	92%	94%	95%	94%	92%	94%	95%	94%	92%	94%	95%	94%	
28	United Kingdom	Amadeus	81%	88%	88%	86%	78%	84%	83%	82%	88%	86%	81%	82%	88%	86%	81%	0%	0%	0%	1%	82%	88%	86%	81%	

Appendix 4
Textile - Assets in relative terms

#	Country	Database	Balance sheet - Assets																											
			Total assets				Cash & liquidity				Operating assets				Current assets				Immovable assets				Inventories				Intangibles			
			2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	77%	92%	91%	88%	76%	91%	87%	88%	77%	92%	91%	88%	77%	91%	90%	88%	77%	92%	91%	88%	77%	91%	90%	88%	77%	91%	90%	88%
2	Belgium	Amadeus	94%	96%	96%	93%	94%	95%	95%	92%	92%	94%	96%	96%	94%	94%	96%	96%	94%	94%	96%	96%	94%	94%	96%	96%	94%	94%	96%	94%
3	Bulgaria	Amadeus	98%	98%	96%	94%	98%	98%	96%	93%	98%	98%	98%	96%	94%	98%	98%	96%	94%	98%	98%	96%	94%	98%	98%	96%	94%	98%	96%	94%
4	Croatia	Amadeus	88%	95%	97%	92%	86%	92%	95%	88%	88%	92%	95%	92%	88%	88%	95%	97%	92%	88%	88%	95%	97%	92%	88%	95%	97%	92%	88%	94%
5	Cyprus	Amadeus	0%	14%	57%	100%	0%	14%	43%	100%	100%	0%	14%	57%	100%	0%	14%	57%	100%	0%	14%	57%	100%	0%	14%	57%	100%	0%	14%	57%
6	Czech Republic	Amadeus	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%	60%	78%	83%	83%
7	Denmark	Amadeus	96%	97%	94%	91%	94%	94%	95%	93%	96%	94%	96%	94%	93%	96%	94%	94%	93%	96%	94%	93%	96%	94%	96%	94%	93%	96%	94%	93%
8	Estonia	Amadeus	88%	88%	83%	80%	88%	74%	62%	64%	79%	84%	88%	88%	84%	88%	83%	80%	88%	88%	84%	88%	84%	88%	83%	80%	88%	88%	84%	84%
9	Finland	Amadeus	78%	84%	84%	84%	76%	76%	84%	83%	82%	78%	84%	84%	84%	78%	84%	84%	84%	78%	84%	84%	84%	78%	84%	84%	84%	78%	84%	84%
10	France	Amadeus	65%	77%	80%	82%	65%	77%	79%	81%	81%	65%	77%	80%	82%	65%	77%	80%	82%	65%	77%	80%	82%	65%	77%	80%	82%	65%	77%	80%
11	Germany	Amadeus	35%	79%	80%	78%	34%	77%	76%	76%	76%	34%	77%	76%	35%	79%	80%	78%	34%	77%	76%	76%	35%	79%	80%	78%	34%	77%	76%	
12	Greece	Amadeus	84%	93%	96%	95%	84%	93%	96%	96%	95%	84%	93%	96%	95%	84%	93%	96%	95%	84%	93%	96%	95%	84%	93%	96%	95%	84%	93%	96%
13	Hungary	Amadeus	88%	91%	90%	94%	88%	91%	90%	88%	91%	88%	91%	90%	94%	88%	91%	90%	88%	91%	90%	94%	88%	91%	90%	94%	88%	91%	90%	94%
14	Ireland	Amadeus	80%	89%	95%	98%	77%	82%	89%	86%	77%	86%	89%	95%	98%	77%	86%	89%	95%	98%	77%	86%	89%	95%	98%	77%	86%	89%	95%	98%
15	Italy	Amadeus	90%	95%	94%	94%	90%	94%	95%	94%	94%	90%	94%	95%	94%	94%	90%	94%	95%	94%	94%	90%	94%	95%	94%	94%	90%	94%	95%	94%
16	Latvia	Amadeus	91%	93%	91%	84%	91%	91%	91%	84%	91%	91%	91%	91%	84%	91%	91%	91%	91%	84%	91%	91%	91%	91%	91%	91%	84%	91%	91%	91%
17	Lithuania	Amadeus	72%	81%	82%	88%	72%	81%	81%	86%	72%	81%	81%	82%	88%	72%	81%	81%	82%	88%	72%	81%	81%	82%	88%	72%	81%	81%	82%	88%
18	Luxembourg	Amadeus	63%	75%	75%	100%	63%	75%	75%	100%	63%	75%	75%	100%	63%	75%	75%	100%	63%	75%	75%	100%	63%	75%	75%	100%	63%	75%	75%	100%
19	Malta	Amadeus	21%	71%	93%	100%	21%	64%	86%	75%	100%	21%	64%	86%	75%	100%	21%	64%	86%	75%	100%	21%	64%	86%	75%	100%	21%	64%	86%	75%
20	The Netherlands	Amadeus	58%	88%	91%	89%	58%	87%	89%	88%	58%	87%	89%	88%	58%	87%	89%	88%	58%	87%	89%	88%	58%	87%	89%	88%	58%	87%	89%	
21	Poland	Amadeus	61%	83%	90%	85%	60%	83%	88%	85%	57%	77%	80%	76%	61%	83%	90%	85%	60%	83%	88%	85%	59%	80%	80%	82%	90%	84%	55%	77%
22	Portugal	Amadeus	91%	95%	97%	96%	91%	96%	97%	96%	94%	95%	94%	95%	97%	96%	94%	95%	94%	95%	97%	96%	94%	95%	94%	95%	97%	96%	94%	95%
23	Romania	Amadeus	97%	97%	97%	95%	96%	97%	97%	95%	96%	97%	97%	97%	95%	96%	97%	97%	97%	95%	96%	97%	97%	97%	97%	97%	97%	97%	97%	97%
24	Slovakia	Amadeus	95%	94%	96%	92%	95%	95%	94%	96%	90%	96%	94%	96%	90%	96%	94%	96%	90%	96%	94%	96%	90%	96%	94%	96%	90%	96%	94%	96%
25	Slovenia	Amadeus	33%	96%	100%	96%	31%	94%	100%	96%	31%	94%	97%	96%	33%	96%	100%	96%	33%	96%	97%	96%	33%	96%	100%	96%	33%	96%	97%	96%
26	Spain	Amadeus	77%	93%	95%	96%	73%	92%	94%	94%	74%	93%	95%	94%	73%	92%	94%	94%	74%	93%	95%	94%	73%	92%	94%	94%	73%	92%	94%	94%
27	Sweden	Amadeus	92%	94%	95%	94%	89%	91%	94%	93%	89%	91%	94%	93%	89%	91%	94%	93%	89%	91%	94%	93%	89%	91%	94%	93%	89%	91%	94%	94%
28	United Kingdom	Amadeus	85%	92%	93%	90%	82%	89%	88%	86%	79%	86%	84%	93%	82%	89%	90%	87%	85%	92%	92%	92%	90%	82%	89%	89%	89%	89%	89%	87%

