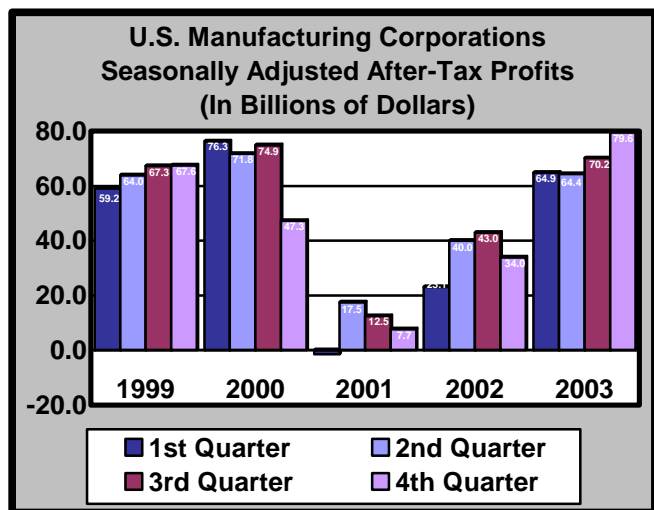


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**FOURTH QUARTER 2003 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS**



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

Seasonally adjusted after-tax profits of U.S. manufacturing corporations totaled \$79.6 billion in the fourth quarter 2003, exceeding the previous record high in the first quarter 2000 of \$76.3 billion, the Department of Commerce's U.S. Census Bureau reported. Fourth quarter 2003 after-tax profits were up \$9.5 (± 1.3) billion from the \$70.2 billion recorded in the prior quarter due to an increase of \$4.2 (± 1.0) billion by durable manufacturers and \$5.3 (± 0.8) billion by nondurable manufacturers. Fourth quarter profits were up \$45.6 (± 1.5) billion from the \$34.0 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,097.9 billion for the quarter, down \$7.7 (± 7.3) billion from the \$1,105.6 billion recorded in the third quarter 2003, and up \$24.7 (± 7.2) billion from the \$1,073.2 billion recorded the year before.

After-tax profits per dollar of sales averaged 7.3 cents this quarter, up 1.0 (± 0.1) cents from the 6.3 cents recorded last quarter, and up 4.1 (± 0.1) cents from the 3.2 cents in the fourth quarter 2002.

Nondurable Goods Manufacturers

Nondurable goods manufacturers after-tax profits were at \$49.4 billion, up \$5.3 (± 0.8) billion from the \$44.1 billion recorded in the previous quarter, and up \$18.4 (± 0.8) billion from the \$31.0 billion in the fourth quarter 2002.

Seasonally adjusted sales for the quarter at \$522.9 billion were down \$8.1 (± 5.3) billion from the \$530.9 billion recorded in the prior quarter, and up \$10.3 (± 5.1) billion from the \$512.6 billion in the fourth quarter 2002.

After-tax profits averaged 9.5 cents per dollar of sales for the quarter, 8.3 cents last quarter and 6.1 cents a year ago.

Durable Goods Manufacturers

Fourth quarter 2003 seasonally adjusted after-tax profits for durable goods manufacturers were \$30.2 billion, up \$4.2 (± 1.0) billion from the \$26.0 billion recorded in the previous quarter, and up \$27.3 (± 0.2) billion from \$2.9 billion in the fourth quarter 2002.

Seasonally adjusted sales for the quarter were \$575.0 billion, not significantly different from the \$574.7 recorded in the previous quarter, but up \$14.4 (± 5.7) billion from the \$560.6 billion recorded in the fourth quarter last year.

After-tax profits averaged 5.3 cents per dollar of sales for the quarter, 4.5 cents last quarter and 0.5 cent a year ago.

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

Fourth quarter 2003 unadjusted after-tax profits for U.S. manufacturing corporations were \$66.3 billion, up \$42.7 (± 1.5) billion over the \$23.7 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 2003 after-tax profits of \$54.5 billion, the fourth quarter 2003 after-tax profits were up \$11.8 (± 1.3) billion.

