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In response to the health crisis, large French groups adjusted their spending and contained their net financial debt in 2020

An analysis of the consolidated accounts of large French groups (excluding the financial sector) has highlighted their ability to adjust to the context of the health crisis. Faced with the decline in activity, which affected turnover and profitability, they cut back their dividend payouts, maintained their overall level of investment and contained their net financial debt by increasing their cash position. Naturally, these aggregate trends vary from one sector of activity to another.

Olivier Gonzalez and Anne-Marie Rieu-Foucault
Companies Directorate
Companies Observatory

17%
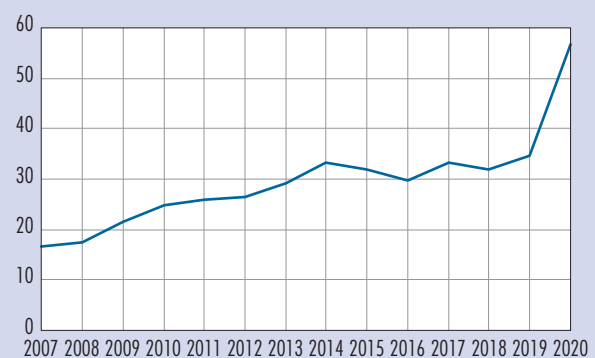investment rate of large groups in 2020

57 days of turnover
median net cash of large groups at end-2020, compared with 35 days a year earlier

−30.3%
decline in the economic profitability of large groups in 2020

Net cash (median)
(in days of turnover)

Source: Banque de France, FIBEN database (data at end-August 2021).
Note: Net cash corresponds to the cash held by a group (cash assets) minus the amount of cash loans (liabilities).

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This article analyses the economic and financial situation of large private non-financial groups in France in 2020, by drawing on the consolidated accounts of the Banque de France's FIBEN database (Fichier bancaire des entreprises) (see Appendix 1). The scope of the study covers a total of 238 large groups.

1 Activity and results show a clear decline

The decline in the activity of large French groups was marked, but the change in value added was identical to that of the French economy as a whole

In 2020, the value added (VA) of large groups posted an average annual decrease of 5.8%, while French GDP dropped by 5.5% at current prices (and by 7.9% at constant prices, see Chart 1a). The activity of large French groups thus declined at the same rate as the French economy as a whole.

Turnover figures show a more pronounced decline in activity, with an average decrease of 10.0% in 2020[1] (see Chart 1b). More than half of the large groups experienced a decline in activity greater than that of GDP.
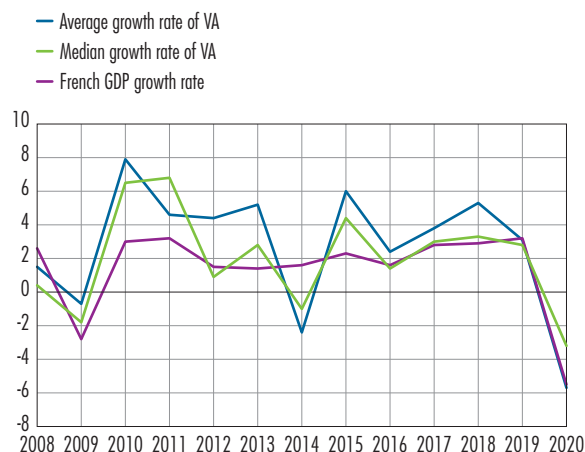
The fall was particularly pronounced for the large French industrial groups (in particular in the aeronautics, automobile and energy sectors) and for the accommodation and food services sector, which was particularly impacted by the consequences of the health measures (see Appendix 2 for figures by sector of activity). In 2020, the industrial sector alone accounted for over half of large French groups' turnover (56%).

In 2020, the share of large groups' turnover generated abroad (see Chart 2) dropped very slightly but remained at a historically high level. The global business shock differed across countries, which benefited the large groups operating in several geographical areas.[2]
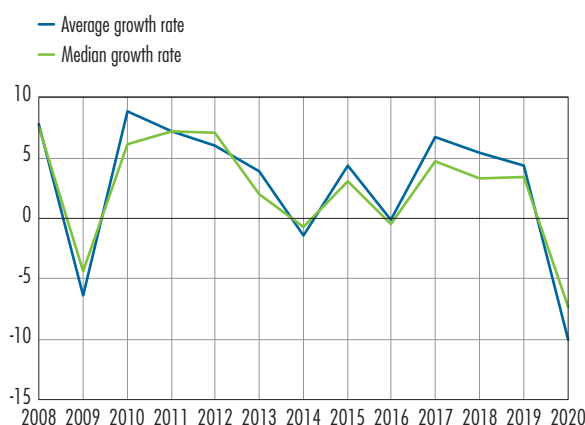
C1 Changes in the activity of large French groups (2008-2020)
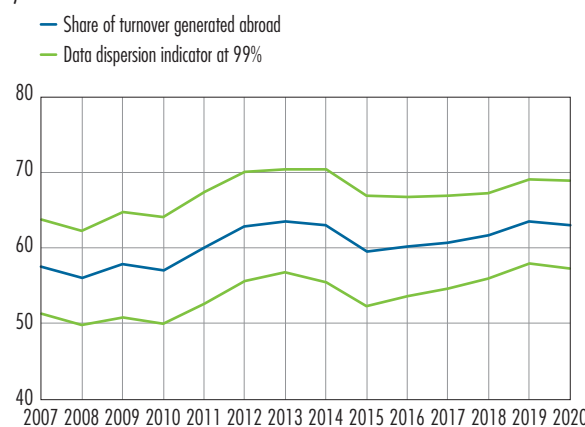(%)
a) Value added (VA) and French GDP

- Average growth rate of VA
- Median growth rate of VA
- French GDP growth rate

b) Turnover

- Average growth rate
- Median growth rate

Source: Banque de France, FIBEN database (data at end-August 2021).

