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U.S. Department of Commerce • Washington, D.C. 20233

U.S. Census Bureau Contact:

Yolando St. George (301) 763-6600

John Seabold (301) 763-3386

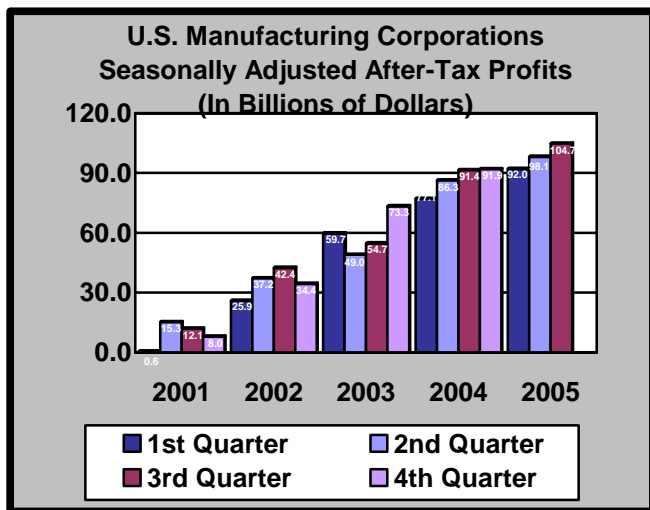
e-mail: csd.qfr@census.gov

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



Seasonally Adjusted After-Tax Profits and Sales

Manufacturing Corporations

Seasonally adjusted after-tax profits of U.S. manufacturing corporations totaled \$104.7 billion in the third quarter 2005, the U.S. Census Bureau reported. Third quarter 2005 after-tax profits were up \$6.6 (± 1.3) billion from the \$98.1 billion recorded in the previous quarter. Third quarter 2005 after-tax profits were up \$13.3 (± 1.2) billion from the \$91.4 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,407.2 billion for the quarter, up \$57.3 (± 9.2) billion from the \$1,349.9 billion recorded in the second quarter 2005, and up \$159.1 (± 8.8) billion from the \$1,248.1 billion recorded in the third quarter 2004.

After-tax profits averaged 7.4 cents per dollar of sales for the quarter, 7.3 cents last quarter, and 7.3 cents a year earlier.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' after-tax profits in the third quarter 2005 were \$61.2 billion, up \$4.0 (± 0.8) billion from the \$57.2 billion recorded in the previous quarter, and up \$9.5 (± 0.7) billion from the \$51.7 billion in the third quarter 2004.

Seasonally adjusted sales for the quarter were \$713.8 billion, up \$37.2 (± 7.0) billion from the \$676.6 billion recorded in the prior quarter, and up \$109.8 (± 6.6) billion from the \$604.0 billion in the third quarter 2004.

After-tax profits averaged 8.6 cents per dollar of sales for the quarter, 8.4 cents last quarter, and 8.6 cents a year earlier (not a statistically significant change).

Durable Goods Manufacturers

Third quarter 2005 seasonally adjusted after-tax profits for durable goods manufacturers were \$43.5 billion, up \$2.6 (± 1.1) billion from the \$41.0 billion recorded in the previous quarter, and up \$3.8 (± 1.0) billion from the \$39.7 billion in the third quarter 2004.

Seasonally adjusted sales for the quarter were \$693.4 billion, up \$20.1 (± 7.9) billion from the \$673.3 billion recorded in the previous quarter, and up \$49.3 (± 7.7) billion from the \$644.1 billion recorded in the third quarter 2004.

After-tax profits averaged 6.3 cents per dollar of sales for the quarter, 6.1 cents last quarter, and 6.2 cents a year earlier (not a statistically significant change).

Unadjusted After-Tax Profits and Sales

Manufacturing Corporations

Third quarter 2005 unadjusted after-tax profits for U.S. manufacturing corporations were \$103.6 billion, up \$13.8 (± 1.2) billion over the \$89.8 billion recorded in the same quarter a year ago. This overall improvement was mainly due to higher operating profits and the absence of nonrecurring charges. When compared to the second quarter 2005 after-tax profits of \$105.9 billion, the third quarter 2005 after-tax profits were down \$2.3 (± 1.3) billion.