Appendix 4
Textile - Other elements in relative terms

Other										
#	Country	Database	Working capital				FTE's			
			2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	75%	90%	89%	86%	70%	80%	72%	69%
2	Belgium	Amadeus	94%	95%	96%	93%	92%	94%	94%	91%
3	Bulgaria	Amadeus	98%	98%	96%	94%	98%	98%	96%	94%
4	Croatia	Amadeus	88%	95%	97%	92%	87%	94%	94%	88%
5	Cyprus	Amadeus	0%	14%	57%	100%	0%	14%	57%	100%
6	Czech Republic	Amadeus	60%	78%	83%	83%	53%	95%	94%	89%
7	Denmark	Amadeus	84%	81%	78%	75%	86%	87%	83%	80%
8	Estonia	Amadeus	93%	86%	93%	88%	86%	81%	81%	83%
9	Finland	Amadeus	78%	84%	84%	84%	77%	81%	75%	64%
10	France	Amadeus	65%	77%	80%	82%	44%	48%	41%	42%
11	Germany	Amadeus	19%	57%	58%	60%	18%	37%	36%	35%
12	Greece	Amadeus	84%	93%	96%	95%	84%	92%	93%	90%
13	Hungary	Amadeus	80%	81%	77%	80%	86%	90%	88%	87%
14	Ireland	Amadeus	80%	86%	95%	93%	73%	82%	89%	93%
15	Italy	Amadeus	90%	95%	95%	94%	89%	93%	93%	91%
16	Latvia	Amadeus	91%	93%	91%	84%	89%	93%	91%	84%
17	Lithuania	Amadeus	70%	78%	77%	78%	76%	100%	99%	99%
18	Luxembourg	Amadeus	63%	75%	75%	88%	38%	50%	50%	88%
19	Malta	Amadeus	21%	71%	93%	100%	14%	57%	64%	79%
20	The Netherlands	Amadeus	32%	58%	58%	52%	52%	80%	85%	85%
21	Poland	Amadeus	60%	82%	90%	84%	5%	14%	27%	43%
22	Portugal	Amadeus	91%	95%	97%	96%	90%	93%	95%	94%
23	Romania	Amadeus	66%	62%	58%	54%	97%	97%	97%	95%
24	Slovakia	Amadeus	95%	94%	96%	92%	89%	92%	93%	89%
25	Slovenia	Amadeus	33%	96%	99%	96%	57%	93%	96%	94%
26	Spain	Amadeus	73%	92%	94%	95%	75%	91%	94%	94%
27	Sweden	Amadeus	92%	94%	95%	94%	94%	96%	97%	96%
28	United Kingdom	Amadeus	84%	92%	92%	89%	77%	83%	81%	76%

Appendix 4
Textile - General information in absolute terms

General Information							
#	Country	Database	Number of companies	Independence test	Date of incorporation	Business description	Primary NACE codes
1	Austria	Amadeus	328	290	321	199	328
2	Belgium	Amadeus	441	354	441	357	441
3	Bulgaria	Amadeus	109	101	98	83	109
4	Croatia	Amadeus	78	66	75	63	78
5	Cyprus	Amadeus	7	1	7	7	7
6	Czech Republic	Amadeus	215	173	215	167	215
7	Denmark	Amadeus	69	60	68	60	69
8	Estonia	Amadeus	42	40	42	25	42
9	Finland	Amadeus	159	103	150	105	159
10	France	Amadeus	1 904	1 591	1 904	1 492	1 904
11	Germany	Amadeus	1 350	1 265	1 347	959	1 350
12	Greece	Amadeus	209	189	209	176	209
13	Hungary	Amadeus	124	35	123	100	124
14	Ireland	Amadeus	44	44	44	36	44
15	Italy	Amadeus	4 590	4 113	4 590	3 785	4 590
16	Latvia	Amadeus	44	35	44	31	44
17	Lithuania	Amadeus	74	67	74	63	74
18	Luxembourg	Amadeus	8	8	8	6	8
19	Malta	Amadeus	14	11	14	8	14
20	The Netherlands	Amadeus	142	119	142	133	142
21	Poland	Amadeus	446	348	446	348	446
22	Portugal	Amadeus	687	615	575	589	687
23	Romania	Amadeus	255	247	255	222	255
24	Slovakia	Amadeus	100	85	100	82	100
25	Slovenia	Amadeus	67	59	65	57	67
26	Spain	Amadeus	1 250	1 068	1 250	1 006	1 250
27	Sweden	Amadeus	377	285	377	264	377
28	United Kingdom	Amadeus	1 397	1 315	1 397	1 248	1 397

Appendix 4
Textile - Profit & Loss in absolute terms

#	Country	Database	Number of companies	Profit & Loss																							
				Turnover				Gross profit				Operating profit				Financial profit				Extraordinary profit				Net profit			
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	328	221	276	265	255	0	0	0	127	166	155	141	127	164	155	120	7	17	14	14	127	165	154	141	
2	Belgium	Amadeus	441	412	408	403	381	1	1	1	414	422	425	410	415	422	425	410	300	314	313	299	415	423	425	410	
3	Bulgaria	Amadeus	109	107	107	105	102	0	0	0	107	107	105	101	107	107	105	101	107	107	105	101	107	107	105	101	
4	Croatia	Amadeus	78	69	74	76	72	0	0	0	69	74	76	72	69	74	76	72	69	74	76	72	69	74	76	72	
5	Cyprus	Amadeus	7	0	1	4	7	0	0	0	0	1	4	7	0	0	1	4	7	0	0	0	0	0	1	4	
6	Czech Republic	Amadeus	215	129	213	208	190	0	0	0	129	168	178	179	129	168	178	179	129	168	178	179	129	168	178	179	
7	Denmark	Amadeus	69	58	60	61	62	66	66	65	66	67	65	63	66	67	65	63	0	0	0	1	66	67	65	63	
8	Estonia	Amadeus	42	39	37	39	38	11	11	10	10	39	37	39	38	39	37	39	38	39	37	39	38	39	37	39	
9	Finland	Amadeus	159	137	145	140	134	2	2	2	124	134	134	134	124	134	134	134	44	42	44	48	124	134	134	134	
10	France	Amadeus	1,904	1,631	1,769	1,761	1,641	6	7	8	1,242	1,469	1,516	1,556	1,241	1,468	1,514	1,554	1,240	1,468	1,513	1,552	1,249	1,479	1,531	1,566	
11	Germany	Amadeus	1,350	477	1,087	1,114	1,040	8	25	25	22	168	590	619	582	168	590	619	582	45	173	191	207	165	578	608	564
12	Greece	Amadeus	209	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198
13	Hungary	Amadeus	124	109	113	111	117	0	0	0	109	113	112	117	109	113	112	117	65	62	61	69	109	113	112	117	
14	Ireland	Amadeus	44	31	36	40	42	30	34	38	41	33	37	41	33	37	41	43	0	0	0	0	33	37	40	43	
15	Italy	Amadeus	4,590	4,136	4,366	4,339	4,327	0	0	0	4,136	4,366	4,339	4,327	4,136	4,366	4,339	4,327	4,136	4,366	4,339	4,326	4,136	4,366	4,339	4,327	
16	Latvia	Amadeus	44	40	41	40	37	37	38	37	34	40	41	40	37	40	41	40	37	40	41	40	37	40	41	40	37
17	Lithuania	Amadeus	74	56	74	70	71	53	60	61	64	53	60	61	65	53	59	61	65	0	1	1	1	53	60	61	65
18	Luxembourg	Amadeus	8	4	5	6	6	0	0	0	4	5	6	6	4	5	6	6	1	2	3	4	4	5	6	6	
19	Malta	Amadeus	14	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14
20	The Netherlands	Amadeus	142	66	102	109	104	63	97	103	97	78	118	124	119	78	118	125	120	73	114	117	115	78	118	125	120
21	Poland	Amadeus	446	272	369	402	378	71	80	83	84	272	369	402	380	272	369	400	377	5	13	22	18	272	369	402	379
22	Portugal	Amadeus	687	626	654	665	657	0	0	0	627	655	667	657	627	655	667	657	0	0	0	0	627	655	667	657	
23	Romania	Amadeus	255	247	248	247	242	0	0	0	247	248	247	242	247	248	247	242	247	248	247	242	247	248	247	242	
24	Slovakia	Amadeus	100	95	95	98	92	0	0	0	95	94	96	92	95	94	96	92	95	94	96	92	95	94	95	91	
25	Slovenia	Amadeus	67	22	64	65	64	0	0	0	22	64	66	64	22	64	66	64	66	18	61	61	60	22	64	66	64
26	Spain	Amadeus	1,250	960	1,158	1,191	1,199	0	0	0	922	1,160	1,192	1,192	922	1,160	1,193	1,202	2	5	2	7	961	1,160	1,192	1,201	
27	Sweden	Amadeus	377	355	363	367	361	43	42	42	41	345	355	359	353	346	355	359	354	346	355	359	354	346	355	359	354
28	United Kingdom	Amadeus	1,397	1,138	1,224	1,206	1,132	1,094	1,177	1,155	1,085	1,144	1,228	1,208	1,133	1,143	1,225	1,206	1,131	3	3	5	7	1,145	1,228	1,206	1,131

