

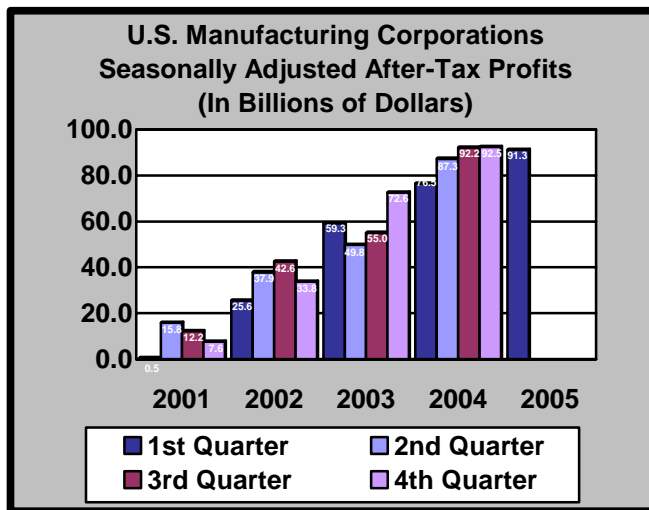
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FIRST QUARTER 2005 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS



Seasonally Adjusted After-Tax Profits and Sales

Manufacturing Corporations

Seasonally adjusted after-tax profits of U.S. manufacturing corporations totaled \$91.3 billion in the first quarter 2005, the U.S. Census Bureau reported. First quarter 2005 after-tax profits were not statistically different from the \$92.5 billion recorded in the previous quarter. First quarter 2005 after-tax profits were up \$14.8 (± 1.2) billion from the \$76.5 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,294.2 billion for the quarter, not a statistically significant change from the \$1,287.9 billion recorded in the fourth quarter 2004, and up \$124.8 (± 8.0) billion from the \$1,169.4 billion recorded the year before.

After-tax profits averaged 7.1 cents per dollar of sales for the quarter, 7.2 cents last quarter (which is not a statistically significant change), and 6.5 cents a year ago.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' after-tax profits in the first quarter 2005 were \$55.8 billion, up \$4.6 (± 0.8) billion from the \$51.2 billion recorded in the previous quarter, and up \$14.6 (± 0.7) billion from the \$41.2 billion in the first quarter 2004.

Seasonally adjusted sales for the quarter were \$644.0 billion, up \$14.3 (± 6.2) billion from the \$629.7 billion recorded in the prior quarter, and up \$78.3 (± 5.8) billion from the \$565.7 billion in the first quarter 2004.

After-tax profits averaged 8.7 cents per dollar of sales for the quarter, 8.1 cents last quarter, and 7.3 cents a year ago.

Durable Goods Manufacturers

First quarter 2005 seasonally adjusted after-tax profits for durable goods manufacturers were \$35.5 billion, down \$5.8 (± 1.0) billion from the \$41.3 billion recorded in the previous quarter, and were not statistically different from the \$35.4 billion in the first quarter 2004.

Seasonally adjusted sales for the quarter were \$650.2 billion, down \$8.0 (± 6.4) billion from the \$658.2 billion recorded in the previous quarter, but up \$46.6 (± 6.1) billion from the \$603.7 billion recorded in the first quarter 2004.

After-tax profits averaged 5.5 cents per dollar of sales for the quarter, 6.3 cents last quarter, and 5.9 cents a year ago.

Unadjusted After-Tax Profits and Sales

Manufacturing Corporations

First quarter 2005 unadjusted after-tax profits for U.S. manufacturing corporations were \$89.9 billion, up \$14.6 (± 1.2) billion over the \$75.3 billion recorded in the same quarter a year ago. This overall improvement was mainly due to higher operating profits and equity income. When compared to the fourth quarter 2004 after-tax profits of \$88.8 billion, the first quarter 2005 after-tax profits were not statistically different.

Unadjusted sales for the first quarter 2005 were \$1,272.2 billion, up \$126.3 (± 8.0) billion from the \$1,145.9 billion in the same quarter a year ago, and down \$16.4 (± 8.4) billion from the prior quarter sales of \$1,288.5 billion.

After-tax profits per dollar of sales averaged 7.1 cents this quarter, 6.9 cents last quarter, and 6.6 cents in the first quarter 2004.