Unadjusted sales for the third quarter 2005 were \$1,409.4 billion, up \$158.4 (± 8.8) billion from the \$1,251.0 billion in the same quarter a year ago, and up \$32.9 (± 9.2) billion from the prior quarter sales of \$1,376.5 billion.

After-tax profits per dollar of sales averaged 7.3 cents this quarter, 7.7 cents last quarter, and 7.2 cents in the third quarter 2004.

Nondurable Goods Manufacturers

Third quarter 2005 nondurable goods manufacturers' unadjusted after-tax profits of \$62.4 billion were up \$9.8 (± 0.7) billion from the \$52.6 billion recorded in the third quarter 2004. When compared to the third quarter last year, results were mixed within the industry categories. Petroleum and coal products reported an increase of \$6.9 (± 0.1) billion, mainly due to increased domestic and equity earnings. Chemical products also reported an increase, \$0.9 (± 0.5) billion, mainly due to increased domestic earnings. The other nondurable industries reported minimal gains or not statistically significant changes.

Unadjusted sales for the third quarter 2005 were \$723.3 billion, up \$111.2 (± 6.6) billion from the \$612.0 billion in the same quarter a year ago, and up \$37.5 (± 7.0) billion from the prior quarter sales of \$685.8 billion.

After-tax profits per dollar of sales averaged 8.6 cents this quarter, which was approximately the same as last quarter and the third quarter 2004.

When compared to the second quarter 2005 after-tax profits of \$58.7 billion, the third quarter 2005 after-tax profits were up \$3.8 (± 0.8) billion. Petroleum products' increase of \$1.8 (± 0.1) billion came mainly from equity earnings and nonoperating income in the quarter. Chemical products' overall increase of \$1.1 (± 0.5) billion came from an increase of \$3.8 (± 0.4) billion in pharmaceutical products more than offsetting decreases in the other chemical products industries. Pharmaceutical products' increases were mainly due to an increase in dividend income and nonrecurring gains. The changes in after-tax profits in the textiles, printing, and plastics and rubber industries were not statistically significant. Beverage and tobacco products reported a modest decline of \$0.7 (± 0.1) billion.

Durable Goods Manufacturers

Third quarter 2005 durable goods manufacturers' unadjusted after-tax profits of \$41.2 billion were up \$3.9 (± 1.0) billion from the \$37.2 billion recorded in the third quarter 2004. When compared to the third quarter last year, results were mixed within the industry categories. Fabricated metal products, computer and electronic products, and machinery products reported modest increases in earnings mainly due to domestic operations. The decline in domestic operating profits in the transportation equipment industry resulted in a decrease of \$3.7 (± 0.3) billion. Furniture products change in after-tax profits was not statistically significant.

Unadjusted sales for the third quarter 2005 were \$686.1 billion, up \$47.2 (± 7.7) billion from the \$638.9 billion in the same quarter a year ago, but not statistically different from the prior quarter sales of \$690.7 billion.

After-tax profits per dollar of sales averaged 6.0 cents this quarter, 6.8 cents last quarter, and 5.8 cents in the third quarter 2004.

When compared to the second quarter 2005 after-tax profits of \$47.2 billion, the third quarter 2005 after-tax profits were down \$6.1 (± 1.1) billion. Results were mixed within the industry categories. Transportation equipment reported greater domestic operating losses which resulted in a decline of \$4.7 (± 0.3) billion. Primary metal industries posted a modest loss of \$1.4 (± 0.2) billion from domestic and equity earnings. Miscellaneous manufacturing reported a modest increase of \$1.0 (± 0.3) billion due to domestic and equity earnings. Several durable goods manufacturers posted changes in after-tax profits which were not statistically significant.

Mining Corporations

Third quarter 2005 unadjusted after-tax profits for mining corporations with assets of \$50 million and over, at \$9.1 billion, were up \$3.5 (± 0.1) billion from the \$5.6 billion recorded in the third quarter 2004.

Unadjusted sales for the third quarter 2005 were \$38.2 billion, up \$6.9 (± 0.2) billion from the \$31.3 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 23.8 cents this quarter, compared to the 17.8 cents in the third quarter 2004.

Wholesale Trade Corporations

Third quarter 2005 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over, at \$8.8 billion, were down \$0.7 (± 0.2) billion from the \$9.5 billion recorded in the third quarter 2004.