Appendix 4
Textile - Shareholder equity & liability in absolute terms

#	Country	Database	Number of companies	Balance sheet - Shareholder equity & liability										Accounts payable														
				Share capital					Net equity					Total liabilities					Long term debt			Short term debt						
				2014	2013	2012	2011	2010	2009	2008	2007	2014	2013	2012	2011	2010	2009	2008	2007	2014	2013	2012	2011	2010	2009	2008	2007	
1	Austria	Amadeus	328	252	301	298	289	289	252	301	298	289	289	289	252	301	298	289	289	252	301	298	289	289	252	301	298	289
2	Belgium	Amadeus	441	415	423	425	410	415	423	425	410	415	423	425	410	415	423	425	410	415	423	425	410	415	423	425	410	415
3	Bulgaria	Amadeus	109	107	107	105	102	107	107	105	102	107	107	105	102	107	107	105	102	107	107	105	102	107	107	105	102	107
4	Croatia	Amadeus	78	69	74	76	72	69	74	76	72	69	74	76	72	69	74	76	72	69	74	76	72	69	74	76	72	69
5	Cyprus	Amadeus	7	0	1	4	7	0	1	4	7	0	1	4	7	0	1	4	7	0	1	4	7	0	1	4	7	0
6	Czech Republic	Amadeus	215	129	207	188	178	179	129	188	178	179	129	188	178	179	129	188	178	179	129	188	178	179	129	188	178	179
7	Denmark	Amadeus	69	65	66	63	61	66	67	65	63	61	66	67	65	63	61	66	67	65	63	61	66	67	65	63	61	66
8	Estonia	Amadeus	42	39	37	39	38	39	37	39	38	39	37	39	38	39	37	39	38	39	37	39	38	39	37	39	38	39
9	Finland	Amadeus	159	124	134	134	134	124	134	134	134	100	103	100	103	100	103	100	103	124	134	134	134	124	134	134	134	134
10	France	Amadeus	1 904	1 246	1 474	1 520	1 558	1 476	1 524	1 561	1 242	1 469	1 516	1 556	1 242	1 469	1 516	1 556	1 242	1 469	1 516	1 556	1 242	1 469	1 516	1 556	1 242	
11	Germany	Amadeus	1 350	462	1 042	1 061	1 042	1 042	1 060	1 074	1 056	470	1 060	1 074	1 056	470	1 060	1 074	1 056	470	1 060	1 074	1 056	470	1 060	1 074	1 056	470
12	Greece	Amadeus	209	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176
13	Hungary	Amadeus	124	109	113	112	117	109	113	112	117	109	113	112	117	109	113	112	117	109	113	112	117	109	113	112	117	109
14	Ireland	Amadeus	44	35	39	42	43	35	39	42	43	35	39	42	43	35	39	42	43	35	39	42	43	35	39	42	43	35
15	Italy	Amadeus	4 590	4 136	4 366	4 339	4 327	4 136	4 366	4 339	4 326	4 136	4 366	4 339	4 326	4 136	4 366	4 339	4 326	4 136	4 366	4 339	4 326	4 136	4 366	4 339	4 327	
16	Latvia	Amadeus	44	40	41	40	37	40	41	40	37	40	41	40	37	40	41	40	37	40	41	40	37	40	41	40	37	40
17	Lithuania	Amadeus	74	53	60	61	65	53	60	61	65	53	60	61	65	53	60	61	65	53	60	61	65	53	60	61	65	53
18	Luxembourg	Amadeus	8	5	6	6	8	5	6	6	8	5	6	6	8	5	6	6	8	5	6	6	8	5	6	6	8	5
19	Malta	Amadeus	14	3	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14	3	10	13	14
20	The Netherlands	Amadeus	142	54	85	87	87	82	125	129	126	82	125	129	126	82	125	129	126	82	125	129	126	82	125	129	126	82
21	Poland	Amadeus	446	272	370	403	380	272	370	403	380	263	352	379	361	263	352	379	361	272	370	403	380	272	370	403	379	
22	Portugal	Amadeus	687	627	655	667	657	627	655	667	657	627	655	667	657	627	655	667	657	627	655	667	657	627	655	667	657	627
23	Romania	Amadeus	255	247	248	247	242	247	248	247	242	247	248	247	242	247	248	247	242	247	248	247	242	247	248	247	242	247
24	Slovakia	Amadeus	100	95	95	98	92	95	94	96	92	95	94	96	92	95	94	96	92	95	94	96	92	95	94	96	92	95
25	Slovenia	Amadeus	67	52	64	67	64	52	64	67	64	66	64	66	64	66	64	66	64	66	64	66	64	66	64	66	64	66
26	Spain	Amadeus	1 250	922	1 160	1 183	1 204	961	1 160	1 193	1 204	922	1 160	1 193	1 204	922	1 160	1 193	1 204	922	1 160	1 193	1 204	922	1 160	1 193	1 204	914
27	Sweden	Amadeus	377	346	355	359	346	355	359	346	355	346	355	359	346	355	346	355	359	346	355	359	346	355	346	355	359	346
28	United Kingdom	Amadeus	1 397	1 182	1 286	1 289	1 249	1 183	1 282	1 295	1 254	1 183	1 282	1 295	1 254	1 183	1 282	1 295	1 254	1 183	1 282	1 295	1 254	1 183	1 282	1 295	1 254	1 183

