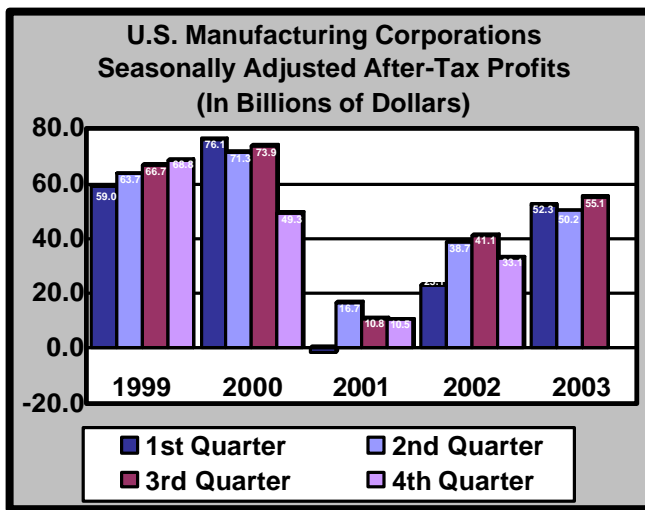


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**THIRD QUARTER 2003 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS**



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

Seasonally adjusted after-tax profits of U.S. manufacturing corporations totaled \$55.1 billion in the third quarter 2003, compared to the \$50.2 billion recorded in the second quarter, the Department of Commerce's U.S. Census Bureau reported. Profits have been trending up since a reported loss of \$1.6 billion in the first quarter 2001. Third quarter profits were up \$14.0 (±1.4) billion from the \$41.1 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,108.8 billion for the quarter, up \$32.3 (±7.3) billion from the \$1,076.6 billion recorded in the second quarter 2003, and up \$40.2 (±7.2) billion from the \$1,068.7 billion recorded the year before.

After-tax profits per dollar of sales averaged 5.0 cents this quarter, 4.7 cents last quarter, and 3.8 cents in the third quarter 2002.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted after-tax profits were \$30.2 billion, down \$3.0 (±0.6) billion from the \$33.2 billion recorded in the previous quarter, and down \$0.8 (±0.6) billion from the \$31.0 billion in the third quarter 2002.

Seasonally adjusted sales for the quarter, at \$531.8 billion were up \$14.7 (±6.1) billion from the \$517.1 billion recorded in the prior quarter, and up \$32.7 (±5.1) billion from the \$499.2 billion in the third quarter 2002.

After-tax profits per dollar of sales averaged 5.7 cents this quarter, 6.4 cents last quarter, and 6.2 cents in the third quarter 2002.

Durable Goods Manufacturers

Third quarter 2003 seasonally adjusted after-tax profits for durable goods manufacturers were \$24.9 billion, up \$7.9 (±0.9) billion from the \$16.9 billion recorded in the previous quarter, and up \$11.5 (±1.2) billion from the \$13.4 billion in the third quarter 2002 .

Seasonally adjusted sales for the quarter were \$577.0 billion, up \$17.6 (±5.6) billion from the \$559.5 billion recorded in the previous quarter, and up \$7.5 (±5.6) billion from the \$569.5 billion recorded in the third quarter last year.

After-tax profits per dollar of sales averaged 4.3 cents this quarter, 3.0 cents last quarter, and 2.3 cents in the third quarter 2002.

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

Third quarter 2003 unadjusted after-tax profits for U.S. manufacturing corporations were \$54.4 billion, up \$14.4 (±1.4) billion over the \$40.1 billion recorded in the third quarter a year ago.

Unadjusted sales for the third quarter, at \$1,107.3 billion, were up \$38.6 (±7.2) billion from the \$1,068.7 billion recorded in the same quarter a year ago.

Profits per dollar of sales averaged 4.9 cents this quarter, up 1.2 (±0.1) cents from the 3.7 cents in the third quarter 2002.