C2 Share of turnover generated abroad
(%)

- Share of turnover generated abroad
- Data dispersion indicator at 99%

Source: Banque de France, FIBEN database (data at end-August 2021).

1 This figure is close to that obtained from the corporate accounts of large enterprises in Bureau and Py (2021).
2 See Chatelais (2021).

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EBIT and recurring net income deteriorated due to higher personnel expenses and depreciation

In 2020, the value added of the large French groups held up better than their turnover, as they clearly succeeded in controlling their supplies (see Chart 3a). The strength of large groups' value added is not entirely reflected in the evolution of EBITDA[3] which, expressed as a percentage of turnover, remained relatively stable in 2019.

The two charts 3a and 3b compare the most important intermediate operating balances and their main components, relative to the level of turnover, in order to analyse what has weighed most on the net results.[4]

Despite the short-time working scheme, the share of personnel expenses increased significantly in 2020 (see Chart 3b), while these costs decreased less markedly than turnover. A certain share of the business conducted abroad contributed to maintaining personnel expenses at a high level, as not all countries introduced such relief measures.
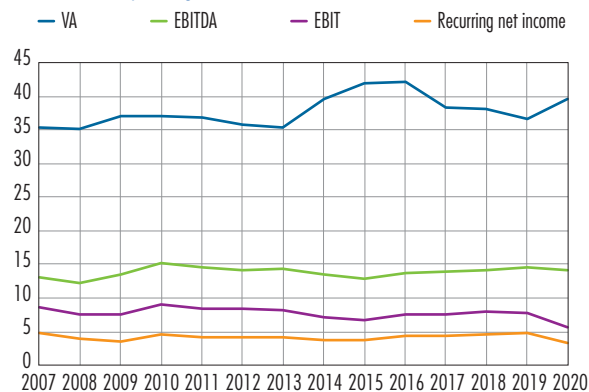
Despite the relative stability of EBITDA, generating margins became more difficult for large groups: the profit margin (EBITDA/VA), which stood at 38.8% in 2019, decreased to 34.5% in 2020, a figure below the average margin rate over the period.

The decline in turnover had a greater impact on EBIT[5] (5.7% of turnover in 2020, compared with 7.9% in 2019) and recurring net income (3.2% of turnover in 2020, compared with 4.8% in 2019). The increase in the share of depreciation and provisions also weighed on these two aggregates. The 2020 levels of EBIT and recurring net income thus represent the lowest levels for the entire 2007-2020 period.
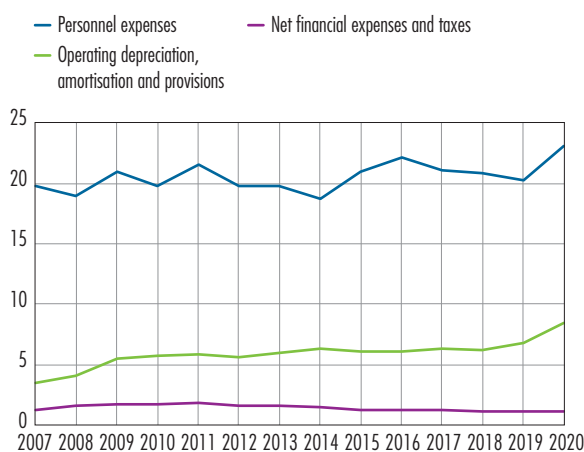
C3 Intermediate operating balances and their components
(as a % of turnover)

a) Intermediate operating balances

— VA   — EBITDA   — EBIT   — Recurring net income

b) Main components

— Personnel expenses   — Net financial expenses and taxes
— Operating depreciation, amortisation and provisions

Source: Banque de France, FIBEN database (data at end-August 2021).
Note: VA, value added; EBITDA, earnings before interest, taxes, depreciation and amortisation; EBIT, earnings before interest and taxes.

2 In 2020, profitability was well below pre-2008 levels

This section completes the analysis of results by measuring profitability as companies' ability to create wealth from the capital invested. Two indicators are commonly used: economic profitability and financial profitability.

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3 Earnings before interest, taxes, depreciation, and amortisation.
4 In simplified terms, we have: value added – personnel expenses = EBITDA; EBITDA – operating depreciation, amortisation and provisions = EBIT; EBIT – net financial expenses and taxes = recurring net income.
5 Earnings before interest and taxes = revenues excluding taxes – operating expenses – depreciation and provisions.

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Economic profitability or return on capital employed (ROCE) is the ratio of operating income net of taxes over operating capital or economic assets, which corresponds to the sum of fixed assets and operating working capital requirements and represents the value of capital invested in the business. This economic profitability tended to decline over the entire period, dropping from 10% in 2007 to just over 6% in 2019. In 2020, in the context of the health crisis, it sank to 4.6%, its lowest level over the 2007-2020 period, as a result of the drastic fall in activity and results (see Chart 4a).

Financial profitability or return on equity (ROE) is shareholders' return. It is calculated as the ratio of net income to equity. During the financial crisis of 2008, ROE dropped from 17% to 8% before fluctuating around 9% between 2009 and 2019. In 2020, it posted a less marked decline (–5%), but still reached a historical low of 2.5% (see Chart 4b).

Economic profitability by sector in 2020 shows a particularly sharp decline in the accommodation and food services and transport sectors, with economic profitability even turning negative in the latter sector (see Appendix 2). It remained stable in the information and communication and trade sectors.