Appendix 4
Textile - Assets in absolute terms

#	Country	Database	Number of companies	Balance sheet - Assets																											
				Total assets				Cash & liquidity				Operating assets				Current assets				Immovable assets				Inventories				Intangibles			
				2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	328	252	301	298	289	250	301	288	288	287	286	287	252	252	299	288	288	252	252	301	298	289	288	252	252	299	288		
2	Belgium	Amadeus	441	415	423	425	410	413	421	421	421	418	418	400	415	423	425	410	408	417	422	405	414	421	424	410	408	417	422		
3	Bulgaria	Amadeus	109	107	107	105	102	107	107	105	105	105	105	101	107	107	107	105	102	107	105	102	107	105	102	107	105	102	107		
4	Croatia	Amadeus	78	69	74	76	72	67	72	74	69	74	69	74	69	74	69	74	69	74	69	74	69	74	69	74	69	74	69		
5	Cyprus	Amadeus	7	0	1	4	7	0	1	3	7	0	1	3	7	0	1	4	7	0	1	4	7	0	1	4	7	0	1		
6	Czech Republic	Amadeus	215	129	168	178	179	128	167	178	178	178	167	178	178	179	129	168	178	179	129	168	178	179	129	168	178	179			
7	Denmark	Amadeus	69	66	67	65	63	65	67	64	61	65	66	63	60	66	67	65	63	66	66	63	63	61	60	66	66	64	62		
8	Estonia	Amadeus	42	39	37	39	38	39	37	38	38	31	26	27	33	39	37	39	38	37	35	38	38	37	39	38	29	27	32		
9	Finland	Amadeus	159	124	134	134	134	121	133	132	132	131	133	132	131	124	134	134	134	124	134	134	134	124	134	134	134	134	133		
10	France	Amadeus	1,904	1,246	1,474	1,520	1,588	1,232	1,458	1,505	1,542	1,232	1,458	1,505	1,542	1,242	1,469	1,516	1,516	1,242	1,469	1,516	1,516	1,242	1,469	1,516	1,516	1,566			
11	Germany	Amadeus	1,350	470	1,060	1,074	1,056	462	1,050	1,068	1,047	454	1,037	1,051	1,027	470	1,060	1,074	1,056	458	1,040	1,057	1,031	466	1,052	1,071	1,050	1,032			
12	Greece	Amadeus	209	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176	194	201	198	176			
13	Hungary	Amadeus	124	109	113	111	117	109	113	111	117	108	109	107	113	109	113	111	117	108	109	108	113	105	109	105	114	108	109		
14	Ireland	Amadeus	44	35	39	42	43	34	36	39	41	33	34	38	41	35	39	42	43	34	37	41	42	35	39	42	43	41			
15	Italy	Amadeus	4,590	4,136	4,366	4,339	4,327	4,129	4,361	4,322	4,129	4,361	4,330	4,330	4,322	4,136	4,366	4,339	4,326	4,136	4,366	4,339	4,326	4,136	4,366	4,339	4,326	4,326			
16	Latvia	Amadeus	44	40	41	40	37	40	40	40	37	40	40	40	37	40	41	40	37	40	41	40	40	41	40	40	41	40	37		
17	Lithuania	Amadeus	74	53	60	61	65	53	60	60	64	53	60	60	64	53	60	61	65	53	60	60	64	53	59	58	53	60	64		
18	Luxembourg	Amadeus	8	5	6	6	8	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	8		
19	Malta	Amadeus	14	3	10	13	14	3	9	12	14	3	9	12	14	3	10	13	14	3	10	13	14	3	10	13	14	14			
20	The Netherlands	Amadeus	142	82	125	129	126	82	123	127	124	80	119	121	119	82	125	129	126	80	121	123	121	82	125	129	126	80	121		
21	Poland	Amadeus	446	272	370	403	380	269	368	394	377	253	345	357	341	272	370	403	380	262	357	373	354	269	364	401	374	247	343		
22	Portugal	Amadeus	687	627	655	667	657	627	654	666	657	621	645	656	648	627	655	667	657	627	648	627	648	627	655	667	657	619	641		
23	Romania	Amadeus	255	247	248	247	242	246	248	247	242	246	248	247	242	247	248	247	242	247	248	247	242	247	248	247	242	247	242		
24	Slovakia	Amadeus	100	95	94	96	92	95	94	96	90	95	94	96	90	95	94	96	92	95	94	96	92	95	94	96	92	95	94		
25	Slovenia	Amadeus	67	22	64	67	64	21	63	67	64	21	63	65	64	22	64	67	64	22	64	65	64	22	64	67	64	65	64		
26	Spain	Amadeus	1,250	961	1,160	1,193	1,204	910	1,144	1,174	1,183	922	1,160	1,193	1,204	922	1,160	1,193	1,204	914	1,149	1,179	1,160	922	1,160	1,183	1,203	914	1,149		
27	Sweden	Amadeus	377	346	355	359	355	337	343	354	349	337	343	354	349	346	355	359	355	346	355	359	355	346	355	359	355	359	355		
28	United Kingdom	Amadeus	1,387	1,183	1,292	1,293	1,253	1,142	1,244	1,236	1,200	1,108	1,201	1,202	1,173	1,183	1,292	1,283	1,253	1,140	1,244	1,251	1,221	1,182	1,292	1,291	1,251	1,244	1,250		

Appendix 4
Textile - Other elements in absolute terms

Other											
#	Country	Database	Number of companies	Working capital				FTE's			
				2014	2013	2012	2011	2014	2013	2012	2011
1	Austria	Amadeus	328	246	296	291	283	230	261	237	227
2	Belgium	Amadeus	441	413	421	423	409	405	413	413	402
3	Bulgaria	Amadeus	109	107	107	105	102	107	107	105	103
4	Croatia	Amadeus	78	69	74	76	72	68	73	73	69
5	Cyprus	Amadeus	7	0	1	4	7	0	1	4	7
6	Czech Republic	Amadeus	215	129	168	178	179	114	205	202	191
7	Denmark	Amadeus	69	58	56	54	52	59	60	57	55
8	Estonia	Amadeus	42	39	36	39	37	36	34	34	35
9	Finland	Amadeus	159	124	134	134	134	122	129	119	102
10	France	Amadeus	1 904	1 241	1 468	1 516	1 556	834	911	783	799
11	Germany	Amadeus	1 350	252	776	788	808	243	495	484	478
12	Greece	Amadeus	209	176	194	201	198	176	192	195	188
13	Hungary	Amadeus	124	99	100	96	99	107	111	109	108
14	Ireland	Amadeus	44	35	38	42	41	32	36	39	41
15	Italy	Amadeus	4 590	4 136	4 366	4 339	4 326	4 086	4 289	4 255	4 155
16	Latvia	Amadeus	44	40	41	40	37	39	41	40	37
17	Lithuania	Amadeus	74	52	58	57	58	56	74	73	73
18	Luxembourg	Amadeus	8	5	6	6	7	3	4	4	7
19	Malta	Amadeus	14	3	10	13	14	2	8	9	11
20	The Netherlands	Amadeus	142	46	83	82	74	74	113	120	120
21	Poland	Amadeus	446	269	364	400	373	23	62	119	194
22	Portugal	Amadeus	687	627	655	667	657	618	642	654	648
23	Romania	Amadeus	255	168	158	147	137	247	248	247	242
24	Slovakia	Amadeus	100	95	94	96	92	89	92	93	89
25	Slovenia	Amadeus	67	22	64	66	64	38	62	64	63
26	Spain	Amadeus	1 250	914	1 151	1 181	1 189	942	1 140	1 170	1 169
27	Sweden	Amadeus	377	346	355	359	355	355	362	367	363
28	United Kingdom	Amadeus	1 397	1 173	1 282	1 284	1 245	1 079	1 154	1 127	1 059

Appendix 5 (Milestone 19)

This appendix provides for each sector in scope (i.e. Pharmaceutical and Healthcare, Transports and Logistics and Textile) and over the last 5 years (2010 – 2014), the availability of financial information per MS, for the whole period and per year. For each sector, the data collected from Amadeus are the following:

- Turnover;
- Operating result;
- Financial result;
- Asset value;
- Liability value;
- P&L.

For each sector, the data collected appear first in relative terms then in absolute terms.