Unadjusted sales for the fourth quarter were \$1,108.6 billion, up \$26.4 (± 7.2) billion from the \$1,082.1 billion in the same quarter a year ago; and not a statistically significant difference from the prior quarter sales of \$1,109.4 billion.

After-tax profits per dollar of sales averaged 6.0 cents this quarter, 4.9 cents in third quarter 2003, and 2.2 cents in the fourth quarter 2002.

Nondurable Goods Manufacturers

Fourth quarter 2003 nondurable goods manufacturers' unadjusted after-tax profits at \$39.1 billion were up \$15.3 (± 0.8) billion from the \$23.8 billion recorded in the fourth quarter 2002. Most underlying industry categories were up. Petroleum and coal products reported an increase of \$6.3 (± 0.1) billion mainly resulting from improvements in operating income. Plastics and rubber increased \$3.4 (± 0.1) billion generally due to the absence of the nonrecurring charges of the fourth quarter 2002. Chemical products and food products also had a strong showing with increases of \$2.2 (± 0.6) and \$1.8 (± 0.4) billion, respectively, from general improvements.

Unadjusted sales for the fourth quarter were \$527.1 billion, up \$10.9 (± 5.1) billion from the \$516.2 billion in the same quarter a year ago.

After-tax profits for this quarter averaged 7.4 cents per dollar of sales compared to 4.6 cents in the fourth quarter 2002.

When compared to the third quarter 2003 after-tax profits of \$30.8 billion, the fourth quarter 2003 after-tax profits were up \$8.3 (± 0.8) billion. Results were mixed in these industry categories. Chemical products showed the greatest increase, \$3.9 (± 0.5) billion, mainly from nonoperating earnings. Beverage and tobacco's increase of \$2.8 (± 0.1) billion was due primarily to a decrease in nonrecurring charges. Petroleum also reported a modest gain of \$2.3 (± 0.1) billion which was the result of nonoperating activities.

Durable Goods Manufacturers

Fourth quarter 2003 durable goods manufacturers posted unadjusted after-tax profits of \$27.2 billion, compared to a loss of \$95 million a year earlier. Most durable goods manufacturing categories improved their after-tax positions this quarter. Computers and electronics had a strong showing with an increase of \$15.3 (± 0.2) billion, rebounding from their losses of \$4.8 billion a year ago. Their operating and equity income were strong and the nonrecurring charges of a year ago were greatly lower this quarter. Transportation showed a gain of \$3.1 (± 0.3) billion resulting mainly from equity income and lower nonrecurring charges. Primary metals also did not suffer from the heavy nonrecurring charges of a year ago, showing an increase of \$2.6 (± 0.2) billion.

Unadjusted sales for the quarter at \$581.5 billion were up \$15.6 (± 5.7) billion or 2.8 ($\pm 1.0\%$) percent from a year earlier.

After-tax profits for the quarter averaged 4.7 cents per dollar of sales. The fourth quarter 2002 after-tax profits averaged less than 0.1 cent per dollar of sales.

When compared to the third quarter 2003 after-tax profits of \$23.7 billion, the fourth quarter 2003 after-tax profits increased \$3.5 (± 1.0) billion. Most of that was due to the \$4.7 (± 0.5) billion increase in computer and electronics offset by the decreases of \$2.6 (± 0.1) billion in the nonmetallic mineral products. Equity income, operating income, and lower nonrecurring charges helped the computer and electronics industry, while those same categories caused the decline in nonmetallic mineral products.

Mining Corporations

Fourth quarter 2003 unadjusted after-tax profits for mining corporations with assets of \$50 million and over were reported at \$2.4 billion, compared to a loss of \$1.5 billion in the same quarter a year earlier.

Unadjusted sales for the quarter were \$24.0 billion, up \$2.9 (± 0.2) billion from the same quarter a year ago.

After-tax profits per dollar of sales averaged 10.0 cents this quarter compared to a loss of 7.3 cents in the fourth quarter 2002.

