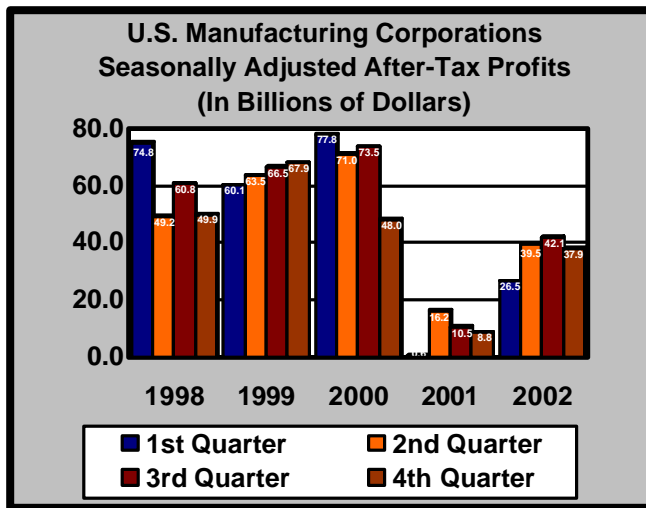


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**FOURTH QUARTER 2002 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS**



**Seasonally Adjusted After-Tax Profits and Sales
Manufacturing Corporations**

Seasonally adjusted after-tax profits of U.S. manufacturing corporations totaled \$37.9 billion in the fourth quarter 2002, down \$4.2 (± 1.5) billion from the \$42.1 billion recorded last quarter, the Department of Commerce's U.S. Census Bureau reported. A decrease of \$5.5 (± 1.3) billion by durable manufacturers more than offset an increase of \$1.4 (± 0.7) billion by nondurable manufacturers. Fourth quarter profits were up \$29.0 (± 1.4) billion from the \$8.8 billion recorded in the same quarter a year ago. The 2002 average quarterly profits rebounded to \$36.5 billion from the average of \$9.0 billion in 2001.

Seasonally adjusted sales for these manufacturers totaled \$1,076.3 billion for the quarter, up \$10.2 (± 7.1) billion from the \$1,066.2 billion recorded in the third quarter 2002, and up \$50.7 (± 7.0) billion from the \$1,025.7 billion recorded the year before.

Profits per dollar of sales averaged 3.5 cents this quarter, down 0.4 (± 0.1) cents from the 3.9 cents recorded last quarter, but up 2.6 (± 0.1) cents from the 0.9 cents in the fourth quarter 2001.

Nondurable Goods Manufacturers

Nondurable goods manufacturers profits were at \$31.6 billion, up \$1.4 (± 0.7) billion from the \$30.3 billion recorded in

the previous quarter, and up \$12.6 (± 0.7) billion from the \$19.0 billion in the fourth quarter 2001.

Seasonally adjusted sales for the quarter at \$513.6 billion were up \$18.3 (± 5.0) billion from the \$495.3 billion recorded in the prior quarter, and up \$43.3 (± 4.9) billion from the \$470.4 billion in the fourth quarter 2001.

After-tax profits averaged 6.2 cents per dollar of sales for the quarter, 6.1 cents last quarter and 4.0 cents a year ago.

Durable Goods Manufacturers

Fourth quarter 2002 seasonally adjusted after-tax profits for durable goods manufacturers were \$6.2 billion, down \$5.5 (± 1.3) billion from the \$11.8 billion recorded in the previous quarter, but up \$16.4 (± 0.1) billion from the fourth quarter 2001 loss of \$10.2 billion.

Seasonally adjusted sales for the quarter were \$562.7 billion, not significantly different from the \$570.9 billion recorded in the previous quarter, but up \$7.4 (± 5.6) billion from the \$555.3 billion recorded in the fourth quarter last year.

After-tax profits averaged 1.1 cents per dollar of sales for the quarter, 2.1 cents in the third quarter 2002, compared to a loss of 1.8 cents a year ago.