Nondurable Goods Manufacturers

First quarter 2005 nondurable goods manufacturers' unadjusted after-tax profits of \$55.7 billion were up \$14.7 (± 0.7) billion from the \$41.0 billion recorded in the first quarter 2004. When compared to this quarter last year, results were mixed within the industry categories. Petroleum and coal products reported an increase of \$7.6 (± 0.1) billion, mainly due to increased domestic and equity earnings. Chemical products also reported a substantial increase from pharmaceuticals' nonoperating income and lower nonrecurring charges, resulting in an overall increase in after-tax profits of \$5.5 (± 0.4) billion. The other nondurable industries reported minimal gains or not statistically significant changes.

Unadjusted sales for the first quarter 2005 were \$629.7 billion, up \$77.5 (± 5.8) billion from the \$552.3 billion in the same quarter a year ago, and not statistically different from the prior quarter sales of \$626.9 billion.

After-tax profits per dollar of sales averaged 8.8 cents this quarter, 7.8 cents last quarter, and 7.4 cents in the first quarter 2004.

When compared to the fourth quarter 2004 after-tax profits of \$49.0 billion, the first quarter 2005 after-tax profits were up \$6.7 (± 0.8) billion. Chemical products reported an increase in after-tax profits of \$6.2 (± 0.4) billion, mainly due to domestic and equity earnings, slightly offset by nonrecurring charges this quarter. Petroleum and coal products' improved equity earnings were offset by the relatively level domestic operating profits, decreased nonrecurring gains, and high dividend income of last quarter. The result was an overall decrease of \$1.2 (± 0.1) billion in after-tax profits.

Durable Goods Manufacturers

First quarter 2005 durable goods manufacturers' unadjusted after-tax profits of \$34.2 billion were not statistically different from the \$34.3 billion recorded in the first quarter 2004. When compared to this quarter last year, results were mixed within the industry categories. Nonmetallic mineral products' small operating profits increase were offset by the nonrecurring charges this quarter, resulting in decreased profits of \$3.1 (± 0.1) billion. Transportation equipment's operating profits declined, resulting in an overall decrease of \$2.8 (± 0.3) billion. Primary metal industries reported improvements in operating profits, gaining \$1.8 (± 0.2) billion. Machinery products reported improvements in operating profits and equity income, gaining \$1.2 (± 0.3) billion. Electrical equipment and appliances made improvements in equity income, gaining \$1.1 (± 0.2) billion.

Unadjusted sales for the first quarter 2005 were \$642.5 billion, up \$48.8 (± 6.1) billion from the \$593.6 billion in the same quarter a year ago, but down \$19.2 (± 6.4) billion from the prior quarter sales of \$661.6 billion.

After-tax profits per dollar of sales averaged 5.3 cents this quarter, 6.0 cents last quarter, and 5.8 cents in the first quarter 2004.

When compared to the fourth quarter 2004 after-tax profits of \$39.8 billion, the first quarter 2005 after-tax profits were down \$5.6 (± 1.0) billion. Results were mixed within the industry categories. Nonmetallic mineral products' high nonrecurring charges this quarter dominated the picture and resulted in decreased profits of \$4.0 (± 0.1) billion. Computer and electronic products also reported a decrease, \$2.9 (± 0.5) billion, mainly from domestic income. Electrical equipment and appliances reported a decrease in domestic operating and a slight increase in equity earnings, which resulted in an after-tax profit decrease of \$1.5 (± 0.3) billion. Fabricated metal products and transportation equipment showed slightly increased profits this quarter.

Mining Corporations

First quarter 2005 unadjusted after-tax profits for mining corporations with assets of \$50 million and over, at \$7.1 billion, were up \$2.3 (± 0.1) billion from the \$4.8 billion recorded in the first quarter 2004.

Unadjusted sales for the first quarter 2005 were \$33.7 billion, up \$5.4 (± 0.2) billion from the \$28.4 billion in the same quarter a year ago.

After-tax profits per dollar of sales averaged 21.0 cents this quarter, compared to the 16.9 cents in the first quarter 2004.

Wholesale Trade Corporations

First quarter 2005 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over, at \$7.4 billion, were up \$0.4 (± 0.2) billion from the \$7.0 billion recorded in the first quarter 2004.

Unadjusted sales for the first quarter 2005 were \$393.4 billion, up \$43.2 (± 5.5) billion from the \$350.2 billion in the same quarter a year ago.

After-tax profits per dollar of sales averaged 1.9 cents this quarter, compared to the 2.0 cents in the first quarter 2004 (which is not a statistically significant change).