Nondurable Goods Manufacturers

Third quarter 2003 nondurable goods manufacturers' unadjusted after-tax profits, at \$30.8 billion, were down \$0.8 (± 0.6) billion from the \$31.6 billion recorded in the third quarter 2002. Beverage and tobacco profits showed a decline of \$5.7 (± 0.2) billion, mainly due to nonrecurring charges in the current quarter. The gains of \$4.6 (± 0.1) billion reported by the petroleum and coal products resulted from improved operating positions in the domestic and foreign sectors. Chemical products posted a modest improvement of \$1.1 (± 0.3) billion, from improved domestic operations.

Unadjusted sales for the third quarter 2003 of \$536.0 billion were up \$32.2 (± 5.1) billion from the \$503.8 billion posted last year.

After-tax profits for this quarter averaged 5.7 cents per dollar of sales compared to 6.3 cents in the third quarter 2002.

Durable Goods Manufacturers

Third quarter 2003 durable goods manufacturers posted unadjusted after-tax profits of \$23.6 billion, up \$15.2 (± 1.2) billion from the \$8.5 billion recorded a year earlier. Computer and electronics rebounded from their losses a year earlier with an increase of \$12.0 (± 0.4) billion. Nonmetallic mineral products also rebounded with an improvement of \$3.1 (± 0.1) billion. Both industries benefited by lower nonrecurring charges and improved equity earnings.

Unadjusted sales for the quarter at \$571.3 billion were up \$6.4 (± 5.6) billion or 1.1 ($\pm 1.0\%$) percent from the \$564.8 billion recorded a year earlier.

After-tax profits for this quarter averaged 4.1 cents per dollar of sales compared to 1.5 cents in the third quarter 2002.

Mining Corporations

Third quarter 2003 unadjusted after-tax profits for mining corporations with assets of \$50 million and over were reported at \$3.3 billion, up \$1.5 (± 0.1) billion from the \$1.7 billion in the same quarter a year earlier.

Unadjusted sales for the quarter were \$23.5 billion, up \$3.4 (± 0.2) billion from the \$20.1 billion in the same quarter a year ago.

After-tax profits this quarter averaged 13.9 cents per dollar of sales compared to 8.7 cents in the third quarter 2002.

Wholesale Trade Corporations

Third quarter 2003 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over were \$6.3 billion, up \$1.6 (± 0.3) billion from the \$4.7 billion in the third quarter 2002.

Unadjusted sales this quarter were \$338.0 billion, up \$26.9 (± 4.3) billion from the \$311.1 billion in the same quarter a year ago.

After-tax profits for this quarter averaged 1.9 cents per dollar of sales compared to 1.5 cents in the third quarter 2002.

NOTE

These advance data, based on quarterly financial reports from approximately 8,000 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations – Third Quarter 2003 (QFR-03-3).

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 (± 0.2) cents," appearing in the text, indicates the range (+2.3 to +2.7 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. Data are also available on 3.5 inch diskettes from the U.S. Department of Commerce, Census Bureau (MS0801), P.O. Box 277943, Atlanta, GA 30384-7943 (301-763-INFO/301-763-4636). The cost for an annual subscription is \$80 domestic and \$105 foreign. The cost for a single diskette is \$50. All remittances from foreign countries must be by international money order or by draft on a U.S. bank.

Third quarter 2003 advance data for U.S. Retail Trade Corporations are scheduled for release on January 13, 2004.

Fourth quarter 2003 advance data for U.S. Manufacturing, Mining, Wholesale and Retail Trade Corporations are scheduled for release on April 5, 2004.