**Unadjusted After-Tax Profits and Sales
Manufacturing Corporations**

Fourth quarter 2002 unadjusted after-tax profits for U.S. manufacturing corporations were \$31.5 billion, up \$29.1 (± 1.4) billion over the \$2.5 billion recorded in the fourth quarter a year ago. This improvement was due to higher operating profits, higher equity income, and lower nonrecurring charges. When compared to the third quarter 2002 after-tax profits of \$41.5 billion, the fourth quarter 2002 after-tax profits were down \$10.0 (± 1.5) billion.

Unadjusted sales for the fourth quarter at \$1,085.4 billion were up \$51.7 (± 7.0) billion from the \$1,033.7 billion recorded in the same quarter a year ago. Compared to the prior quarter sales of \$1,066.4 billion, sales were up \$19.0 (± 7.1) billion or 1.8 ($\pm 0.7\%$) percent.

Profits per dollar of sales averaged 2.9 cents this quarter, 3.9 cents in third quarter 2002, and 0.2 cents in the fourth quarter 2001.

Nondurable Goods Manufacturers

Fourth quarter 2002 nondurable goods manufacturers' unadjusted after-tax profits at \$29.5 billion were up \$12.9 (± 0.7) billion from the \$16.6 billion recorded in the fourth quarter 2001. Most underlying industry categories were up.

Petroleum and coal products reported an increase of \$4.8 (± 0.1) billion resulting from higher equity income and lower nonrecurring charges. Pharmaceuticals reported an increase of \$2.2 (± 0.4) billion, mainly from improvements in operating income. The greatest decline came from basic chemicals, resins and synthetics which reported an increase in equity income that could not offset the nonrecurring charges recorded this quarter.

Unadjusted sales for the fourth quarter 2002 of \$516.1 billion were up \$43.9 (± 4.9) billion from the \$472.2 billion posted last year.

After-tax profits for this quarter averaged 5.7 cents per dollar of sales compared to 3.5 cents a year ago.

When compared to the third quarter 2002 after-tax profits of \$31.0 billion, the fourth quarter 2002 after-tax profits were down \$1.4 (± 0.7) billion. Most industry categories were down with beverage and tobacco suffering the greatest decrease, \$4.0 (± 0.1) billion. Pharmaceuticals and medicines, as well as petroleum and coal products posted gains for the quarter.

Durable Goods Manufacturers

Fourth quarter 2002 durable goods manufacturers posted unadjusted after-tax profits of \$2.0 billion, compared to a loss of \$14.2 billion a year earlier. Most durable goods manufacturing categories improved their after-tax positions this quarter. The two leaders were communications equipment with gains of \$6.2 (± 0.6) billion due to improved operating margins and motor vehicles and parts with gains of \$5.7 (± 0.2) billion resulting from increased equity income and fewer nonrecurring charges.

Unadjusted sales for the quarter at \$569.3 billion were up \$7.7 (± 5.6) billion or 1.4 ($\pm 1.0\%$) percent from a year earlier.

After-tax profits for the quarter averaged 0.4 cents per dollar of sales compared to a loss of 2.5 cents a year ago.

When compared to the third quarter 2002 after-tax profits of \$10.6 billion, the fourth quarter 2002 after-tax profits fell \$8.6 (± 1.3) billion, of which \$2.3 (± 0.1) billion came from aerospace products and parts and \$2.3 (± 0.4) billion from fabricated metal products.

Mining Corporations

Fourth quarter 2002 unadjusted after-tax profits for mining corporations with assets of \$50 million and over were reported at \$52 million, compared to a loss of \$738 million same quarter a year earlier.

Unadjusted sales for the quarter were \$21.1 billion, up \$1.9 (± 0.2) billion from the same quarter a year ago.

After-tax profits per dollar of sales averaged 0.2 cents this quarter compared to a loss of 3.8 cents in fourth quarter 2001.

Wholesale Trade Corporations

Fourth quarter 2002 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over were \$4.9 billion, up \$2.4 (± 0.3) billion from the fourth quarter 2001.

Unadjusted sales this quarter were \$336.0 billion, up \$35.5 (± 3.7) billion from the same quarter a year ago.

After-tax profits per dollar of sales averaged 1.5 cents this quarter compared to 0.8 cents in the same quarter last year.

Retail Trade Corporations

Fourth quarter 2002 unadjusted after-tax profits for retail trade corporations with assets of \$50 million and over were \$12.2 billion, up \$4.4 (± 0.2) billion from the fourth quarter 2001.