#	Country	Number of companies	Pharmaceutical and healthcare																					
			Turnover			Operating result			Financial result			Asset value			Liability value			P&L						
			2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	
1	Austria	264	172	207	221	213	187	111	120	155	150	149	138	96	120	155	150	149	137	106	120	155	150	149
2	Bulgaria	274	252	263	260	251	243	219	253	266	263	261	259	235	253	266	263	261	259	235	253	266	263	261
3	Bulgaria	94	83	83	92	88	81	80	93	93	92	87	78	77	93	93	92	88	78	77	93	93	92	87
4	Croatia	42	41	42	39	38	37	36	41	42	39	38	37	36	41	42	39	38	37	36	41	42	39	38
5	Cyprus	12	0	6	9	10	9	0	0	6	9	10	9	0	0	6	9	10	9	0	0	6	9	10
6	Czech Republic	20	17	18	18	17	17	16	17	18	18	17	17	16	17	18	18	17	17	16	17	18	18	17
7	Denmark	98	84	83	83	88	73	66	95	95	94	93	93	91	94	95	94	93	91	89	91	92	91	89
8	Estonia	28	27	27	28	27	24	23	28	28	28	27	24	24	28	28	28	27	24	24	28	28	28	27
9	Finland	136	127	122	109	103	98	90	105	112	108	103	98	90	105	112	108	103	98	90	105	112	108	
10	France	1,038	944	973	992	884	895	731	721	807	833	856	867	608	719	804	830	853	864	607	722	808	856	
11	Germany	949	374	817	828	758	688	260	183	493	502	487	448	155	384	815	833	821	799	352	789	352	789	
12	Greece	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	
13	Hungary	236	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	
14	Ireland	96	75	73	82	83	72	54	76	81	87	89	80	62	79	84	88	89	81	66	79	84	88	
15	Italy	1,063	986	1,041	1,039	1,019	989	923	986	1,041	1,039	1,019	989	923	986	1,041	1,039	1,019	989	923	986	1,041	1,039	
16	Latvia	32	31	31	27	27	27	26	31	31	27	27	26	26	26	26	26	26	26	26	26	26	26	
17	Lithuania	52	37	52	50	51	36	37	41	45	49	49	49	33	37	41	45	49	49	33	37	41	45	
18	Luxembourg	5	4	5	5	5	5	3	4	5	5	5	3	3	4	5	5	5	4	4	5	5	5	
19	Netherlands	16	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	
20	The Netherlands	168	80	132	135	116	103	45	85	139	152	131	120	55	86	143	153	137	127	62	86	143	153	
21	Poland	341	232	313	314	299	285	185	232	313	312	301	287	187	232	313	312	301	287	187	232	313	312	
22	Portugal	232	205	217	223	216	216	216	192	205	217	223	219	216	192	205	217	223	219	216	192	205	217	
23	Romania	173	168	169	166	151	138	129	168	169	166	151	138	129	168	169	166	151	138	129	168	169	166	
24	Slovakia	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	83	
25	Slovenia	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	
26	Spain	639	462	588	610	607	597	430	462	588	611	610	600	433	462	588	612	611	602	433	462	588	611	
27	Sweden	283	271	270	273	272	268	249	260	281	264	263	260	241	260	281	264	263	261	242	260	281	264	
28	United Kingdom	710	593	645	630	601	569	465	595	647	634	606	574	468	597	647	634	605	573	468	597	647	634	

Appendix 5
Textile - Financial Information in relative term %

#	Country	Turnover					Operating result					Financial result					Asset value					Liability value					P&L							
		2014	2013	2012	2011	2010	5Y	2014	2013	2012	2011	2010	5Y	2014	2013	2012	2011	2010	5Y	2014	2013	2012	2011	2010	5Y	2014	2013	2012	2011	2010	5Y	2014	2013	2012
1	Austria	84%	84%	81%	78%	73%	40%	39%	47%	43%	41%	27%	39%	50%	50%	37%	34%	17%	77%	77%	77%	77%	77%	77%	65%	39%	50%	50%	47%	43%	41%	27%		
2	Belgium	93%	93%	91%	89%	82%	74%	94%	96%	93%	92%	84%	94%	95%	95%	93%	92%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	
3	Bulgaria	89%	89%	87%	85%	82%	81%	89%	89%	89%	89%	81%	89%	89%	89%	89%	89%	81%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	
4	Canada	95%	95%	94%	93%	92%	91%	90%	90%	90%	90%	89%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
5	Czech Republic	0%	14%	57%	100%	86%	10%	0%	57%	100%	86%	10%	0%	14%	57%	100%	86%	10%	0%	14%	57%	100%	86%	10%	0%	14%	57%	100%	86%	10%	0%	14%	57%	
6	Denmark	84%	87%	88%	90%	85%	49%	96%	94%	91%	71%	67%	96%	97%	97%	91%	83%	84%	85%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
7	Estonia	93%	89%	93%	90%	81%	93%	89%	93%	90%	81%	93%	89%	93%	90%	81%	93%	89%	93%	90%	81%	93%	89%	93%	90%	81%	93%	89%	93%	90%	81%	93%	89%	
8	Finland	86%	91%	88%	84%	80%	65%	78%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%
9	France	86%	93%	92%	88%	84%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
10	Germany	35%	81%	83%	77%	66%	22%	12%	44%	46%	43%	40%	10%	12%	44%	46%	43%	40%	10%	12%	44%	46%	43%	40%	10%	12%	44%	46%	43%	40%	10%	12%	44%	
11	Greece	84%	83%	86%	85%	82%	78%	84%	86%	85%	82%	78%	84%	86%	85%	82%	78%	84%	86%	85%	82%	78%	84%	86%	85%	82%	78%	84%	86%	85%	82%	78%	84%	
12	Hungary	70%	82%	81%	85%	81%	61%	75%	84%	82%	82%	68%	75%	84%	82%	82%	68%	75%	84%	82%	82%	68%	75%	84%	82%	82%	68%	75%	84%	82%	82%	68%	75%	
13	Italy	90%	95%	95%	94%	91%	82%	90%	95%	95%	94%	91%	82%	90%	95%	95%	94%	91%	82%	90%	95%	95%	94%	91%	82%	90%	95%	95%	94%	91%	82%	90%	95%	
14	Lithuania	91%	93%	91%	84%	82%	73%	91%	93%	91%	84%	82%	73%	91%	93%	91%	84%	82%	73%	91%	93%	91%	84%	82%	73%	91%	93%	91%	84%	82%	73%	91%	93%	
15	Luxembourg	76%	100%	63%	75%	75%	39%	50%	63%	75%	75%	39%	50%	63%	75%	75%	39%	50%	63%	75%	75%	39%	50%	63%	75%	75%	39%	50%	63%	75%	75%	39%	50%	
16	Malta	71%	71%	93%	73%	81%	21%	21%	71%	93%	73%	81%	21%	21%	71%	93%	73%	81%	21%	21%	71%	93%	73%	81%	21%	21%	71%	93%	73%	81%	21%	21%	71%	
17	The Netherlands	46%	89%	89%	85%	79%	48%	59%	87%	84%	78%	42%	59%	87%	84%	78%	42%	59%	87%	84%	78%	42%	59%	87%	84%	78%	42%	59%	87%	84%	78%	42%	59%	
18	Poland	61%	89%	91%	88%	84%	65%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	61%	
19	Portugal	91%	95%	97%	94%	85%	91%	95%	97%	94%	85%	91%	95%	97%	94%	85%	91%	95%	97%	94%	85%	91%	95%	97%	94%	85%	91%	95%	97%	94%	85%	91%	95%	
20	Romania	85%	85%	87%	82%	82%	87%	85%	87%	82%	82%	87%	85%	87%	82%	82%	87%	85%	87%	82%	82%	87%	85%	87%	82%	82%	87%	85%	87%	82%	82%	87%	85%	87%
21	Slovenia	33%	96%	93%	96%	93%	30%	33%	96%	93%	96%	93%	30%	33%	96%	93%	96%	93%	30%	33%	96%	93%	96%	93%	30%	33%	96%	93%	96%	93%	30%	33%	96%	
22	Spain	77%	93%	95%	96%	93%	70%	74%	93%	95%	96%	93%	70%	74%	93%	95%	96%	93%	70%	74%	93%	95%	96%	93%	70%	74%	93%	95%	96%	93%	70%	74%	93%	
23	Sweden	94%	96%	97%	96%	93%	87%	92%	94%	96%	94%	92%	86%	92%	94%	96%	94%	92%	86%	92%	94%	96%	94%	92%	86%	92%	94%	96%	94%	92%	86%	92%	94%	
24	United Kingdom	81%	89%	86%	81%	75%	59%	82%	89%	86%	81%	75%	59%	82%	89%	86%	81%	75%	59%	82%	89%	86%	81%	75%	59%	82%	89%	86%	81%	75%	59%	82%	89%	

