

"Of course, innovation is key to business success. That's why we're enhancing R&D funding for business, raising skills and improving access to world markets for UK-based companies."

Analysis shows that the most successful and sustained wealth creation results from ongoing investment particularly in areas like innovation and skills.

One reason for the UK's high performance has been its strength in high-value sectors such as financial services and oil and gas. But strong performances by individual UK companies within these and other sectors have also played a part.

The scoreboard lists the value added, or wealth created, by the top 750 European companies and the top 800 UK companies.

Key findings include:
 * Value added based measures continue to provide some predictive power for investors. Shares in 19 high performing companies identified in the 2003 Scoreboard are now worth 166 per cent more on average; the FTSE 350 index has risen by only 89 per cent.

* 55 per cent of value added is concentrated in the top 100 of the 750 European firms, while 45 per cent is found in six out of 39 sectors (Banks, Oil and Gas Producers, Automotive, Fixed-Line Telecoms, Electricity, and Travel and Leisure).

* French companies are ahead of their German counterparts in wealth creation efficiency, but behind UK firms. Companies of all sizes can use the DTI's value added calculator to check and set a benchmark for their own performance.

This is the sixth annual edition of the DTI's Value Added Scoreboard, which can be found at http://www.innovation.gov.uk/value_added along with an online value added calculator for companies.

The Scoreboard does not claim that value added is the only or best measure of company performance, or that it is a complete set of value added information - it only includes the largest companies.

US and Japanese companies are not included because they do not give enough information in their annual reports to allow VA to be calculated. However, the 2007 Scoreboard illustrates the Value Added of a handful of Japanese companies that, exceptionally, give sufficient information in their accounts.

THE VALUE ADDED SCOREBOARD 2007
 The top 800 UK & 750 European companies by Value Added

Top Companies by Value Added
 Wealth created in latest financial year
 (value added = sales less bought-in goods & services)

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| Shell (now Royal Dutch Shell), BP, UK, Europe | BAE Systems, UK, Europe |
| HSBC, UK, Europe | Rio Tinto, UK, Europe |
| Vodafone, UK, Europe | National Grid Transco |
| Royal Bank of Scotland, UK, Europe | Aviva, UK, Europe |
| GlaxoSmithKline, UK, Europe | WPP, UK, Europe |
| BT, UK, Europe | British Airways, UK, Europe |
| Barclays, UK, Europe | Diageo, UK, Europe |
| Unilever, UK, Europe | Centrica, UK, Europe |
| BHP Billiton, UK, Europe | Corus, UK, Europe |
| HBOS, UK, Europe | Reed Elsevier, UK, Europe |
| Anglo American, UK, Europe | SABMiller, UK, Europe |
| Lloyds TSB, UK, Europe | GUS, UK, Europe |
| AstraZeneca, UK, Europe | Broadstreet (aka Wal-Mart), UK, Europe |
| Tesco, UK, Europe | Esso, UK, Europe |
| Compass, UK, Europe | Cadbury Schweppes, UK, Europe |
| Royal Mail, UK, Europe | Exel (now part of Deutsche Post, Germany), UK, Europe |
| BAT, UK, Europe | Group 4 Securicor, UK, Europe |