Unadjusted sales for the quarter were \$382.4 billion, up \$5.6 (± 1.9) billion from the same quarter a year ago.

After-tax profits per dollar of sales averaged 3.2 cents this quarter compared to 2.1 cents in the fourth quarter 2001.

NOTE

These advance data, based on quarterly financial reports from approximately 8,700 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations – Fourth quarter 2002 (QFR-02-4).

SAMPLING

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.

DATA AVAILABILITY

This press release can be viewed today in page image format (.pdf) at our internet website (<http://www.census.gov/csd/qfr/>). In addition, more detailed information on U.S. Manufacturing, Mining, and Wholesale and Retail Trade Corporations is available for downloading at our website under "QFR Products: Publication". The publication includes income and retained earnings, balance sheets, and related financial and operating ratios. Data presented 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. Data are also available on 3.5 inch diskettes from U.S. Department of Commerce, Census Bureau (MS1921), P.O. Box 277943, Atlanta, GA 30384-7943 (301-763-4100).

First quarter 2003 advance data for U.S. Manufacturing, Mining and Wholesale Trade Corporations are scheduled for release on June 13, 2003, for U.S. Retail Corporations July 15, 2003.

TABLE 1

ALL MANUFACTURING CORPORATIONS

Item	Seasonally Adjusted			Unadjusted		
	4Q 2002	3Q 2002 ¹	4Q 2001 ¹	4Q 2002	3Q 2002 ¹	4Q 2001 ¹
Rate of return (after taxes):						
Cents per dollar of sales	3.5	3.9	0.9	2.9	3.9	0.2
Percent on equity (annual rate).....	NA	NA	NA	7.0	9.1	0.5
	(million dollars)					
Sales.....	1,076,339	1,066,162	1,025,661	1,085,412	1,066,449	1,033,734
Income after income taxes	37,873	42,069	8,831	31,535	41,526	2,462
Dividends paid (cash)	NA	NA	NA	26,277	26,081	29,320