## The dividend payout ratio reached its lowest level

The dividend payout ratio is defined as the ratio of dividends paid out in year N to net income in year N–1. In 2020, this ratio declined compared to 2019, slipping from 51% to 37% (see Chart 5). This decrease is consistent with the measures adopted for large companies receiving government aid that could not distribute dividends and, more generally, with the effort required of shareholders to maintain or strengthen equity in response to the crisis.
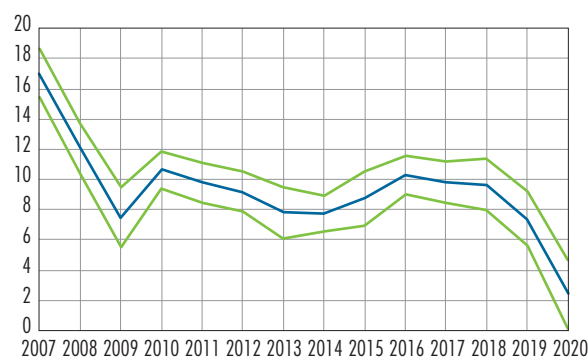
C4 Profitability ratios
(%)
a) Economic profitability
— After tax GOI / operating capital
— Data dispersion indicator at 99%
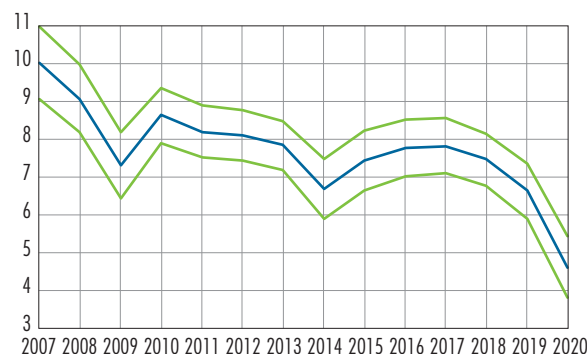
b) Financial profitability
— Financial profitability
— Data dispersion indicator at 99%

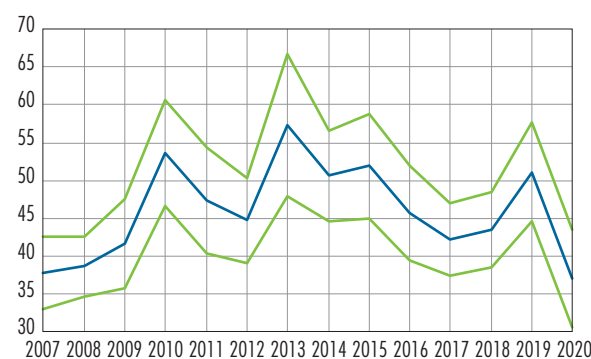Source: Banque de France, FIBEN database (data at end-August 2021).
Note: GOI, gross operating income.

C5 Dividend payout ratio
(as a % of net income for N–1)
— Dividend payout ratio
— Data dispersion indicator at 99%

Source: Banque de France, FIBEN database (data at end-August 2021).

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## 3 Working capital requirements fell while the investment rate rose

Large groups kept their working capital requirements under control thanks to trade credit

Working capital requirement (WCR) reflects large groups' need for short-term financing to meet the cash shortfalls arising from their current activity. Prior to the Covid-19 crisis, this requirements fluctuated between five and seven days of turnover for large French groups, with a downward trend since 2016. In 2020, it fell sharply to stand at around three days of turnover (see Chart 6a).
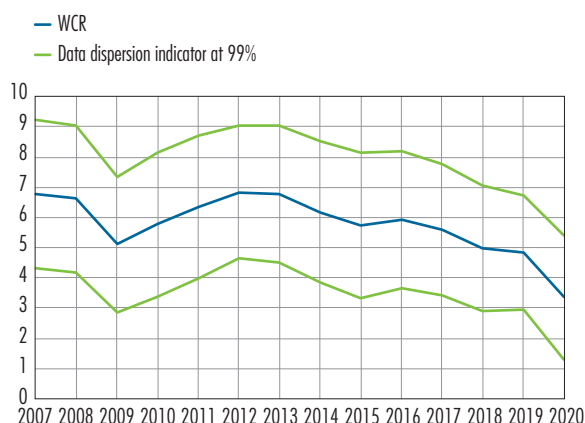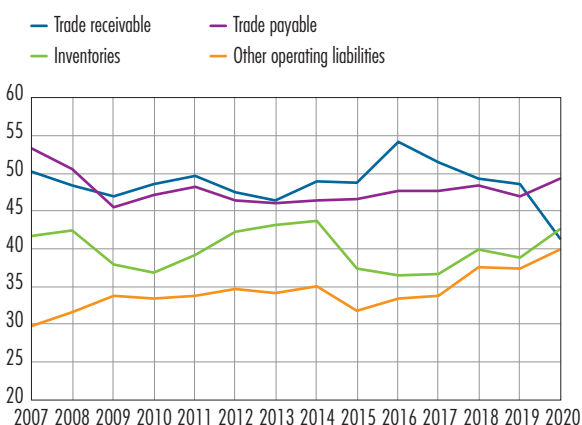
This drop in WCR means that large groups managed to contain their short-term financing needs during the health crisis, in particular by better controlling their trade receivables, in line with a balance of power that is generally favourable to large enterprises in terms of trade credit [6] (see Chart 6b). They also benefited from an increase in other operating debts (i.e. excluding trade payables), partly as a result of mechanisms for deferring the payment of tax and social security charges. In 2020, inventories rose only slightly, confirming the efforts made by large groups to control supply costs in a highly disrupted environment. However, the inventory shortfall acted as a brake on the recovery in 2021.