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](#) – First quarter 2005 (QFR-05-1).

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% 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 at the 90% confidence level. 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 the 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 statements of income and retained earnings, balance sheets, and related financial and operating ratios. Data presented are classified by industry and asset size.

First quarter 2005 advance data for U.S. Retail Corporations are scheduled for release on July 12, 2005.

Second quarter 2005 advance data for U.S. Manufacturing, Mining, Wholesale Trade Corporations are scheduled for release on September 12, 2005, for U.S. Retail Corporations, October 12, 2005.

Table 1. U.S. Manufacturing Corporations

Item	Seasonally adjusted			Unadjusted		
	1Q 2005	4Q 2004 ¹	1Q 2004 ¹	1Q 2005	4Q 2004 ¹	1Q 2004 ¹
Rate of return (after taxes):						
Cents per dollar of sales	7.1	7.2	6.5	7.1	6.9	6.6
Percent on equity (annual rate)	N/A	N/A	N/A	15.6	15.5	14.3
	(million dollars)					
Sales	1,294,227	1,287,894	1,169,384	1,272,165	1,288,516	1,145,872
Income after income taxes	91,334	92,519	76,545	89,860	88,781	75,252
Dividends paid (cash)	N/A	N/A	N/A	45,524	40,341	32,942

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:								
1995.....	871,145	872,944	883,423	900,008	52,820	51,866	49,426	44,185
1996.....	914,077	932,556	948,065	961,940	51,271	53,839	61,293	58,689
1997.....	965,703	971,961	986,245	996,351	60,822	61,703	61,945	60,256
1998.....	989,678	981,183	985,283	995,056	74,837	48,897	61,267	49,618
1999.....	1,002,868	1,025,849	1,047,274	1,073,354	60,104	63,133	67,276	67,409
2000.....	1,120,026	1,126,946	1,144,834	1,122,751	77,637	70,654	74,801	47,081
2001.....	1,114,664	1,092,414	1,059,896	1,030,204	474	15,808	12,198	7,558
2002.....	1,022,072	1,048,542	1,066,292	1,080,493	25,598	37,868	42,631	33,827
2003.....	1,094,648	1,075,404	1,107,067	1,118,124	59,304	49,778	54,972	72,646
2004.....	1,169,384	1,228,486	1,249,180	1,287,894	76,545	87,264	92,208	92,519
2005.....	1,294,227				91,334			
All nondurable manufacturing:								
1995.....	425,444	427,597	430,799	436,292	25,872	28,195	27,592	22,251
1996.....	442,014	452,168	457,596	463,653	28,024	28,311	32,132	30,450
1997.....	463,053	456,101	460,975	464,608	33,381	30,677	30,548	28,695
1998.....	452,098	445,594	443,063	441,144	29,763	28,454	30,960	17,563
1999.....	445,425	452,269	460,489	476,847	26,506	28,724	31,640	30,686
2000.....	507,003	513,826	527,411	505,501	37,584	38,244	37,596	28,962
2001.....	507,912	504,661	489,118	473,241	31,832	33,640	27,599	19,219
2002.....	462,527	476,834	498,570	518,572	26,945	28,409	31,499	31,718
2003.....	537,331	512,315	534,995	530,095	43,848	33,545	30,324	41,104
2004.....	565,731	590,827	607,350	629,734	41,178	46,963	52,636	51,241
2005.....	644,016				55,809			
All durable manufacturing:								
1995.....	445,700	445,347	452,624	463,716	26,948	23,671	21,834	21,934
1996.....	472,062	480,388	490,468	498,286	23,248	25,528	29,161	28,239
1997.....	502,649	515,860	525,270	531,743	27,441	31,026	31,397	31,560
1998.....	537,580	535,589	542,220	553,912	45,074	20,444	30,307	32,055
1999.....	557,442	573,580	586,785	596,507	33,597	34,409	35,636	36,723
2000.....	613,023	613,119	617,423	617,250	40,053	32,410	37,205	18,119
2001.....	606,751	587,753	570,778	556,963	(31,357)	(17,832)	(15,401)	(11,661)
2002.....	559,545	571,707	567,722	561,921	(1,348)	9,459	11,132	2,109
2003.....	557,317	563,089	572,072	588,029	15,455	16,233	24,648	31,541
2004.....	603,653	637,659	641,830	658,161	35,367	40,301	39,572	41,278
2005.....	650,211				35,525			