Table 1. All Manufacturing Corporations

Item	Seasonally adjusted			Unadjusted		
	3Q 2003	2Q 2003 ¹	3Q 2002 ¹	3Q 2003	2Q 2003 ¹	3Q 2002 ¹
Rate of return (after taxes):						
Cents per dollar of sales.....	5.0	4.7	3.8	4.9	5.2	3.7
Percent on equity (annual rate).....	NA	NA	NA	11.6	12.4	8.8
	(million dollars)					
Sales	1,108,841	1,076,558	1,068,666	1,107,286	1,097,769	1,068,667
Income after income taxes	55,055	50,161	41,072	54,434	57,345	40,074
Dividends paid (cash)	NA	NA	NA	28,965	28,551	26,863

¹Revised.**Table 2. Manufacturing Corporations Seasonally Adjusted Sales And Net Income After-Tax¹**

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	784,474	803,057	825,303	841,722	36,436	41,107	45,361	52,186
1995	871,276	872,794	883,517	899,818	52,763	51,909	49,303	44,364
1996	914,216	932,622	948,202	961,525	51,142	53,885	61,189	58,993
1997	965,770	972,231	986,501	995,660	60,482	61,841	61,790	60,798
1998	989,751	981,533	985,676	994,211	74,183	49,165	61,031	50,491
1999	1,002,835	1,026,385	1,047,801	1,072,236	59,014	63,659	66,733	68,842
2000	1,119,743	1,127,999	1,145,651	1,120,702	76,134	71,304	73,873	49,295
2001	1,114,658	1,093,939	1,061,246	1,026,175	(1,605)	16,665	10,847	10,515
2002	1,023,647	1,049,932	1,068,666	1,076,870	23,105	38,718	41,072	33,104
2003	1,100,904	1,076,558	1,108,841		52,344	50,161	55,055	
All nondurable manufacturing:								
1994	387,245	394,741	405,719	409,989	18,985	19,811	22,409	26,623
1995	425,603	427,672	430,820	435,998	25,865	28,169	27,553	22,331
1996	442,141	452,377	457,664	463,200	28,026	28,265	32,049	30,613
1997	463,126	456,442	461,167	463,912	33,368	30,610	30,401	28,957
1998	452,208	445,945	443,390	440,352	29,738	28,404	30,662	17,971
1999	445,463	452,703	460,947	475,869	26,490	28,687	31,133	31,284
2000	506,795	514,761	527,921	504,051	37,609	38,159	36,909	29,777
2001	507,507	506,476	489,778	470,340	31,823	33,496	26,940	20,002
2002	462,576	479,883	499,165	515,560	26,998	28,185	30,986	26,892
2003	537,588	517,097	531,830		40,443	33,224	30,200	
All durable manufacturing:								
1994	397,229	408,316	419,584	431,732	17,451	21,296	22,986	25,563
1995	445,673	445,122	452,697	463,820	26,898	23,740	21,758	22,033
1996	472,074	480,245	490,539	498,325	23,116	25,620	29,101	28,381
1997	502,644	515,788	525,334	531,748	27,114	31,231	31,358	31,841
1998	537,543	535,588	542,285	553,859	44,445	20,761	30,339	32,520
1999	557,372	573,681	586,854	596,367	32,523	34,971	35,676	37,559
2000	612,948	613,239	617,729	616,650	38,525	33,146	37,266	19,518
2001	607,151	587,462	571,468	555,835	(33,428)	(16,831)	(15,438)	(9,487)
2002	561,071	570,049	569,501	561,310	(3,893)	10,533	13,379	6,212
2003	563,316	559,461	577,012		11,900	16,937	24,855	

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 3. Manufacturing, Mining, And Trade Corporations Unadjusted Sales And Profits