The fall in working capital requirements is the result of the desire to control cash flows in an uncertain environment, which is also confirmed by the rest of the study with the increase in cash held for precautionary purposes. Changes in trade receivables and payables also reflect this same cautious stance adopted by large groups in the face of the uncertainty caused by the crisis.

The need for financing linked to the operating cycle fell in most sectors, except in the trade and accommodation and food services sectors, where customer payment times deteriorated (see Appendix 2).

Investment remained strong despite the health crisis

The investment rate is measured by the ratio of investment spending to value added. Preserving companies' investment capacity, during and after the Covid-19 crisis, is a central issue of economic policy, since it determines companies' development in the medium and long term, while liquidity issues affect their short-term stability. The emergency measures taken by governments in France and in other countries, as well as those adopted by the Eurosystem monetary

C6 Working capital requirement (WCR) and its components
(in days of turnover)

a) WCR

— WCR
— Data dispersion indicator at 99%

b) Main components

— Trade receivable — Trade payable
— Inventories — Other operating liabilities

Source: Banque de France, FIBEN database (data at end-August 2021).

6 See Gonzalez (2021).

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C7 Investment rate

(as a % of value added)

— Net investment spending / value added
— Data dispersion indicator at 99%
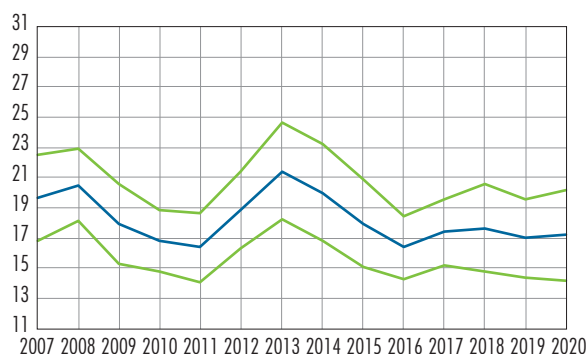
Source: Banque de France, FIBEN database (data at end-August 2021).

C8 Net cash ratio

(as a % of equity)

— Net cash
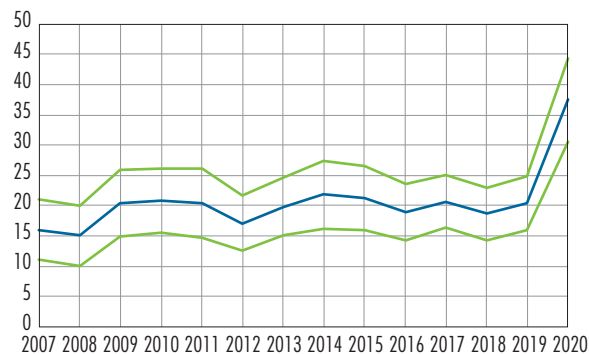— Data dispersion indicator at 99%

Source: Banque de France, FIBEN database (data at end-August 2021).

authorities, supported the economy during the crisis and helped business leaders remain confident in the future, as reflected in the stability of large groups' investment rate at around 17% in 2020 (see Chart 7).

The investment rate was stable in most sectors, except in construction, where it dropped significantly, to a level close to that of 2018 (see Appendix 2). Conversely, it rose significantly in the transport and storage sector, which was badly hit by the crisis.

4 In 2020, the major groups increased their cash position despite a fall in activity

In 2020, the net cash[7] to equity ratio was close to 38%, by far its highest level since 2007 (see Chart 8). This ratio increased after the financial crisis, from 15% to over 20%, due to the building up of precautionary liquidity stocks. It remained at that average level until 2019. In 2020,

the very sharp rise in the net cash to equity ratio can be explained both by the fall in the share of equity and by the rise in the share of net cash balances in large groups' balance sheet. In 2020, equity as a percentage of total assets stood at 30.5%, compared to an average of 35% over the period. Net cash balances as a percentage of total assets reached 10% in 2020, compared to an average of 6.2% over the period. Uncertainty about the conditions for exiting the crisis thus gave rise to a liquidity accumulation behaviour, as in the period following the 2008-2009 financial crisis (see Box 1).

The net cash to equity ratio improved markedly in all sectors, albeit to a lesser extent in the accommodation and food services and information and communication sectors (see Appendix 2). In level terms, the ratio was particularly high in construction – with net cash balances equivalent to almost two-thirds of equity – as well as in business consulting and services and transport.

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7 Net cash corresponds to the cash held by a group (cash assets) minus the amount of cash loans (liabilities).

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BOX 1

Large groups built up a stock of precautionary liquidity during the Covid-19 crisis

In response to the lockdown measures taken during the pandemic, the government implemented significant support policies for companies, including State-guaranteed loans, to preserve their liquidity. How did large groups respond to this government support? Their gross cash (stock of liquidity on the assets side) and net cash (difference between stock of liquidity and cash borrowings) were analysed. Both indicators were calculated in days of turnover for median, first and third quartile values.

Over the 2007-2010 period, the gross cash position increased from 15 to 25 days of turnover for the first quartile, from 30 to 40 days for the median and from 42 to 60 days for the third quartile. Net cash also rose, from 10 to 15 days of turnover for the first quartile, from 15 to 25 days for the median and from 30 to 47 days for the third quartile, reflecting the build-up of a liquidity buffer by all large groups. The post-crisis behaviour of stockpiling liquidity is confirmed in the following years: gross and net liquidity hardly changed and was close to 2010 levels in 2019.

