

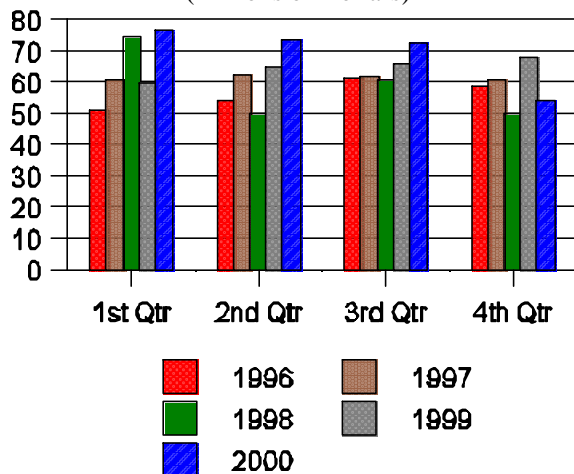
U.S. Census Bureau
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**ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
 FOR MANUFACTURING, MINING, AND TRADE CORPORATIONS
 FOURTH QUARTER 2000**

Sales and after-tax profits data for all manufacturing are presented in Table 1 on both a seasonally adjusted and an unadjusted basis. Seasonally adjusted historical data for this series, as well as for total durable and total nondurable

**Manufacturers' After-Tax Profit
 Seasonally Adjusted
 (Billions of Dollars)**



Manufacturers of durable goods showed a larger drop in profits than those of non-durable goods. Durable goods manufacturers after-tax profits were \$23.5 billion, a decrease of \$12.8 (± 1.2) billion or 35.2 percent ($\pm 3.0\%$) from the third quarter. Nondurable goods manufacturers after-tax profits of \$30.3 billion, were down \$6.1 (± 1.2) billion or 16.7 percent ($\pm 2.6\%$). Sales of durable goods were \$608.6 billion with profits averaging 3.9 cents per dollar of sales, down 2.0 (± 0.2) cents from the prior quarter. Sales of nondurable goods manufacturers were \$523.0 billion, with profits averaging 5.8 cents per dollar of sales, down 1.2 (± 0.2) cents from last quarter.

After-Tax Profits and Sales - Not Seasonally Adjusted

On an unadjusted basis, manufacturers' after-tax profits in the fourth quarter of 2000 were \$48.0 billion, down \$13.7 (± 1.4) billion or 22.1 percent ($\pm 2.1\%$) from the fourth quarter of 1999. Sales at \$1,146.0 billion were up \$63.8 (± 11.0) billion or 5.9 percent ($\pm 1.0\%$) from the same quarter a year ago. Profits averaged 4.2 cents per dollar of sales for the fourth quarter, down 1.5 (± 0.1) cents from the same quarter a year ago. After-tax profits for durable goods manufacturers were \$20.8 billion, down \$13.1 (± 1.1) billion from the fourth quarter of 1999. Sales at \$618.6 billion were up \$15.0 (± 7.0) billion or 2.5 percent ($\pm 1.2\%$) from the same quarter a year ago. Profits averaged 3.4 cents per dollar of sales, down 2.2 (± 0.2) cents from the same quarter a year ago. Nondurable goods manufacturers reported after-tax profits of \$27.2 billion showed no statistically significant change from the fourth quarter 1999, and sales of \$527.4 billion, up \$48.9 (± 6.6) billion or 10.2 percent ($\pm 1.5\%$) from the fourth quarter of 1999. Their profits averaged 5.2 cents per dollar of sales compared with 5.8 cents, from the same quarter a year ago.

After-Tax Profits and Sales - Seasonally Adjusted

Manufacturing corporations' seasonally adjusted after-tax profits for the fourth quarter of 2000 were \$53.8 billion, down \$18.9 (± 1.7) billion from the third quarter, the Commerce Department's Census Bureau reported. Since peaking at \$76.8 billion in the first quarter of 2000, after tax profits have been declining as the result of increases in operating expenses. Manufacturers' sales at \$1,131.7 billion showed no statistically significant change from the third quarter. Fourth quarter profits averaged 4.8 cents per dollar of sales, a decline of 1.6 (± 0.2) cents from the third quarter.