Appendix 5
Textile - Financial information in absolute terms

#	Country	Number of companies	Textile												P&L																		
			Turnover						Operating result						Asset value						Liability value												
			2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018	2010	2011	2012	2013	2014	2015	2016	2017	2018	2010	2011	2012	2013	2014	2015	2016	2017	2018	
1	Austria	328	224	276	265	255	241	130	127	164	155	120	112	57	242	301	238	289	288	212	127	165	154	141	136	80							
2	Bulgaria	441	412	408	403	381	362	325	414	422	425	410	406	370	415	423	425	410	406	372	415	423	425	410	406	372							
3	Bulgaria	109	107	107	105	102	99	97	107	107	105	101	97	95	107	107	105	102	97	95	107	107	105	101	97	95							
4	Croatia	78	69	74	76	72	70	63	69	74	76	72	70	63	69	74	76	72	70	63	69	74	76	72	70	63							
5	Cyprus	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
6	Czechia	27	0	21	26	17	16	15	16	15	16	17	16	15	16	15	16	17	16	15	16	15	16	17	16	15							
7	Denmark	69	58	60	61	62	45	34	66	67	65	63	49	46	66	67	65	63	49	46	66	67	65	63	49	46							
8	Estonia	42	39	37	39	38	38	34	39	37	39	38	34	34	39	37	39	38	34	34	39	37	39	38	34	34							
9	Finland	159	137	145	140	134	127	104	124	134	134	134	127	103	124	134	134	134	127	103	124	134	134	134	127	103							
10	France	1 304	1 631	1 769	1 761	1 641	1 605	1 262	1 463	1 516	1 566	1 574	1 034	1 241	1 468	1 514	1 554	1 573	1 034	1 109	1 248	1 279	1 350	1 441	1 037	1 106	1 248	1 279	1 350	1 441			
11	Germany	1 350	4 777	1 097	1 114	1 040	888	303	1 69	590	619	582	537	136	1 69	590	619	582	537	136	1 69	590	619	582	537	136	1 69	590	619	582	537	136	
12	Greece	292	109	133	131	137	134	132	137	134	132	139	132	139	132	139	132	139	132	139	132	139	132	139	132	139	132	139	132	139	132		
13	Hungary	44	31	36	40	42	40	27	33	37	41	43	40	29	35	39	42	43	40	29	35	39	42	43	40	29	35	39	42	43	40	29	
14	Iceland	4 590	4 136	4 386	4 339	4 327	4 192	3 745	4 136	4 386	4 339	4 327	4 194	3 747	4 136	4 386	4 339	4 327	4 194	3 747	4 136	4 386	4 339	4 327	4 194	3 747							
15	Italy	44	40	41	40	37	36	32	40	41	40	37	36	32	40	41	40	37	36	32	40	41	40	37	36	32	40	41	40	37	36	32	
16	Latvia	74	56	74	70	71	71	54	53	60	61	65	66	48	53	60	61	65	66	48	53	60	61	65	66	48	53	60	61	65	66	48	
17	Lithuania	4	5	6	6	6	6	3	4	5	6	6	6	3	4	5	6	6	6	3	4	5	6	6	6	3	4	5	6	6	6	3	
18	Luxembourg	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
19	Malta	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
20	The Netherlands	142	66	102	109	104	87	41	78	118	124	119	111	60	82	125	126	119	68	82	125	126	119	68	82	125	126	119	68	82	125	126	
21	Poland	446	272	369	402	378	350	214	272	369	402	380	350	214	272	370	403	380	351	214	283	352	379	381	332	182	272	369	402	379	350	214	
22	Portugal	687	626	654	665	657	648	627	655	667	657	651	588	627	648	627	648	627	648	627	648	627	648	627	648	627	648	627	648	627	648	627	
23	Romania	255	247	248	247	242	231	224	247	248	247	242	231	224	247	248	247	242	231	224	247	248	247	242	231	224	247	248	247	242	231	224	
24	Slovakia	100	95	95	98	92	95	84	98	92	95	84	98	92	95	84	98	92	95	84	98	92	95	84	98	92	95	84	98	92	95	84	
25	Slovenia	1 250	969	1 548	1 191	1 199	1 157	878	922	1 160	1 193	1 202	1 160	922	1 160	1 193	1 204	1 166	898	922	1 160	1 193	1 204	1 166	898	922	1 160	1 193	1 204	1 166	898	922	
26	Spain	377	355	363	367	361	351	329	345	355	359	353	345	321	346	355	359	355	346	323	346	355	359	355	346	323	346	355	359	355	346	323	
27	Sweden	1 338	1 224	1 206	1 132	1 045	819	1 144	1 144	1 228	1 208	1 133	1 052	832	1 143	1 225	1 206	1 131	1 049	823	1 143	1 225	1 206	1 131	1 049	823	1 143	1 225	1 206	1 131	1 049	823	
28	United Kingdom	1 397	1 338	1 224	1 206	1 132	1 045	819	1 144	1 144	1 228	1 208	1 133	1 052	832	1 143	1 225	1 206	1 131	1 049	823	1 143	1 225	1 206	1 131	1 049	823	1 143	1 225	1 206	1 131	1 049	823

Appendix 6 (Milestone 22)

This appendix provides the total number of companies per MS in scope after the Excel filtering analysis. For **milestone 22**, the following twelve profiles are in scope:

- Four initial profiles for the specific test:
 - Automotive Manufacturing;
 - Electronics Manufacturing;
 - Chemicals Distribution;
 - Electronics Distribution.
- Three additional profiles for the specific test:
 - Transport and Logistics;
 - Pharmaceutical Healthcare Manufacturing;
 - Textile Wholesale.
- Five profiles for the broader test:
 - Printing;
 - Machinery Manufacturing;
 - Vehicle Parts Distribution;
 - Food Distribution;
 - Computer Services.