Evolution and distribution of cash items of large groups
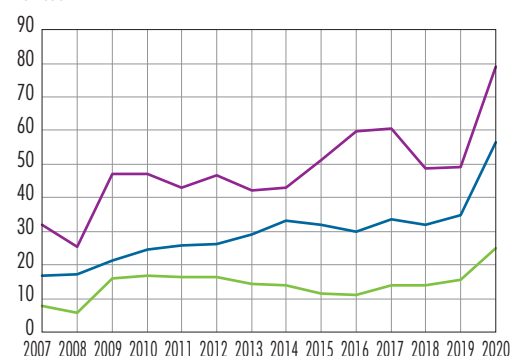(in number of days of turnover)

— Median ratio — First quartile — Third quartile

a) Gross cash
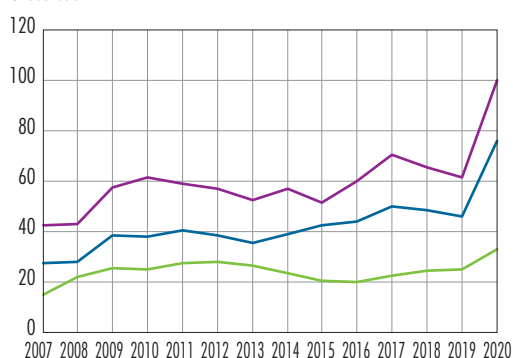
b) Net cash

Source: Banque de France, FIBEN database (data at end-August 2021).

In 2020, with the Covid-19 crisis, liquidity stocks rose sharply. Two phenomena can be observed. The first is the widening of liquidity stock deviations (small increase for the first quartile, very large increase for the third quartile – see Charts a and b). The second is the preservation of the pre-crisis distribution of group liquidity. The least liquid large groups before the crisis are mostly those that had the most difficulty building up precautionary liquidity stocks in 2020. The most liquid groups before the crisis are those that built up the most liquidity in 2020. Thus, 64% of the groups in the first quartile and 66% of the groups in the third quartile in 2019 remain in their statistical category in 2020.

As regards both gross and net liquidity stocks, the trade, accommodation and food services, and transport and storage sectors show about half as many days of cash – i.e. between 25 and 38 days for gross liquidity and between 23 and 34 days for net liquidity – as the sector average – 76 days for gross liquidity and 57 for net liquidity.

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5 Upward trending, but highly heterogeneous debt dynamics

The debt ratio increased in 2020

Financial leverage is the ratio of financial debt to equity. Measured gross or net of cash balances, it represents the financing structure of liabilities between lenders and shareholders. The debt dynamics of large groups are measured by the changes in this ratio.

After the financial crisis, during which both leverage ratios reached a rather high level (1.1 for gross leverage and 0.8 for net leverage), they decreased slightly and gradually to fluctuate around, respectively, 0.9 and 0.7 until 2018. The year 2019 constitutes a break from the past, with both ratios rising significantly to a high level (1.2 for gross leverage and 1.0 for net leverage). The sharp rise in gross leverage in 2019 was due to a combination of a marked increase in debt (+16.9%), driven by several large transactions, and a decrease in equity (–6.7%). Given that debt growth is not allocated to cash holdings, net leverage changed significantly like gross leverage in 2019.

In 2020, gross leverage continued to rise to over 1.3, while net leverage stabilised, remaining close to 1.0 (see Charts 9a and 9b). The stabilisation of net leverage is due to the strong increase in cash balances (see above), which more than offsets the rise in gross financial debt (+6.1% between 2019 and 2020) and the decrease in equity (–3.2% between 2019 and 2020).

For both ratios, the volatility of leverage appears to be much higher in 2020 than in previous periods (see the 99% dispersion intervals around the mean), which reflects the heterogeneity of large groups' situations (see Box 2).

C9 Leverage ratio
(%)

a) Gross leverage

— Gross financial debt / equity
— Data dispersion indicator at 99%
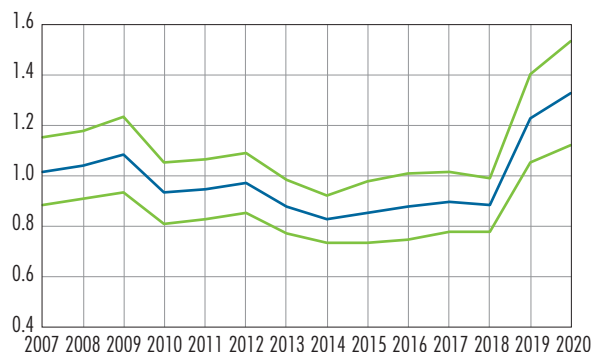
b) Net leverage

— Net financial debt / equity
— Data dispersion indicator at 99%
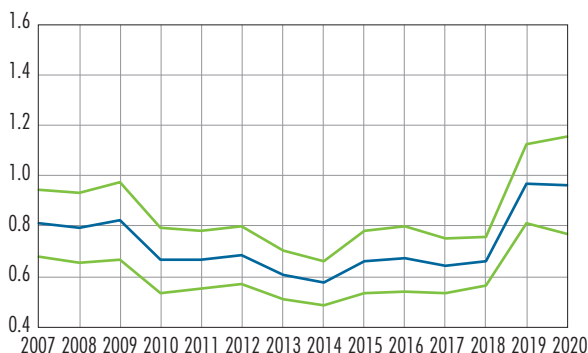
Source: Banque de France, FIBEN database (data at end-August 2021).

In 2020, dependence on bank financing dropped to a historically low level

From 2007 to 2014, the share of bank debt of large French groups dropped from 45% to 33%. The trend then stabilised until 2019, when the surplus debt appears to be financed primarily by bank lending. The year 2020 marks a return to the structure of the 2014-2018 period: the share of bank financing neared the low point of 33%

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BOX 2

Large groups display more heterogeneous financial structures

Previous studies[1] highlighted the heterogeneity between healthy companies and more fragile ones, which could record both a drop in their cash position and an increase in their debt. Furthermore, part of companies' precautionary savings could be linked to an increase in medium and long-term borrowing in addition to cash financing. What can be observed at the end of 2020, overall and at sector level?