Wholesale Trade Corporations

Fourth quarter 2003 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over were \$4.1 billion, not a statistically significant difference from the \$4.5 billion reported in the same quarter a year earlier.

Unadjusted sales this quarter were \$366.4 billion, up \$37.2 (± 4.6) billion from the same quarter a year ago.

After-tax profits per dollar of sales averaged 1.1 cents this quarter compared to 1.4 cents in the fourth quarter 2002.

Retail Trade Corporations

Fourth quarter 2003 unadjusted after-tax profits for retail trade corporations with assets of \$50 million and over were \$14.0 billion, up \$4.2 (± 0.1) billion or 42.4 (± 1.7) percent from the fourth quarter 2002.

Unadjusted sales for the quarter were \$412.0 billion, up \$25.8 (± 1.3) billion or 6.7 (± 0.4) percent from the same quarter a year ago.

After-tax profits per dollar of sales averaged 3.4 cents this quarter compared to 2.5 cents in the fourth quarter 2002.

NOTE

These advance data, based on quarterly financial reports from approximately 8,500 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations – Fourth quarter 2003 (QFR-03-4).

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 (± 0.2) cents," appearing in the text, indicates the range (+2.4 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). Fax orders to (202) 512-2250 or phone orders to (202) 512-1800 (8am-4:30pm EST). The cost for an annual subscription is \$58 domestic and \$81.20 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.

First quarter 2004 advance data for U.S. Manufacturing, Mining and Wholesale Trade Corporations are scheduled for release on June 14, 2004, for U.S. Retail Corporations July 14, 2004.

Table 1. All U.S. Manufacturing Corporations

Item	Seasonally adjusted			Unadjusted		
	4Q 2003	3Q 2003 ¹	4Q 2002 ¹	4Q 2003	3Q 2003 ¹	4Q 2002 ¹
Rate of return (after taxes):						
Cents per dollar of sales	7.3	6.3	3.2	6.0	4.9	2.2
Percent on equity (annual rate)	NA	NA	NA	13.6	11.6	5.4
	(million dollars)					
Sales	1,097,874	1,105,595	1,073,216	1,108,552	1,109,363	1,082,128
Income after income taxes	79,613	70,153	33,968	66,318	54,506	23,660
Dividends paid (cash)	NA	NA	NA	26,695	28,795	28,692

¹Revised.**Table 2. U.S. 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.....	784,528	803,082	825,292	841,640	36,375	41,184	45,447	52,051
1995.....	871,330	872,864	883,531	899,626	52,721	52,042	49,359	44,181
1996.....	914,282	932,803	948,220	961,165	51,110	54,096	61,215	58,711
1997.....	965,902	972,491	986,596	994,957	60,539	62,060	61,866	60,346
1998.....	990,226	981,708	985,673	993,473	74,320	49,433	61,217	49,763
1999.....	1,003,676	1,026,359	1,047,545	1,071,410	59,229	63,952	67,295	67,599
2000.....	1,121,607	1,127,489	1,144,569	1,120,185	76,274	71,847	74,948	47,294
2001.....	1,117,793	1,092,884	1,058,996	1,026,107	(1,521)	17,501	12,491	7,729
2002.....	1,028,115	1,048,225	1,064,919	1,073,216	23,058	39,980	43,049	33,968
2003.....	1,106,306	1,072,972	1,105,595	1,097,874	64,946	64,432	70,153	79,613
All nondurable manufacturing:								
1994.....	387,296	394,772	405,708	409,904	18,975	19,830	22,467	26,543
1995.....	425,650	427,749	430,845	435,793	25,866	28,197	27,616	22,225
1996.....	442,196	452,564	457,709	462,839	28,035	28,304	32,134	30,453
1997.....	463,190	456,739	461,313	463,207	33,388	30,672	30,522	28,734
1998.....	452,540	446,211	443,489	439,560	29,731	28,513	30,882	17,621
1999.....	446,071	452,872	460,915	474,829	26,412	28,871	31,575	30,737
2000.....	508,234	514,698	527,261	503,010	37,285	38,599	37,620	28,916
2001.....	510,040	506,145	488,096	469,490	31,268	34,224	27,877	18,879
2002.....	466,352	479,142	496,135	512,596	26,212	29,205	32,022	31,043
2003.....	544,471	516,331	530,939	522,861	52,114	47,129	44,127	49,424
All durable manufacturing:								
1994.....	397,232	408,310	419,584	431,735	17,400	21,354	22,979	25,508
1995.....	445,680	445,115	452,685	463,833	26,854	23,846	21,743	21,955
1996.....	472,086	480,239	490,511	498,326	23,075	25,792	29,081	28,258
1997.....	502,711	515,752	525,283	531,750	27,150	31,388	31,345	31,612
1998.....	537,686	535,497	542,184	553,913	44,589	20,920	30,335	32,142
1999.....	557,606	573,487	586,630	596,581	32,818	35,081	35,721	36,862
2000.....	613,373	612,792	617,308	617,175	38,990	33,248	37,328	18,377
2001.....	607,753	586,739	570,900	556,617	(32,790)	(16,723)	(15,387)	(11,151)
2002.....	561,762	569,084	568,783	560,620	(3,154)	10,775	11,027	2,924
2003.....	561,834	556,641	574,655	575,013	12,832	17,303	26,027	30,189