Industry Detail - Not Seasonally Adjusted

Unadjusted durable manufacturers' after-tax profits for the fourth quarter of 2000 were down \$13.1 (± 1.1) billion from the fourth quarter of 1999. High operating costs, along with increased nonoperating expenses were mainly responsible for the decline in after-tax profits reported by all industries in the durable manufacturing sector, except machinery. The largest decline, \$4.7 (± 0.1) billion, came from motor vehicle manufacturers which reported after-tax profits of \$1.4 billion. Electrical machinery's profit of \$8.9 billion was down \$2.9 (± 0.7) billion from last quarter as a result of higher operating costs and reduced dividend income. Fabricated metals and instruments reported a modest decline in after tax profit which resulted from an increase in nonoperating expense. Stone, clay and glass reported nonrecurring expenses that reduced its after-tax profit to \$0.3 billion. Iron and steel closed the quarter with an after-tax loss of \$1.2 billion with a decline in income from operations and increased nonrecurring expenses.

When compared to the third quarter of 2000, unadjusted durable manufacturers' after-tax profits were down \$13.3 (± 1.2) billion reflecting declines in all industries except aircraft. Aircraft's \$1.5 billion after-tax profit increased \$0.4 (± 0.1) billion over last quarter. This increase was due to lower nonoperating expenses and a slight increase in equity income more than offsetting the decline in operating profits and increased nonrecurring losses. Six industries reported declines in profits in excess of \$1.0 billion when compared to last quarter. This was mainly due to lower operating profits. However, the largest decline, \$2.9 (± 0.5) billion, was in machinery, except electrical which was caused by lower equity earnings and dividend income. Electrical machinery's \$2.8 (± 0.8) billion decline came from increases in both operating and nonoperating expenses which were partly offset by a slight increase in equity income. Fabricated metals' \$2.6 (± 0.4) billion, iron and steel's \$1.3 (± 0.1) billion and stone, clay and glass' \$1.0 (± 0.3) billion declines were all due to lower operating and nonoperating income. Motor vehicles' decline of \$1.3 (± 0.1) billion in operating income was partly offset by nonrecurring gains.

Unadjusted nondurable manufacturers' after-tax profits for the fourth quarter of 2000 were about the same as the fourth quarter a year ago. Increases in petroleum and residual chemicals offset declines in other nondurable goods manufacturing industries. Petroleum's increase of \$7.4 (± 0.1) billion resulted from continued improvements in operating profits and equity income as well as lower nonrecurring losses over this quarter last year. Residual of chemicals' increase of \$1.7 (± 0.1) billion came from lower nonrecurring charges and improved equity earnings.

The largest decline was in drugs, down \$3.5 (± 0.3) billion, due to nonrecurring losses and reduced equity income more than offsetting an increase in operating profits.

Large Retailers' After Tax Profits and Sales Not Seasonally Adjusted

After tax profits of large retail corporations with assets of \$50 million and over were reported at \$9.4 billion, down 18.7 (± 3.1) percent from fourth quarter 1999 and down 5.0 percent from fourth quarter 1998. Although operating income declined \$1.0 billion from the same quarter last year, an increase in net nonoperating expense of \$2.3 billion was also reported, primarily resulting from restructuring costs. Sales for these large retailers for fourth quarter 2000 were \$373.3 billion, up 8.6 (± 1.4) percent from a year ago, while operating costs, at \$346.5 billion were up 9.5 percent. After tax profits per dollar of sales averaged 2.5 (± 0.1) cents per dollar compared to 3.3 (± 0.1) cents per dollar of sales in the fourth quarter 1999.

Also included in this release are fourth quarter 2000 data for large mining and wholesale trade corporations.

These advance data, based on quarterly financial reports from about 8,300 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—Fourth quarter 2000 (QFR-00-4). The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. The aggregated data are classified by industry and asset size.

The publication becomes available for sale approximately two weeks from the date of this release from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954 (202-512-1800). The cost for an annual subscription is \$39 domestic and \$48.75 foreign. Remittances from foreign countries must be by international money order or by draft on a U.S. bank.

Files are also available on 3.5 inch flexible diskettes from U.S. Department of Commerce, Census Bureau (MS1921), P.O. Box 277943, Atlanta, GA 30384-7943 (301-457-4100). The annual subscription cost is \$80; \$50 for the programs and documentation. First quarter 2001 advance data are scheduled for release on June 15, 2001.

EXPLANATORY NOTES:

This quarter's publication contains data revised due to the reclassification of corporations by industry, and revisions that reflect respondents' corrections of submitted data subsequent to original publication.