The year 2020 was marked by an increase in the stock of cash (see Box 1), financed in part by financial debt, although the latter was growing more slowly than in 2019 (and in the same way as in 2018). The increase in debt in 2020 was greater for short maturities (see Chart and Table a). However, this trend masks heterogeneous debt behaviours on the part of large groups, as shown in Table b: debt growth rates declined across all maturities for groups belonging to the first quartile, while they increased sharply across all maturities for groups belonging to the third quartile.

Debt structure of large groups
(as a % of total assets)
- Gross cash
- Debt < 1 year
- Debt between 1 and 5 years
- Debt > 5 years
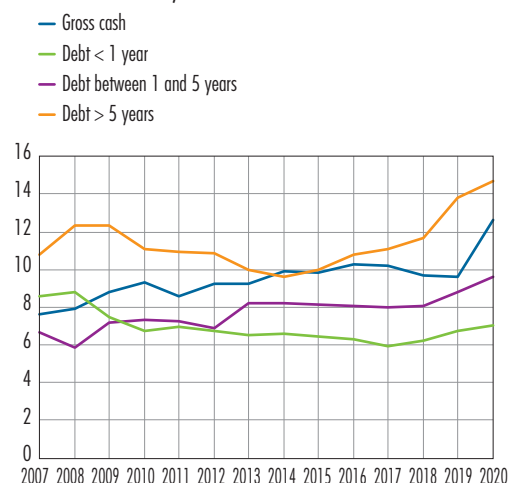
Source: Banque de France, FIBEN database
(data at end-August 2021).

Ta Debt growth rate by maturity
(%)

	Closing year		
	2018	2019	2020
Gross cash	-2	1	39
Total financial debt	8	25	9
Debt < 1 year	17	25	15
Debt between 1 and 5 years	9	27	10
Debt > 5 years	5	28	4

Source: Banque de France, FIBEN database
(data at end-August 2021).

Tb Debt growth rate by maturity for 2020
(%)

	Year 2020	
	First quartile	Third quartile
Gross cash	12	58
Total financial debt	-3	18
Debt < 1 year	-10	23
Debt between 1 and 5 years	-2	14
Debt > 5 years	-9	30

Source: Banque de France, FIBEN database
(data at end-August 2021).

The sectoral data display considerable heterogeneity: the growth rate of gross cash was negative for transport and storage, and almost zero for accommodation and food services, and information and communication. The two sectors most affected by the crisis, i.e. accommodation and food services and transport and storage, also recorded very high debt growth rates, showing their fragility: +75% on maturities of 1 to 5 years for accommodation and food services and +55% on maturities of less than 1 year for transport and storage. Conversely, the trade and business consulting and services sectors cut back their debt. In particular, it dropped by 28% on maturities of over 5 years for business consulting and services (see Table c), without any reduction in cash.

.../...

1 Doucinet, Ly and Torre (2021).

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Tc Changes in financial debt and amount of cash of large groups by sector
(average growth rates in %)

	Cash	Financial debt	Year 2020 debt < 1 year	Debt between 1 and 5 years	Debt > 5 years
Industry	48.7	11.7	19.3	10.6	3.8
Real estate activities	32.0	6.4	18.3	-0.1	3.6
Agriculture, forestry and fisheries	4.2	8.6	138.2	-44.4	43.0
Commerce	32.1	-2.2	-4.1	9.7	-2.1
Business consulting and services	33.4	-9.6	-2.1	-4.0	-28.2
Construction	27.3	3.2	-15.1	7.6	21.2
Education, health and other	127.8	46.7	56.4	12.5	19.3
Accomodation and food services	1.4	46.6	35.9	74.3	33.5
Information and communication	0.7	1.2	17.1	0.1	-8.8
Transport and storage	-13.1	17.5	55.8	5.4	18.6
Total	**38.7**	**8.6**	**14.6**	**9.6**	**3.5**

Source: Banque de France, FIBEN database (data at end-August 2021).

of bank debt in total debt (see Chart 10). Thanks to their large share of market financing, large groups were particularly robust in the face of the cash related shocks caused by the crisis, without having to resort to bank lending.

By sector, this decline in the share of bank financing was particularly significant in the accommodation food services sector (from 45% in 2019 to 17% in 2020) and the transport sector (from 53% to 28%, see Appendix 2). Large groups in these sectors may have

found it more difficult to obtain bank financing, but may also have preferred to resort to market financing on more favourable terms.[8]

## Large groups' debt repayment capacity deteriorated punctually in 2020

Two ratios can be used to analyse debt sustainability: the financial autonomy or interest coverage ratio and the debt maturity ratio. The financial autonomy ratio, taken as a proxy for credit risk (Acharya, Davydenko, and Strebulaev, 2012), is calculated as the ratio of operating income (EBIT – Earnings before interest and taxes) to financial expenses net of financial income. The lower the ratio, the higher the credit risk. Credit risk was high at the time of the 2008 financial crisis. After a steady decline from 2014 to 2019, credit risk started to rise again in 2020, with the ratio sliding from 10.8 to 8.3 as a result of the deterioration in the operating result (see Chart 11a). However, this ratio was still fairly high.