Unadjusted sales for the third quarter 2005 were \$420.0 billion, up \$41.0 (± 5.8) billion from the \$379.0 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 2.1 cents this quarter, compared to the 2.5 cents in the third quarter 2004.

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 2005 (QFR-05-3).

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% 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>. 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.

Third quarter 2005 advance data for U.S. Retail Corporations are scheduled for release on January 11, 2006.

Fourth quarter 2005 advance data for U.S. Manufacturing, Mining, Wholesale and Retail Trade Corporations are scheduled for release on April 4, 2006.

Table 1. U.S. Manufacturing Corporations

#	Seasonally adjusted			Unadjusted		
	3Q 2005	2Q 2005 ¹	3Q 2004 ¹	3Q 2005	2Q 2005 ¹	3Q 2004 ¹
Rate of return (after taxes):						
Cents per dollar of sales	7.4	7.3	7.3	7.3	7.7	7.2
Percent on equity (annual rate)	N/A	N/A	N/A	17.2	17.9	16.2
	(million dollars)					
Sales	1,407,202	1,349,914	1,248,112	1,409,403	1,376,531	1,250,976
Income after income taxes	104,726	98,129	91,398	103,584	105,895	89,824
Dividends paid (cash)	N/A	N/A	N/A	44,311	37,622	32,623

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.....	871,786	872,848	883,197	899,946	52,836	51,846	49,423	44,195
1996.....	914,317	932,464	948,157	961,734	51,288	53,807	61,292	58,711
1997.....	965,896	971,802	986,711	995,680	60,848	61,645	61,939	60,307
1998.....	989,871	981,292	986,101	993,346	74,877	48,797	61,241	49,726
1999.....	1,003,536	1,026,651	1,047,815	1,070,842	60,174	62,942	67,245	67,585
2000.....	1,120,848	1,128,796	1,144,960	1,119,557	77,768	70,325	74,740	47,391
2001.....	1,116,047	1,094,727	1,059,358	1,026,397	647	15,329	12,102	7,985
2002.....	1,025,141	1,050,183	1,065,274	1,074,393	25,879	37,231	42,423	34,405
2003.....	1,102,523	1,075,126	1,106,071	1,109,444	59,706	48,999	54,653	73,304
2004.....	1,183,167	1,224,360	1,248,112	1,276,932	77,123	86,333	91,398	91,879
2005.....	1,311,123	1,349,914	1,407,202		91,965	98,129	104,726	
All nondurable manufacturing:								
1995.....	426,090	427,761	430,512	436,085	25,876	28,192	27,591	22,253
1996.....	442,237	452,259	457,637	463,341	28,025	28,309	32,129	30,457
1997.....	463,256	456,060	461,413	463,837	33,379	30,674	30,544	28,708
1998.....	452,332	445,764	443,870	439,340	29,760	28,446	30,952	17,587
1999.....	446,195	453,021	461,109	474,195	26,503	28,708	31,627	30,718
2000.....	507,945	515,587	527,767	502,057	37,593	38,228	37,524	29,061
2001.....	509,207	507,114	488,974	469,172	31,837	33,620	27,469	19,356
2002.....	464,600	479,731	497,537	512,850	26,991	28,407	31,239	31,920
2003.....	542,126	515,469	532,847	523,242	43,943	33,557	29,969	41,304
2004.....	572,766	595,269	604,014	622,985	41,353	46,816	51,664	51,385
2005.....	650,524	676,588	713,834		56,058	57,158	61,180	
All durable manufacturing:								
1995.....	445,696	445,087	452,686	463,861	26,960	23,654	21,832	21,942
1996.....	472,079	480,205	490,519	498,393	23,263	25,498	29,163	28,254
1997.....	502,640	515,742	525,298	531,844	27,469	30,971	31,395	31,599
1998.....	537,538	535,528	542,231	554,006	45,117	20,351	30,289	32,139
1999.....	557,341	573,630	586,706	596,647	33,670	34,234	35,618	36,867
2000.....	612,903	613,209	617,194	617,500	40,175	32,098	37,216	18,330
2001.....	606,840	587,613	570,384	557,225	(31,190)	(18,291)	(15,367)	(11,371)
2002.....	560,541	570,451	567,738	561,543	(1,113)	8,823	11,183	2,485
2003.....	560,397	559,656	573,224	586,202	15,763	15,442	24,683	32,000
2004.....	610,401	629,090	644,098	653,947	35,771	39,517	39,734	40,493
2005.....	660,599	673,327	693,368		35,908	40,971	43,546	

¹Data after first quarter 2000 are presented on the North American Industry Classification System basis. Data prior to first quarter 2000 are presented on the Standard Industrial Classification system basis.