Industry group	Sales			Operating profits ¹			After-tax profits		
	3Q 2003	2Q 2003 ²	3Q 2002 ²	3Q 2003	2Q 2003 ²	3Q 2002 ²	3Q 2003	2Q 2003 ²	3Q 2002 ²
	(million dollars)								
All manufacturing ³	1,107,286	1,097,769	1,068,667	63,072	62,472	58,034	54,434	57,345	40,074
All nondurable manufacturing.....	536,006	524,477	503,836	41,135	38,695	37,723	30,794	35,945	31,600
Food.....	92,037	89,740	86,369	5,811	5,628	5,866	4,320	4,031	4,279
Beverage and tobacco products	35,328	35,838	36,361	5,861	5,937	7,457	2,228	5,691	7,968
Textile mills and textile product mills	11,819	12,342	12,474	374	474	773	25	42	362
Apparel and leather products	23,142	20,579	23,442	2,121	1,362	2,422	1,692	1,063	1,673
Paper.....	37,951	36,760	38,472	1,937	1,701	2,130	606	882	943
Printing and related support activities	16,542	16,658	17,704	1,417	1,110	1,277	803	437	637
Petroleum and coal products.....	151,632	139,376	127,155	6,480	6,163	4,629	8,371	8,039	3,802
Chemicals	136,387	141,264	130,432	15,138	14,222	10,944	11,663	14,676	10,554
Basic chemicals, resins, and synthetics ⁴	38,543	40,337	35,048	1,474	1,943	1,663	(121)	1,673	1,536
Pharmaceuticals and medicines ⁴	59,491	60,994	57,823	9,607	8,184	5,294	8,449	8,910	5,861
All other chemicals ⁴	38,354	39,933	37,560	4,057	4,096	3,987	3,336	4,092	3,157
Plastics and rubber products	31,168	31,922	31,427	1,997	2,098	2,225	1,086	1,084	1,381
All durable manufacturing	571,280	573,291	564,832	21,936	23,777	20,311	23,640	21,400	8,474
Wood products	16,579	15,510	16,293	1,364	778	905	949	446	429
Nonmetallic mineral products.....	24,637	23,034	23,768	2,713	2,125	2,474	1,956	1,082	(1,102)
Primary metals	33,556	33,704	33,846	304	286	1,116	(134)	50	91
Iron, steel, and ferroalloys ⁴	15,137	14,830	14,265	(278)	(320)	423	(508)	(318)	(23)
Nonferrous metals ⁴	14,229	14,049	14,230	421	395	485	347	302	26
Foundries ⁴	4,190	4,824	5,350	161	212	209	27	65	89
Fabricated metal products.....	53,045	52,062	52,133	3,900	4,328	3,807	1,907	2,902	2,544
Machinery	63,468	65,780	64,161	3,242	4,133	3,661	995	2,795	185
Computer and electronic products	111,148	108,330	109,010	2,271	1,927	(2,963)	5,828	1,857	(6,144)
Computer and peripheral equipment ⁴	34,941	34,426	32,960	751	774	273	3,421	2,955	2,143
Communications equipment ⁴	20,103	19,563	20,440	(1,110)	(556)	(2,826)	1,224	101	(4,702)
All other electronic products ⁴	56,104	54,341	55,610	2,629	1,709	(410)	1,183	(1,199)	(3,585)
Electrical equipment, appliances, and components	45,220	46,131	44,196	2,626	3,236	3,473	5,100	4,879	5,268
Transportation equipment.....	182,702	189,390	179,706	1,831	3,870	3,269	3,920	5,197	3,349
Motor vehicles and parts ⁴	135,191	141,513	132,809	(1,533)	511	(678)	1,732	3,318	661
Aerospace products and parts ⁴	39,298	40,027	39,215	2,628	2,527	3,111	1,642	1,350	2,129
Furniture and related products	13,915	13,073	14,319	1,122	744	1,001	716	352	676
Miscellaneous manufacturing	27,011	26,278	27,400	2,564	2,350	3,569	2,403	1,841	3,178
All mining ³	23,497	23,145	20,066	4,332	4,369	2,185	3,274	3,118	1,736
All wholesale trade ³	338,046	330,628	311,129	9,050	8,384	8,967	6,307	5,197	4,686
All retail trade ³	N/A	365,575	348,218	N/A	16,729	14,454	N/A	8,440	7,851

¹Operating profits are profits before nonoperating income and expense items and income taxes.

²Revised.

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.