TABLE 2

MANUFACTURING, MINING, AND TRADE CORPORATIONS
UNADJUSTED SALES AND PROFITS

Industry Group	Sales			Operating Profits ²			After-Tax Profits		
	4Q 2002	3Q 2002 ¹	4Q 2001 ¹	4Q 2002	3Q 2002 ¹	4Q 2001 ¹	4Q 2002	3Q 2002 ¹	4Q 2001 ¹
	(million dollars)								
All manufacturing ³	1,085,412	1,066,449	1,033,734	48,474	62,728	29,143	31,535	41,526	2,462
All nondurable manufacturing	516,144	500,639	472,207	34,839	39,891	28,189	29,533	30,970	16,622
Food.....	84,524	79,111	81,484	6,173	6,118	5,514	3,716	4,162	2,467
Beverage and tobacco products.....	34,416	36,636	36,117	5,230	7,479	5,654	3,869	7,918	2,285
Textile mills and textile product mills	11,928	12,420	10,906	241	722	447	(178)	304	82
Apparel and leather products	23,504	24,031	22,344	1,582	2,433	772	1,228	1,625	251
Paper.....	36,628	38,127	37,971	1,791	2,106	1,724	(113)	1,059	(1,552)
Printing and related support activities.....	17,851	17,741	17,562	1,186	1,280	681	634	648	125
Petroleum and coal products.....	141,985	128,775	107,294	1,623	5,253	2,018	6,029	4,253	1,273
Chemicals	135,248	132,398	128,872	15,901	12,263	10,723	13,899	9,683	12,754
Basic chemicals, resins, and synthetics ⁴	36,765	37,087	33,911	562	1,789	(275)	97	1,397	2,268
Pharmaceuticals and medicines ⁴	62,006	57,278	59,203	12,134	6,679	8,789	11,534	6,300	9,332
All other chemicals ⁴	36,478	38,033	35,758	3,205	3,795	2,209	2,268	1,986	1,154
Plastics and rubber products.....	30,059	31,400	29,658	1,112	2,238	657	449	1,317	(1,062)
All durable manufacturing.....	569,269	565,810	561,527	13,635	22,837	954	2,002	10,556	(14,160)
Wood products	15,254	16,332	14,824	343	912	55	(138)	455	(179)
Nonmetallic mineral products	21,463	23,556	22,163	1,014	2,381	838	(640)	(1,197)	(51)
Primary metals	32,767	34,281	32,493	(39)	1,041	(264)	(2,143)	180	(1,987)
Iron, steel, and ferroalloys ⁴	14,437	14,795	13,211	(117)	276	(376)	(1,265)	(103)	(1,505)
Nonferrous metals ⁴	13,430	14,208	13,977	(70)	504	54	(940)	139	(335)
Foundries ⁴	4,900	5,278	5,304	149	261	59	62	144	(146)
Fabricated metal products	47,814	50,638	47,697	1,969	3,691	1,740	181	2,463	(1,055)
Machinery	61,925	64,210	62,511	2,462	3,831	1,323	854	11	(425)
Computer and electronic products.....	114,285	108,555	114,099	(1,361)	(1,168)	(8,895)	(1,898)	(3,287)	(9,936)
Computer and peripheral equipment ⁴	35,647	33,578	37,597	130	467	391	2,513	2,369	2,225
Communications equipment ⁴	22,675	20,849	24,849	(371)	(1,038)	(7,156)	(2,928)	(2,594)	(9,167)
All other electronic products ⁴	55,964	54,128	51,652	(1,120)	(597)	(2,129)	(1,483)	(3,061)	(2,993)
Electrical equipment, appliances, and components	46,631	44,236	43,460	4,652	4,823	4,120	3,942	5,185	3,406
Transportation equipment	187,824	182,535	185,275	1,881	2,816	(260)	(211)	2,937	(4,751)
Motor vehicles and parts ⁴	135,775	133,766	130,687	(2,249)	(1,218)	(3,402)	(377)	250	(6,126)
Aerospace products and parts ⁴	43,249	40,318	45,126	3,360	3,164	2,317	(189)	2,145	856
Furniture and related products.....	13,175	14,385	14,216	832	1,014	552	410	665	110
Miscellaneous manufacturing.....	28,131	27,083	24,789	1,880	3,495	1,745	1,644	3,144	709
All mining ³	21,090	20,145	19,177	2,658	2,189	1,419	52	1,549	(738)
All wholesale trade ³	336,032	317,683	300,546	8,370	9,062	8,544	4,930	6,113	2,491
All retail trade ³	382,364	347,786	376,750	20,927	14,636	20,162	12,214	8,134	7,847

¹Revised.²Operating profits are profits before nonoperating income and expense items and income taxes.³Manufacturing data are the quarterly results of companies within that division with assets over \$250,000; whereas, data for mining and trade corporations represent the quarterly results of companies with assets over \$50 million.⁴Included in major industry above.