The debt maturity ratio is calculated as the ratio of debt net of cash holdings over operating income (EBITDA – Earnings before interest, taxes, depreciation and amortisation). Unlike the financial autonomy ratio, the higher the ratio, the more fragile the situation of large groups. With the increase in debt and the decline in

C10 Bank debt ratio
(as a % of total financial debt)

— Bank debt / financial debt
— Data dispersion indicator at 99%
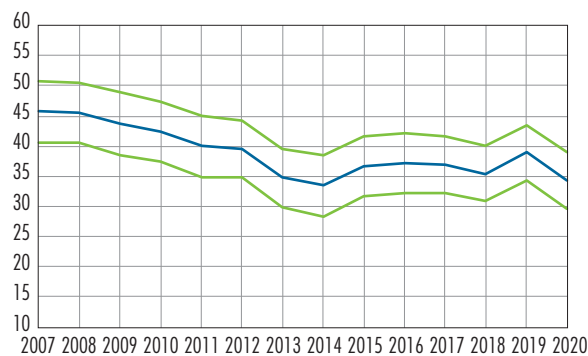
Source: Banque de France, FIBEN database (data at end-August 2021).

8 See "Financing of non-financial corporations", *Stat Info*, Banque de France, October 2021.

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C11 Financial autonomy of large groups

a) Interest coverage ratio
(EBIT / net financial expenses)

— EBIT / net financial expenses
— Data dispersion indicator at 99%
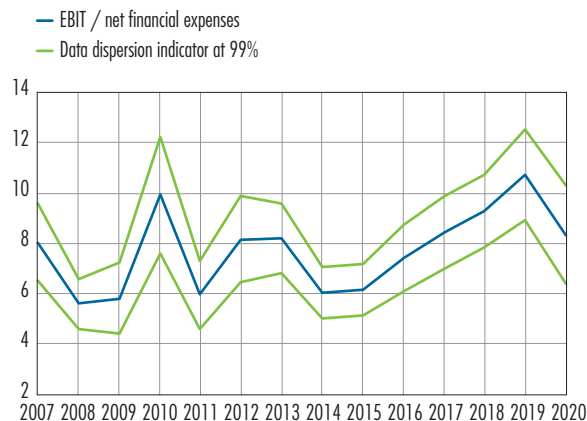
b) Net debt repayment period
(in years of EBITDA)

— Net debt repayment period with EBITDA
— Data dispersion indicator at 99%
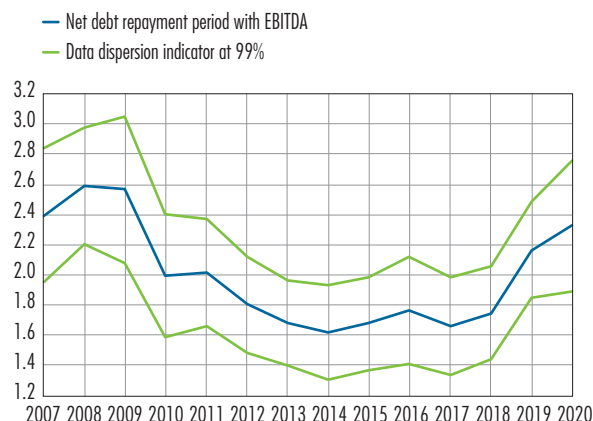
Source: Banque de France, FIBEN database (data at end-August 2021).
Note: EBIT, earnings before interest and taxes; EBITDA, earnings before interest, taxes, depreciation, and amortisation.

activity, the repayment period of large groups deteriorated again in 2020, reaching the levels recorded during the 2008 financial crisis (see Chart 11b).

It should be noted that these two ratios are calculated with instantaneous data for the year under review, and are not predictive. The ratios are therefore the result of the punctually low level of results in 2020. However, the recovery in 2021 and, at least for large companies,

a trend towards bank deleveraging,[9] lead us to expect a more favourable situation in the medium and long term. The debt sustainability of large groups thus depends on how these groups exit the crisis and on their ability to recover their level of activity and profitability. The large French groups do not seem to have any doubts about that, as shown by the fact that they have maintained their capital expenditure despite the shock caused by the health crisis.

9 See "Loans by size of firms – August 2021", *Stat Info*, Banque de France, October 2021.

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Appendix 1
Data and methodology

1 Data

The data are taken from the consolidated financial statements of large French non-financial private groups. They come from the Banque de France's FIBEN database of consolidated accounts. Group sizes are calculated by applying the criteria of the Law on the Modernisation of the Economy (LME) relative to the number of employees (over 5,000), turnover (over EUR 1.5 billion) and balance sheet size (over EUR 2 billion).

While analysing the groups' consolidated accounts makes it possible to eliminate the problem of intra-group flows, it does not remove the risk of double counting in statistical work. This is because consolidation may be done in stages, for example by consolidating the accounts of a sub-subsidiary with that of the subsidiary, the consolidated account of the resulting sub-group then being consolidated with the account of the parent company. In order to avoid this pitfall, our work focuses first on the consolidated accounts at the highest level of consolidation.

This results in a study population that includes 266 large non-financial private groups in 2018 and 2019. In 2020, the data covered groups whose balance sheets were communicated by 31 August 2021, i.e. a total of 238 large private non-financial groups. Prior to 2010, the number of large groups increased chronologically from 150 to 200. The growth in the number of large groups over time is the result of greater concentration within a single group of the production chain and of M&A transactions that lead to groups meeting one of the two criteria for classifying as a large group, as well as of the expansion of the scope of the rating.

2 Methodology for calculating ratios

Average economic and accounting ratios are calculated by weighting the ratios by the turnover of each group, in order to reflect the importance of the group in the economy. Due to the pandemic, this aggregate view is not sufficient for explaining certain movements that may have differed across economic sectors. The grouping of large groups by sector is presented, according to the indicators, over the last three years in order to assess inter-group heterogeneity.