The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.15) cents," appearing in the text, indicates the range (+2.35 to +2.65 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

This press release is available on the day of issue on the Department of
Commerce's Internet site at
<http://www.census.gov/csd/qfr>

Table 1. Quarterly Financial Report for Manufacturing Corporations

Item	Seasonally Adjusted			Unadjusted		
	4Q 2000	3Q 2000 ¹	4Q 1999 ¹	4Q 2000	3Q 2000 ¹	4Q 1999 ¹
Rate of return (after taxes):						
Cents per dollar of sales	4.8	6.4	6.3	4.2	6.4	5.7
Percent on equity (annual rate)	NA	NA	NA	10.2	15.7	15.1
	(million dollars)					
Net sales	1,131,663	1,137,503	1,068,051	1,145,954	1,138,319	1,082,124
Income after income taxes	53,849	72,737	67,738	48,016	72,640	61,672
Dividends paid (cash)	NA	NA	NA	32,125	32,400	28,573

Table 2. Sales and Profits of Corporations Engaged in Manufacturing, Mining, and Trade--Not Seasonally Adjusted

Industry Group	Sales			Operating Profits*			After-Tax Profits		
	4Q 2000	3Q 2000 ¹	4Q 1999 ¹	4Q 2000	3Q 2000 ¹	4Q 1999 ¹	4Q 2000	3Q 2000 ¹	4Q 1999 ¹
	(million dollars)								
All manufacturing corporations	1,145,954	1,138,319	1,082,124	69,811	90,280	73,405	48,016	72,640	61,672
Nondurable goods	527,405	525,844	478,539	43,676	49,459	36,108	27,247	38,541	27,798
Food and tobacco	125,525	124,090	122,645	11,606	12,177	11,428	7,515	8,485	7,836
Textiles	14,237	14,452	14,405	594	675	755	(65)	(529)	12
Apparel ²	18,342	18,754	18,583	722	1,337	652	273	750	352
Paper	45,380	46,283	44,330	3,028	4,303	4,232	761	1,812	2,219
Printing	53,451	50,656	51,001	5,865	5,997	5,917	1,543	3,968	3,738
Chemicals	128,006	126,139	116,273	10,540	12,632	6,979	5,995	11,923	8,402
Industrial chemicals and synthetics ³	41,881	42,915	39,291	714	2,350	922	742	2,066	1,393
Drugs ³	53,275	49,108	45,404	7,232	7,010	3,833	3,808	7,481	7,293
Residual of chemicals ³	32,851	34,116	31,578	2,594	3,272	2,224	1,445	2,376	(284)
Petroleum	110,459	113,021	81,884	10,586	10,424	4,654	11,730	11,328	4,352
Rubber	32,005	32,449	29,418	735	1,913	1,489	(504)	805	887
Durable goods	618,550	612,474	603,585	26,135	40,821	37,297	20,769	34,099	33,874
Stone, clay, and glass	24,161	25,205	20,831	1,678	3,055	2,118	279	1,311	1,175
Primary metals	40,178	40,500	39,779	1,092	1,971	1,601	(596)	907	451
Iron and steel ³	18,635	20,299	20,042	56	661	574	(1,246)	76	(211)
Nonferrous metals ³	21,543	20,201	19,737	1,035	1,310	1,027	650	831	662
Fabricated metals	47,001	47,775	44,805	2,180	4,445	3,456	334	2,896	1,904
Machinery	118,565	118,427	113,882	6,158	6,976	4,132	6,067	8,993	5,079
Electrical machinery	140,409	139,656	129,990	8,296	11,123	10,781	8,884	11,636	11,750
Transportation equipment	171,595	164,746	178,405	3,201	6,672	9,590	3,376	4,354	8,192
Motor vehicles and equipment ³	117,544	116,821	124,613	(837)	2,305	5,154	1,360	2,667	6,082
Aircraft, guided missiles, and parts ³	43,020	36,275	41,790	3,080	3,213	3,391	1,544	1,133	1,698
Instruments	33,554	32,073	30,163	2,136	4,012	3,021	2,336	2,597	3,645
Other durable goods	43,087	44,093	45,730	1,393	2,566	2,597	89	1,404	1,677
Lumber and wood products ³	15,697	17,590	18,196	276	618	1,082	(131)	368	665
Furniture and fixtures ³	18,429	17,660	17,679	949	1,377	1,092	323	626	863
Miscellaneous manufacturing ³	8,961	8,843	9,855	168	571	423	(102)	410	149
Mining ⁴	31,058	27,015	21,903	5,669	4,827	1,745	4,255	3,393	394
Wholesale trade ⁴	338,276	325,659	316,628	8,343	10,068	7,909	4,523	4,874	3,244
Retail trade ⁴	373,322	328,233	343,631	19,684	12,537	20,664	9,375	4,472	11,537

Table 3. Quarterly Financial Report for Manufacturing Corporations--Seasonally Adjusted