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. U.S. Manufacturing, Mining, And Trade Corporations Unadjusted Sales And Profits

Industry group	Sales			Operating profits ¹			After-tax profits		
	4Q 2003	3Q 2003 ²	4Q 2002 ²	4Q 2003	3Q 2003 ²	4Q 2002 ²	4Q 2003	3Q 2003 ²	4Q 2002 ²
	(million dollars)								
All manufacturing ³	1,108,552	1,109,363	1,082,128	52,474	63,561	47,599	66,318	54,506	23,660
All nondurable manufacturing	527,083	539,627	516,223	34,232	41,413	30,195	39,101	30,833	23,755
Food.....	98,385	91,258	95,049	7,161	5,705	5,992	5,206	4,216	3,396
Beverage and tobacco products	33,711	35,061	33,551	5,360	5,048	5,070	4,463	1,618	3,694
Textile mills and textile product mills	11,724	11,749	11,949	287	406	295	232	52	(460)
Apparel and leather products	21,680	23,031	22,926	1,627	2,208	1,447	1,077	1,795	1,172
Paper.....	39,067	37,995	36,778	1,257	1,946	1,605	314	628	(217)
Printing and related support activities	17,013	16,791	18,383	1,000	1,434	1,192	388	817	560
Petroleum and coal products.....	139,993	155,877	133,582	1,765	7,720	34	11,410	9,110	5,144
Chemicals.....	133,634	136,343	134,328	14,499	15,083	13,350	15,468	11,549	13,298
Basic chemicals, resins, and synthetics ⁴	38,260	38,483	34,727	1,195	1,419	141	215	14	(294)
Pharmaceuticals and medicines ⁴	57,557	59,514	63,869	9,613	9,613	10,281	11,881	8,457	11,297
All other chemicals ⁴	37,818	38,346	35,732	3,691	4,051	2,929	3,372	3,078	2,295
Plastics and rubber products	31,876	31,523	29,677	1,277	1,864	1,209	544	1,049	(2,832)
All durable manufacturing	581,469	569,736	565,905	18,242	22,148	17,404	27,217	23,672	(95)
Wood products	15,956	16,362	15,009	1,088	1,300	326	699	885	(151)
Nonmetallic mineral products.....	22,432	24,584	21,023	1,244	2,686	985	(643)	1,941	(604)
Primary metals	34,155	33,725	32,251	321	389	62	92	(131)	(2,469)
Iron, steel, and ferroalloys ⁴	15,248	15,166	13,834	(202)	(235)	(23)	(956)	(517)	(1,065)
Nonferrous metals ⁴	14,775	14,370	13,543	504	466	(75)	1,113	363	(1,465)
Foundries ⁴	4,132	4,188	4,874	19	158	160	(65)	24	60
Fabricated metal products	51,325	52,816	49,312	2,643	3,831	1,935	1,301	1,891	(415)
Machinery	65,306	63,707	61,801	3,301	3,280	2,198	2,653	1,005	634
Computer and electronic products	118,931	109,793	111,189	5,037	2,480	128	10,482	5,748	(4,834)
Computer and peripheral equipment ⁴	37,806	35,038	35,026	1,200	777	70	5,037	3,435	1,987
Communications equipment ⁴	23,087	20,335	21,988	312	(998)	(335)	2,111	1,281	(2,817)
All other electronic products ⁴	58,037	54,420	54,175	3,525	2,701	392	3,333	1,031	(4,004)
Electrical equipment, appliances, and components	45,045	45,051	46,912	2,482	2,651	3,964	4,912	5,301	3,710
Transportation equipment	187,218	183,120	186,953	(863)	1,881	5,069	4,880	3,982	1,774
Motor vehicles and parts ⁴	135,029	135,300	136,958	(4,595)	(1,501)	1,198	1,366	1,755	1,820
Aerospace products and parts ⁴	43,307	39,435	42,144	2,939	2,636	3,189	2,937	1,674	(332)
Furniture and related products	14,004	13,876	13,246	763	1,085	799	287	660	442
Miscellaneous manufacturing	27,096	26,702	28,208	2,225	2,566	1,938	2,554	2,392	1,819
All mining ³	24,016	23,523	21,146	3,579	4,337	2,579	2,405	3,261	(1,535)
All wholesale trade ³	366,370	337,972	329,214	10,437	8,875	7,862	4,147	5,999	4,467
All retail trade ³	411,977	378,108	386,157	21,838	16,448	21,504	14,004	9,699	9,837