TABLE 3¹

MANUFACTURING CORPORATIONS
SEASONALLY ADJUSTED SALES AND NET INCOME AFTER-TAX

Industry Group and Year	Sales ²				After-Tax Profits ²			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1994.....	784,517	803,062	825,298	841,662	36,416	41,150	45,392	52,088
1995.....	871,318	872,841	883,547	899,625	52,804	51,968	49,281	44,239
1996.....	914,290	932,783	948,259	961,087	51,243	53,973	61,121	58,752
1997.....	965,970	972,477	986,664	994,819	60,792	61,872	61,686	60,393
1998.....	990,228	981,760	985,966	993,043	74,778	49,171	60,778	49,894
1999.....	1,003,612	1,026,472	1,048,239	1,070,702	60,105	63,451	66,466	67,887
2000.....	1,121,251	1,127,381	1,146,264	1,119,306	77,775	70,996	73,511	47,962
2001.....	1,116,715	1,092,590	1,061,413	1,025,661	641	16,157	10,513	8,831
2002.....	1,028,510	1,048,998	1,066,162	1,076,339	26,535	39,545	42,069	37,873
All nondurable manufacturing:								
1994.....	387,283	394,767	405,707	409,930	18,995	19,822	22,432	26,567
1995.....	425,636	427,727	430,835	435,857	25,878	28,199	27,575	22,253
1996.....	442,170	452,516	457,703	462,943	28,037	28,317	32,104	30,447
1997.....	463,135	456,671	461,325	463,394	33,412	30,695	30,489	28,689
1998.....	452,322	446,173	443,648	439,711	29,776	28,615	30,725	17,590
1999.....	445,643	452,865	461,321	475,107	26,545	28,981	31,295	30,670
2000.....	507,151	514,708	528,295	503,504	37,639	38,714	37,032	28,953
2001.....	507,981	506,235	489,644	470,368	31,876	34,242	27,045	19,015
2002.....	464,380	479,251	495,301	513,632	27,501	30,846	30,281	31,631
All durable manufacturing:								
1994.....	397,234	408,295	419,591	431,732	17,421	21,328	22,960	25,521
1995.....	445,682	445,114	452,712	463,768	26,926	23,769	21,706	21,986
1996.....	472,120	480,267	490,556	498,144	23,206	25,656	29,017	28,305
1997.....	502,835	515,806	525,339	531,425	27,380	31,177	31,197	31,704
1998.....	537,906	535,587	542,318	553,332	45,002	20,556	30,053	32,304
1999.....	557,969	573,607	586,918	595,595	33,560	34,470	35,171	37,217
2000.....	614,100	612,673	617,969	615,802	40,136	32,282	36,479	19,009
2001.....	608,734	586,355	571,769	555,293	(31,235)	(18,085)	(16,532)	(10,184)
2002.....	564,130	569,747	570,861	562,707	(966)	8,699	11,788	6,242

¹Data after fourth quarter 2000 are presented on the North American Industry Classification System basis. Data prior to fourth quarter 2000 are presented on the Standard Industrial Classification system basis. Comparisons of these data are useful only for trend analysis.

²Revised.

TABLE 4

**INCOME STATEMENT FOR RETAIL TRADE CORPORATIONS
ASSETS \$50 MILLION AND OVER**

Item	4Q 2002	3Q 2002 ¹	4Q 2001 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	382,364	347,786	376,750
Less: Depreciation, depletion, and amortization	7,098	6,956	6,955
Less: All other operating costs and expenses	354,339	326,195	349,633
Income (or loss) from operations	20,927	14,636	20,162
Net nonoperating income (expense)	(1,594)	(1,828)	(5,486)
Income (or loss) before income taxes	19,333	12,808	14,675
Less: Provision for current and deferred domestic income taxes	7,119	4,673	6,828
Income (or loss) after income taxes	12,214	8,134	7,847
Cash dividends charged to retained earnings in current quarter	2,111	1,005	1,365
Net income retained in business	10,102	7,129	6,482
Retained earnings at beginning of quarter	180,966	171,966	159,987
Other direct credits (or charges) to retained earnings (net)	(3,619)	(1,456)	(2,113)
Retained earnings at end of quarter	187,450	177,640	164,356

TABLE 5

**INCOME STATEMENT RATIOS FOR RETAIL TRADE CORPORATIONS
ASSETS \$50 MILLION AND OVER**

Item	4Q 2002	3Q 2002 ¹	4Q 2001 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.9	2.0	1.8
Less: All other operating costs and expenses	92.7	93.8	92.8
Income (or loss) from operations	5.5	4.2	5.4
Net nonoperating income (expense)	(0.4)	(0.5)	(1.5)
Income (or loss) before income taxes	5.1	3.7	3.9
Less: Provision for current and deferred domestic income taxes	1.9	1.3	1.8
Income (or loss) after income taxes	3.2	2.3	2.1

TABLE 6

**OPERATING RATIOS FOR RETAIL TRADE CORPORATIONS
ASSETS \$50 MILLION AND OVER**

Item	4Q 2002	3Q 2002 ¹	4Q 2001 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	28.74	19.71	23.72
After income taxes	18.15	12.52	12.68
Annual rate of profit on total assets:			
Before income taxes	11.01	7.38	9.00
After income taxes	6.95	4.69	4.81

¹Revised.

Schedule of Advance Data Release Dates^B2003

Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2003 Second 2003 Third 2003	June 13, 2003 September 12, 2003 December 12, 2003	July 15, 2003 October 15, 2003