The accounting items and ratios are based on accounting data entered in the consolidated balance sheets using French or IFRS standards. While IFRS balance sheets were almost non-existent prior to 2005, after 2005 large listed groups were required to draw up their accounts in accordance with IFRS standards. Other groups were free to report under French or IFRS standards. Reports are increasingly made under IFRS. In 2006, 67% of accounts were reported under IFRS; in 2018, 75% of accounts were reported under IFRS, while in 2019, this figure almost reached 80%. Reporting in two different accounting formats requires reconciling accounts, which is done using the Banque de France method of reconstructing homogeneous items and ratios for the two accounting methods, based on the information available in the respective accounts.

Statistical treatments eliminate outliers and extreme values. The method chosen consists in removing values above or below +/-3 deviations between the first and third quartiles, which is generally considered to be the elimination of very extreme values; a multiplier coefficient of +/-1.5 may be common in this type of treatment. The

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choice here of +/-3 quartile deviations is correlated with the desire to have as large a population as possible while eliminating possible outliers.

For the treatment of missing values, the groups for which data are collected are those for which the equity item is present. Then, the balance sheet and income statement data may be filled in or not for the observed items. If group data are missing, they are not taken into account for the year in question in the calculation of the average, the dispersion indices and the other statistical indicators. If the data are available the following year, they are used. This choice is consistent with the decision to keep an unbalanced dataset due to the growth in the number of large groups between 2007 and 2020.

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Appendix 2
Data by sector of activity

TA1 Changes in annual turnover
(%, average annual growth rates)

	2018	2019	2020
Industry	6.3	3.7	-14.0
Real estate activities	13.8	11.2	-3.4
Agriculture, forestry and fisheries	-3.5	5.3	0.1
Trade	1.0	0.4	-6.1
Business consulting and services	6.5	8.7	-6.5
Construction	9.2	9.0	-8.1
Education, health and other	6.9	7.7	-1.2
Accomodation and food services	0.0	8.2	-13.6
Information and communication	6.8	5.8	1.0
Transport and storage	5.0	10.5	-6.0
All sectors	**5.4**	**4.4**	**-10.0**

Source: Banque de France, FIBEN database (data at end-August 2021).

TA2 Economic profitability
(%)

	2018	2019	2020
Industry	8.3	6.9	4.2
Real estate activities	3.0	3.5	2.6
Agriculture, forestry and fisheries	4.3	3.8	3.3
Trade	6.5	5.9	6.6
Business consulting and services	8.1	7.0	5.4
Construction	7.2	6.6	3.9
Education, health and other	5.1	9.5	8.4
Accomodation and food services	6.0	9.6	3.0
Information and communication	6.1	5.7	6.0
Transport and storage	5.5	5.0	-0.9
All sectors	**7.5**	**6.6**	**4.6**

Source: Banque de France, FIBEN database (data at end-August 2021).

TA3 Working capital requirements
(in days of turnover)

	2018	2019	2020
Industry	9.1	9.5	6.3
Real estate activities	10.4	9.4	6.4
Agriculture, forestry and fisheries	18.1	17.6	17.8
Trade	6.9	5.5	6.1
Business consulting and services	7.8	7.1	4.4
Construction	2.7	3.6	0.3
Education, health and other	-11.4	-9.9	-9.9
Accomodation and food services	-7.2	-4.6	-3.4
Information and communication	1.7	0.6	-0.5
Transport and storage	-5.1	-4.5	-7.5
All sectors	**5.0**	**4.8**	**3.4**

Source: Banque de France, FIBEN database (data at end-August 2021).

TA4 Investment rate
(as a % of value added)

	2018	2019	2020
Industry	22.9	22.6	23.6
Real estate activities	2.3	12.6	-23.9
Agriculture, forestry and fisheries	19.2	17.0	17.0
Trade	14.1	10.8	10.5
Business consulting and services	5.6	4.3	3.5
Construction	14.6	17.4	13.0
Education, health and other	7.9	11.2	13.4
Accomodation and food services	4.7	2.0	3.8
Information and communication	17.2	15.0	18.0
Transport and storage	13.0	16.7	23.8
All sectors	**17.6**	**17.0**	**17.2**

Source: Banque de France, FIBEN database (data at end-August 2021).

TA5 Net cash ratio
(as a % of equity)

	2018	2019	2020
Industry	15.0	14.4	32.4
Real estate activities	9.9	14.5	33.8
Agriculture, forestry and fisheries	15.0	16.7	18.4
Trade	17.1	22.7	34.3
Business consulting and services	18.0	26.6	46.6
Construction	43.5	45.1	64.9
Education, health and other	23.1	28.0	61.6
Accomodation and food services	35.6	20.0	24.4
Information and communication	20.7	20.4	27.9
Transport and storage	21.6	24.1	46.4
All sectors	**18.6**	**20.3**	**37.5**

Source: Banque de France, FIBEN database (data at end-August 2021).

TA6 Bank debt ratio
(as a % of total financial debt)

	2018	2019	2020
Industry	26.3	32.6	27.7
Real estate activities	61.2	55.9	57.6
Agriculture, forestry and fisheries	53.5	45.6	50.9
Trade	48.7	50.2	45.7
Business consulting and services	54.5	64.2	56.9
Construction	39.4	35.7	40.5
Education, health and other	84.2	64.0	68.5
Accomodation and food services	50.3	44.6	16.9
Information and communication	39.5	31.5	32.4
Transport and storage	43.5	52.7	27.6
All sectors	**35.5**	**38.9**	**34.3**

Source: Banque de France, FIBEN database (data at end-August 2021).

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