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.

Table 4. Income Statement For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	4Q	3Q	4Q
	2003	2003 ¹	2002 ¹
	(million dollars)		
Net sales, receipts, and operating revenues.....	411,977	378,108	386,157
Less: Depreciation, depletion, and amortization.....	7,347	7,278	7,089
Less: All other operating costs and expenses	382,792	354,383	357,563
Income (or loss) from operations	21,838	16,448	21,504
Net nonoperating income (expense).....	5,607	1,485	(1,072)
Income (or loss) before income taxes	23,802	14,925	17,288
Less: Provision for current and deferred domestic income taxes.....	9,798	5,226	7,450
Income (or loss) after income taxes	14,004	9,699	9,837
Cash dividends charged to retained earnings in current quarter.....	2,602	2,334	2,296
Net income retained in business	11,402	7,365	7,542
Retained earnings at beginning of quarter	203,509	199,006	180,586
Other direct credits (or charges) to retained earnings (net)	(7,656)	(1,793)	(2,461)
Retained earnings at end of quarter	207,255	204,578	185,666

¹Revised.

Table 5. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	4Q	3Q	4Q
	2003	2003 ¹	2002 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.8	1.9	1.8
Less: All other operating costs and expenses	92.9	93.7	92.6
Income (or loss) from operations	5.3	4.4	5.6
Net nonoperating income (expense)	0.5	(0.5)	(1.1)
Income (or loss) before income taxes	5.8	3.9	4.5
Less: Provision for current and deferred domestic income taxes.....	2.4	1.4	1.9
Income (or loss) after income taxes	3.4	2.6	2.5

¹Revised.

Table 6. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	4Q	3Q	4Q
	2003	2003 ¹	2002 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	32.15	20.47	25.63
After income taxes	18.92	13.30	14.59
Annual rate of profit on total assets:			
Before income taxes	12.75	8.05	9.87
After income taxes	7.50	5.23	5.62

¹Revised.

Schedule of Advance Data Release Dates-2004		
Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2004 Second 2004 Third 2004	June 14, 2004 September 13, 2004 December 14, 2004	July 14, 2004 October 13, 2004