Industry Group and Year	Net Sales ¹				After-Tax Profits ¹			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)							
All manufacturing:								
1993	743,641	751,120	753,561	766,419	12,535	19,371	23,509	27,797
1994	784,528	802,998	825,324	841,685	36,360	41,155	45,382	52,155
1995	871,372	872,723	883,532	899,726	52,719	51,991	49,295	44,301
1996	914,400	932,582	948,194	961,120	51,107	54,050	61,116	58,834
1997	966,370	972,291	986,293	994,696	60,578	62,086	61,588	60,482
1998	991,109	981,690	985,568	992,024	74,424	49,741	60,494	49,933
1999	1,005,003	1,027,024	1,048,180	1,068,051	59,455	64,639	66,025	67,738
2000	1,115,472	1,121,139	1,137,503	1,131,663	76,755	73,358	72,737	53,849
All nondurable manufacturing:								
1993	381,850	382,639	379,419	381,248	12,729	15,296	11,694	15,903
1994	387,280	394,744	405,718	409,948	18,973	19,830	22,452	26,566
1995	425,673	427,632	430,815	435,984	25,856	28,181	27,611	22,287
1996	442,217	452,325	457,642	463,155	27,973	28,309	32,110	30,547
1997	463,236	456,502	461,086	463,711	33,306	30,742	30,367	28,892
1998	452,243	446,466	443,221	439,721	29,618	28,810	30,393	17,894
1999	445,240	454,262	460,738	474,363	26,297	29,442	30,683	31,057
2000	498,560	508,891	519,394	523,023	37,322	39,435	36,397	30,317
All durable manufacturing:								
1993	361,791	368,481	374,142	385,171	(194)	4,075	11,815	11,894
1994	397,248	408,254	419,606	431,737	17,387	21,325	22,930	25,589
1995	445,699	445,091	452,717	463,742	26,863	23,810	21,684	22,014
1996	472,183	480,257	490,552	497,965	23,134	25,741	29,006	28,287
1997	503,134	515,789	525,207	530,985	27,272	31,344	31,221	31,590
1998	538,866	535,224	542,347	552,303	44,806	20,931	30,101	32,039
1999	559,763	572,762	587,442	593,688	33,158	35,197	35,342	36,681
2000	616,912	612,248	618,109	608,640	39,433	33,923	36,340	23,532

*Operating profits are profits before nonoperating income and expense items and income taxes.

¹Revised.

²Includes leather industry (previously titled "Other Nondurables").

³Included in major industry above.

⁴Mining and trade data are of the quarterly results of companies in those divisions with assets over \$50 million; whereas, data for manufacturing corporations represent the quarterly results of companies with assets over \$250,000.

Table 4. Income Statement for Retail Trade Corporations with Assets of \$50 Million and Over

Item	4Q 2000	3Q 2000 ¹	4Q 1999 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	373,322	328,233	343,631
Less: Depreciation, depletion, and amortization	7,145	6,901	6,628
Less: All other operating costs and expenses	346,494	308,795	316,338
Income (or loss) from operations	19,684	12,537	20,664
Net nonoperating income (expense)	(4,153)	(4,098)	(1,827)
Income (or loss) before income taxes	15,530	8,439	18,837
Less: Provision for current and deferred domestic income taxes	6,156	3,967	7,300
Income (or loss) after income taxes	9,375	4,472	11,537
Cash dividends charged to retained earnings in current quarter	1,240	1,541	1,510
Net income retained in business	8,135	2,931	10,027
Retained earnings at beginning of quarter	165,267	160,817	151,329
Other direct credits (or charges) to retained earnings (net)	(1,772)	(406)	(1,578)
Retained earnings at end of quarter	171,630	163,342	159,778

Table 5. Income Statement in Ratio Format for Retail Trade Corporations with Assets of \$50 Million and Over

Item	4Q 2000	3Q 2000 ¹	4Q 1999 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.9	2.1	1.9
Less: All other operating costs and expenses	92.8	94.1	92.1
Income (or loss) from operations	5.3	3.8	6.0
Net nonoperating income (expense)	(1.1)	(1.2)	(0.5)
Income (or loss) before income taxes	4.2	2.6	5.5
Less: Provision for current and deferred domestic income taxes	1.6	1.2	2.1
Income (or loss) after income taxes	2.5	1.4	3.4

Table 6. Operating Ratios for Retail Trade Corporations with Assets of \$50 Million and Over

Item	4Q 2000	3Q 2000 ¹	4Q 1999 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	24.88	14.08	32.58
After income taxes	15.02	7.46	19.95
Annual rate of profit on total assets:			
Before income taxes	9.15	5.03	12.05
After income taxes	5.52	2.67	7.38

Revised.

Schedule of Advance Data Release Dates—2001

Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2001	June 15, 2001	July 17, 2001
Second 2001	September 14, 2001	October 16, 2001
Third 2001	December 14, 2001	