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		
	1Q 2005	4Q 2004 ²	1Q 2004 ²	1Q 2005	4Q 2004 ²	1Q 2004 ²	1Q 2005	4Q 2004 ²	1Q 2004 ²
	(million dollars)								
All manufacturing ³	1,272,165	1,288,516	1,145,872	82,727	76,392	70,389	89,860	88,781	75,252
All nondurable manufacturing	629,712	626,909	552,259	49,843	43,263	41,990	55,701	49,017	40,999
Food.....	106,619	108,885	97,422	6,528	7,245	6,157	5,211	5,335	4,739
Beverage and tobacco products	33,912	34,478	32,027	5,572	4,888	5,150	5,421	4,619	5,116
Textile mills and textile product mills	12,344	12,218	12,063	532	321	338	316	114	96
Apparel and leather products	21,163	22,383	18,558	1,996	2,103	1,427	1,564	1,558	1,043
Paper.....	36,597	37,369	37,889	2,276	1,522	1,883	1,163	447	1,077
Printing and related support activities	17,371	17,802	16,565	1,124	1,054	1,311	540	465	779
Petroleum and coal products.....	209,357	208,130	168,023	15,412	16,354	10,854	21,213	22,420	13,624
Chemicals.....	155,140	149,499	136,668	14,508	8,359	13,157	19,215	13,050	13,687
Basic chemicals, resins, and synthetics ⁴	49,271	44,734	41,366	2,789	383	1,577	2,752	896	1,569
Pharmaceuticals and medicines ⁴	64,395	64,278	57,083	7,921	5,096	7,582	13,138	4,661	8,596
All other chemicals ⁴	41,474	40,487	38,218	3,798	2,879	3,998	3,325	7,493	3,521
Plastics and rubber products	37,209	36,144	33,044	1,896	1,418	1,664	1,058	1,011	839
All durable manufacturing	642,453	661,607	593,612	32,884	33,129	28,399	34,158	39,764	34,253
Wood products	18,684	18,820	17,121	1,158	987	1,338	686	550	866
Nonmetallic mineral products.....	23,510	25,288	19,885	1,506	1,919	434	(3,044)	990	91
Primary metals	46,494	43,694	37,986	4,537	3,450	1,997	3,618	3,605	1,832
Iron, steel, and ferroalloys ⁴	24,490	23,275	18,132	2,836	2,647	789	2,096	2,232	583
Nonferrous metals ⁴	17,370	16,078	15,717	1,333	825	951	1,240	1,477	1,116
Foundries ⁴	4,634	4,341	4,136	369	(21)	257	281	(105)	133
Fabricated metal products	56,911	57,750	53,157	4,733	3,525	4,066	3,431	2,317	2,962
Machinery	70,884	72,171	58,985	4,757	3,681	3,324	3,585	3,130	2,337
Computer and electronic products.....	131,903	138,331	121,893	5,364	8,109	5,032	10,953	13,862	10,914
Computer and peripheral equipment ⁴	40,807	44,508	37,797	(117)	1,846	(604)	4,015	6,572	2,739
Communications equipment ⁴	26,785	27,579	22,570	498	880	851	2,244	2,306	2,466
All other electronic products ⁴	64,310	66,243	61,526	4,982	5,382	4,785	4,694	4,984	5,709
Electrical equipment, appliances, and components	49,004	52,980	45,556	3,048	4,254	2,380	5,559	7,068	4,469
Transportation equipment	199,886	207,587	198,723	2,885	2,912	6,246	5,163	4,669	7,938
Motor vehicles and parts ⁴	143,080	148,888	145,410	(1,553)	(1,250)	2,320	1,578	1,901	5,031
Aerospace products and parts ⁴	46,144	48,820	43,964	3,300	3,238	3,023	2,716	2,190	2,273
Furniture and related products	14,883	15,066	13,857	1,049	740	731	713	389	399
Miscellaneous manufacturing	30,293	29,920	26,448	3,849	3,552	2,852	3,494	3,184	2,445
All mining ³	33,724	33,421	28,361	8,220	7,931	5,572	7,087	7,054	4,800
All wholesale trade ³	393,371	402,068	350,167	11,112	12,042	9,897	7,444	8,282	7,048
All retail trade ³	N/A	453,994	394,605	N/A	25,110	18,738	N/A	16,763	11,429

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.