Appendix 6
Milestone 22 - Automotive Manufacturing

Automotive Manufacturing										
Rev > 5.0 million -10% < ROA < 20%		AT	BE	BG	CH	CY	CZ	DE	DK	EE
	Number of companies	7	8	0	0	0	31	31	0	1
	% of total	1,5%	0,2%	0,0%	0,0%	0,0%	6,6%	6,6%	0,0%	0,2%
	Mean Sales (th EUR)	45 422	67 419	0	0	0	97 761	6 160 368	0	5 369
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	35	13	45	6	0	53	1	120	0
	% of total	7,5%	2,8%	9,6%	1,3%	0,0%	11,3%	0,2%	25,6%	0,0%
	Mean Sales (th EUR)	26 668	86 507	44 701	37 950	0	82 391	5 548	45 717	0
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	1	1	3	0	2	3	23	17
	% of total	0,0%	0,2%	0,2%	0,6%	0,0%	0,4%	0,6%	4,9%	3,6%
	Mean Sales (th EUR)	0	3 809	7 207	5 075	0	419 123	9 827	20 073	16 441
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	3	15	4	17	28	468			
	% of total	0,6%	3,2%	0,9%	3,6%	6,0%	100%			
	Mean Sales (th EUR)	9 689	13 476	15 896	34 364	336 619	472 136			

Appendix 6
Milestone 22 - Electronics Manufacturing

Electronics Manufacturing										
Rev > 5.0 million -10% < ROA < 20%	AT	BE	BG	CH	CY	CZ	DE	DK	EE	
	Number of companies	2	9	2	1	0	24	63	1	0
	% of total	0,3%	1,3%	0,3%	0,1%	0,0%	3,4%	9,0%	0,1%	0,0%
	Mean Sales (th EUR)	336 426	20 886	4115	96 600	n.a.	13 341	329 853	22 069	n.a.
	ES	FI	FR	GR	HR	HU	IE	IT	IS	
	Number of companies	27	22	107	9	7	34	6	219	0
	% of total	3,9%	3,2%	15,4%	1,3%	1,0%	4,9%	0,9%	31,4%	0,0%
	Mean Sales (th EUR)	17 443	1 298 719	16 187	29 351	10859	31 731	19 707	19 851	n.a.
	LI	LT	LU	LV	MT	NL	NO	PL	PT	
	Number of companies	0	4	1	1	2	7	7	46	8
	% of total	0,0%	0,6%	0,1%	0,1%	0,3%	1,0%	1,0%	6,6%	1,1%
	Mean Sales (th EUR)	n.a.	9 989	1 945 060	8 060	7856	41 337	48 244	15 856	7 208
	RO	SE	SI	SK	UK	Europe 28				
	Number of companies	6	11	6	10	55	697			
	% of total	0,9%	1,6%	0,9%	1,4%	7,9%	100%			
	Mean Revenue	6 461	12 051	9 244	10 157	33 611	92 343			

Appendix 6
Milestone 22 - Chemical Distribution

Chemical Distribution										
Rev > 5.0 million -5% < OPM < 15%		AT	BE	BG	CH	CY	CZ	DE	DK	EE
	Number of companies	4	16	17	0	1	25	45	5	0
	% of total	0,5%	2,2%	2,3%	0,0%	0,1%	3,4%	6,2%	0,7%	0,0%
	Mean Sales (th EUR)	107 979	113 320	8 642	n.a.	10 301	14 327	70 771	49 495	n.a.
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	119	11	94	18	3	60	7	140	0
	% of total	16,3%	1,5%	12,9%	2,5%	0,4%	8,2%	1,0%	19,2%	0,0%
	Mean Sales (th EUR)	18 063	22 701	136 508	17 908	9997	17 989	393 154	31 311	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	7	1	0	0	13	3	52	25
	% of total	0,0%	1,0%	0,1%	0,0%	0,0%	1,8%	0,4%	7,1%	3,4%
	Mean Sales (th EUR)	n.a.	21 394	7 307	n.a.	n.a.	116 073	48 408	28 477	10 869
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	6	13	5	9	31	730			
	% of total	0,8%	1,8%	0,7%	1,2%	4,2%	100%			
	Mean Sales (th EUR)	10 282	16 857	8 787	10 365	71 318	49 566			

Appendix 6
Milestone 22 - Electronics Distribution

Electronics Distribution										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million -5% < OPM < 15%	Number of companies	11	13	9	0	2	26	25	1	1
	% of total	1,6%	1,9%	1,3%	0,0%	0,3%	3,7%	3,6%	0,1%	0,1%
	Mean Sales (th EUR)	78 769	54 285	15 421	n.a.	629 855	23 925	56 741	7 950	4 475
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	83	20	150	21	3	40	0	93	0
	% of total	11,9%	2,9%	21,5%	3,0%	0,4%	5,7%	0,0%	13,3%	0,0%
	Mean Sales (th EUR)	21 745	15 416	21 928	17 906	9481	15 573	n.a.	41 137	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	3	1	5	0	22	33	30	20
	% of total	0,0%	0,4%	0,1%	0,7%	0,0%	3,2%	4,7%	4,3%	2,9%
	Mean Sales (th EUR)	n.a.	10 381	5 795	168 747	n.a.	158 071	90 459	47 327	17 307
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	17	24	3	4	37	697			
	% of total	2,4%	3,4%	0,4%	0,6%	5,3%	100%			
	Mean Sales (th EUR)	7 842	8 770	8 873	11 916	87 704	39 941			

Appendix 6
Milestone 22 - Pharmaceutical & Healthcare Manufacturing

Pharmaceutical and Healthcare Manufacturing										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million -10% < ROA < 20%	Number of companies	2	6	2	1	0	7	13	2	0
	% of total	0,9%	2,6%	0,9%	0,4%	0,0%	3,1%	5,7%	0,9%	0,0%
	Mean Sales (th EUR)	17 019	236 265	9 355	334 319	n.a.	19 563	3 229 938	26 640	n.a.
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	24	2	25	14	2	16	2	54	1
	% of total	10,5%	0,9%	10,9%	6,1%	0,9%	7,0%	0,9%	23,6%	0,4%
	Mean Sales (th EUR)	26 934	39 682	11 494	45 053	8688	17 026	55 170	41 595	82 926
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	1	0	1	0	3	4	20	3
	% of total	0,0%	0,4%	0,0%	0,4%	0,0%	1,3%	1,7%	8,7%	1,3%
	Mean Sales (th EUR)	n.a.	8 994	n.a.	106 320	n.a.	78 880	69 422	21 231	16 637
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	1	2	1	0	20	229			
	% of total	0,4%	0,9%	0,4%	0,0%	8,7%	100%			
Mean Sales (th EUR)	5 153	130 822	5 509	n.a.	24 421	213 739				

Appendix 6
Milestone 22 - Transport & Logistics

Transport and Logistics										
Rev > 5.0 million -10% < ROA < 20%		AT	BE	BG	CH	CY	CZ	DE	DK	EE
	Number of companies	36	116	13	43	1	77	194	9	18
	% of total	0,9%	2,9%	0,3%	1,1%	0,0%	1,9%	4,9%	0,2%	0,5%
	Mean Sales (th EUR)	53 425	32 806	5 626	63 573	1 325 599	21 312	534 955	407 006	6 283
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	494	130	483	55	28	127	9	979	2
	% of total	12,4%	3,3%	12,1%	1,4%	0,7%	3,2%	0,2%	24,5%	0,1%
	Mean Sales (th EUR)	15 403	26 645	15 052	20 311	10034	22 483	48 894	28 110	7279
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	31	8	20	2	45	226	164	85
	% of total	0,0%	0,8%	0,2%	0,5%	0,1%	1,1%	5,7%	4,1%	2,1%
	Mean Sales (th EUR)	n.a.	17 391	18 476	17 225	18476	410 176	66 264	22 088	10 907
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	46	212	21	51	273	3998			
	% of total	1,2%	5,3%	0,5%	1,3%	6,8%	100%			
Mean Sales (th EUR)	14 326	22 066	9 438	14 956	175 652	65 677				

Appendix 6
Milestone 22 - Textile Wholesale

Textile Wholesale										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million -5% < OPM < 15%	Number of companies	5	17	2	1	0	7	19	2	1
	% of total	0,7%	2,3%	0,3%	0,1%	0,0%	1,0%	2,6%	0,3%	0,1%
	Mean Sales (th EUR)	32 776	13 474	3 781	17 539	n.a.	12 582	24 118	68 104	5 153
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	104	7	142	20	1	14	0	211	0
	% of total	14,2%	1,0%	19,4%	2,7%	0,1%	1,9%	0,0%	28,9%	0,0%
	Mean Sales (th EUR)	23 035	16 566	17 927	12 633	95577	7 726	n.a.	12 310	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	1	0	0	0	7	19	30	23
	% of total	0,0%	0,1%	0,0%	0,0%	0,0%	1,0%	2,6%	4,1%	3,1%
	Mean Sales (th EUR)	n.a.	5 253	n.a.	n.a.	n.a.	134 271	25 592	40 504	8 398
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	0	21	2	2	73	731			
	% of total	0,0%	2,9%	0,3%	0,3%	10,0%	100,0%			
	Mean Sales (th EUR)	n.a.	15 310	17 625	8 555	62 195	22 885			

Appendix 6
Milestone 22 - Printing

Printing											
Rev > 5.0 million ROA < 15%	AT	BE	BG	CH	CY	CZ	DE	DK	EE		
	Number of companies	5	8	2	2	0	9	29	1	4	
	% of total	1,6%	2,6%	0,6%	0,6%	0,0%	2,9%	9,4%	0,3%	1,3%	
	Mean Sales (th EUR)	8 812	18 086	18 272	635 148	n.a.	15 089	38 720	56 794	4 551	
	ES	FI	FR	GR	HR	HU	IE	IT	IS		
	Number of companies	39	8	22	9	4	9	0	70	2	
	% of total	12,6%	2,6%	7,1%	2,9%	1,3%	2,9%	0,0%	22,7%	0,6%	
	Mean Sales (th EUR)	8 827	21 882	11 284	11 676	9130	6 830	n.a.	10 611	17597	
	LI	LT	LU	LV	MT	NL	NO	PL	PT		
	Number of companies	0	1	1	2	1	4	4	14	4	
	% of total	0,0%	0,3%	0,3%	0,6%	0,3%	1,3%	1,3%	4,5%	1,3%	
	Mean Sales (th EUR)	n.a.	17 280	7 133	10 776	3381	201 495	6 391	10 528	10 049	
	RO	SE	SI	SK	UK	Europe 28					
	Number of companies	2	12	2	4	35	309				
	% of total	0,6%	3,9%	0,6%	1,3%	11,3%	100,0%				
Mean Sales (th EUR)	6 875	34 185	8 042	25 831	54 595	26 215					

Appendix 6
Milestone 22 - Machinery Manufacturing

Machinery Manufacturing										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million ROA < 15%	Number of companies	10	18	5	0	0	64	119	3	1
	% of total	0,7%	1,3%	0,4%	0,0%	0,0%	4,5%	8,5%	0,2%	0,1%
	Mean Sales (th EUR)	30 461	12 972	10 729	n.a.	n.a.	10 519	60 268	46 648	4 360
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	133	33	62	8	9	52	2	670	0
	% of total	9,4%	2,3%	4,4%	0,6%	0,6%	3,7%	0,1%	47,6%	0,0%
	Mean Sales (th EUR)	12 441	312 982	36 126	82 927	6106	15 101	29 387	21 908	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	2	1	1	0	7	18	52	19
	% of total	0,0%	0,1%	0,1%	0,1%	0,0%	0,5%	1,3%	3,7%	1,3%
	Mean Sales (th EUR)	n.a.	12 770	22 665	11 098	n.a.	119 840	34 904	12 631	19 390
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	2	35	15	17	50	1408			
	% of total	0,1%	2,5%	1,1%	1,2%	3,6%	100,0%			
	Mean Sales (th EUR)	5 261	127 828	9 323	16 443	28 945	34 054			

Appendix 6
Milestone 22 - Vehicle parts Distribution

Vehicle parts Distribution										
Rev > 5.0 million OPM < 15%		AT	BE	BG	CH	CY	CZ	DE	DK	EE
	Number of companies	3	15	2	0	1	13	32	1	4
	% of total	0,5%	2,6%	0,3%	0,0%	0,2%	2,2%	5,5%	0,2%	0,7%
	Mean Sales (th EUR)	101 518	23 185	4 249	n.a.	9 793	10 845	34 687	69 148	4 903
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	77	22	59	6	3	23	0	140	0
	% of total	13,2%	3,8%	10,1%	1,0%	0,5%	3,9%	0,0%	24,0%	0,0%
	Mean Sales (th EUR)	14 100	23 459	14 790	14 350	5387	19 234	n.a.	13 377	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	8	0	0	4	0	6	21	49	17
	% of total	1,4%	0,0%	0,0%	0,7%	0,0%	1,0%	3,6%	8,4%	2,9%
	Mean Sales (th EUR)	9635	n.a.	n.a.	7 215	n.a.	271 531	14 857	32 409	9 464
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	13	8	4	10	42	583			
	% of total	2,2%	1,4%	0,7%	1,7%	7,2%	100,0%			
Mean Sales (th EUR)	12 191	8 556	11 925	7 487	23 609	20 651				

Appendix 6
Milestone 22 - Food Distribution

Food Distribution										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million OPM < 15%	Number of companies	18	125	56	1	8	78	158	22	9
	% of total	0,4%	2,7%	1,2%	0,0%	0,2%	1,7%	3,4%	0,5%	0,2%
	Mean Sales (th EUR)	56 942	45 471	12 362	20 951 921	13 500	27 985	153 521	116 731	17 652
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	1219	37	680	112	13	196	9	876	4
	% of total	26,3%	0,8%	14,7%	2,4%	0,3%	4,2%	0,2%	18,9%	0,1%
	Mean Sales (th EUR)	18 078	27 517	38 854	18 985	9400	22 979	401 886	22 580	15069
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	14	2	17	2	35	74	307	191
	% of total	0,0%	0,3%	0,0%	0,4%	0,0%	0,8%	1,6%	6,6%	4,1%
	Mean Sales (th EUR)	n.a.	15 848	31 851	19 046	11840	236 865	180 684	19 190	13 908
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	73	86	6	40	171	4639			
	% of total	1,6%	1,9%	0,1%	0,9%	3,7%	100,0%			
	Mean Sales (th EUR)	13 811	12 923	7 385	24 792	123 684	41 453			

Appendix 6
Milestone 22 - Computer Services

Computer Services										
		AT	BE	BG	CH	CY	CZ	DE	DK	EE
Rev > 5.0 million NCP < 15%	Number of companies	15	47	5	1	0	29	97	14	0
	% of total	1,3%	4,2%	0,4%	0,1%	0,0%	2,6%	8,7%	1,3%	0,0%
	Mean Sales (th EUR)	432 692	93 990	36 233	86 792	n.a.	15 135	69 368	25 702	n.a.
		ES	FI	FR	GR	HR	HU	IE	IT	IS
	Number of companies	71	47	225	6	5	46	1	134	0
	% of total	6,4%	4,2%	20,2%	0,5%	0,4%	4,1%	0,1%	12,0%	0,0%
	Mean Sales (th EUR)	63 706	59 408	50 272	259 453	9286	11 716	8 186	49 444	n.a.
		LI	LT	LU	LV	MT	NL	NO	PL	PT
	Number of companies	0	0	2	2	2	15	50	50	6
	% of total	0,0%	0,0%	0,2%	0,2%	0,2%	1,3%	4,5%	4,5%	0,5%
	Mean Sales (th EUR)	n.a.	n.a.	10 173	9 837	66355	46 334	38 492	52 363	7 409
		RO	SE	SI	SK	UK	Europe 28			
	Number of companies	6	54	4	12	170	1116			
	% of total	0,5%	4,8%	0,4%	1,1%	15,2%	100,0%			
	Mean Sales (th EUR)	8 023	14 662	15 168	12 318	67 710	51 891			