²Revised.

Table 3. U.S. Manufacturing, Mining, and Trade Corporations' Unadjusted Sales and Profits

Industry group	Sales			Operating profits ¹			After-tax profits		
	3Q 2005	2Q 2005 ²	3Q 2004 ²	3Q 2005	2Q 2005 ²	3Q 2004 ²	3Q 2005	2Q 2005 ²	3Q 2004 ²
	(million dollars)								
All manufacturing ³	1,409,403	1,376,531	1,250,976	92,566	96,974	87,922	103,584	105,895	89,824
All nondurable manufacturing	723,268	685,787	612,041	53,565	55,447	47,538	62,429	58,676	52,610
Food.....	107,921	105,308	103,554	6,936	6,218	6,360	5,391	4,982	5,201
Beverage and tobacco products	37,136	37,058	35,389	5,940	6,177	5,204	6,421	7,104	5,623
Textile mills and textile product mills	12,669	12,402	12,603	820	741	544	516	388	288
Apparel and leather products	23,212	22,717	23,432	2,333	1,934	2,507	1,980	1,595	2,017
Paper.....	38,261	38,008	40,911	3,235	3,774	3,160	1,878	1,441	1,814
Printing and related support activities	17,360	16,601	16,725	1,256	1,224	1,304	669	677	744
Petroleum and coal products.....	290,255	254,156	198,895	17,961	18,455	14,531	24,517	22,737	17,593
Chemicals.....	155,796	158,933	143,269	12,648	14,382	11,792	19,191	18,080	18,245
Basic chemicals, resins, and synthetics ⁴	49,238	51,111	43,058	2,268	3,960	1,281	1,705	3,578	1,851
Pharmaceuticals and medicines ⁴	63,339	62,571	59,404	6,504	5,980	5,924	14,305	10,487	11,416
All other chemicals ⁴	43,219	45,251	40,807	3,877	4,442	4,587	3,181	4,015	4,978
Plastics and rubber products	40,656	40,604	37,265	2,436	2,541	2,136	1,866	1,671	1,085
All durable manufacturing	686,135	690,744	638,934	39,001	41,527	40,385	41,155	47,219	37,213
Wood products	20,816	21,100	19,852	1,503	1,631	2,004	840	1,087	1,465
Nonmetallic mineral products.....	32,916	29,477	28,790	4,101	3,647	3,404	2,411	2,664	(1,492)
Primary metals	46,627	48,495	44,633	3,890	4,648	4,523	3,004	4,413	3,421
Iron, steel, and ferroalloys ⁴	22,886	24,855	24,183	1,841	2,537	3,184	1,348	1,745	2,324
Nonferrous metals ⁴	18,383	18,160	16,161	1,649	1,622	1,155	1,386	2,318	1,251
Foundries ⁴	5,357	5,481	4,289	400	489	185	271	350	(154)
Fabricated metal products	61,848	61,956	56,988	6,048	5,922	4,910	4,626	4,683	3,437
Machinery	81,363	81,054	71,944	6,309	6,549	5,418	5,199	5,349	4,160
Computer and electronic products.....	137,110	135,240	132,058	8,679	7,623	6,878	12,762	13,102	11,615
Computer and peripheral equipment ⁴	41,703	41,539	40,152	1,452	1,003	482	4,331	5,197	3,978
Communications equipment ⁴	27,422	27,465	25,551	2,235	2,123	827	3,007	2,942	2,093
All other electronic products ⁴	67,985	66,235	66,356	4,991	4,497	5,569	5,423	4,963	5,544
Electrical equipment, appliances, and components	52,385	52,503	49,148	3,843	3,929	3,315	6,702	6,762	5,965
Transportation equipment	203,663	213,581	191,033	(770)	3,196	5,644	1,067	5,813	4,813
Motor vehicles and parts ⁴	145,047	151,670	135,307	(5,949)	(2,099)	1,414	(3,374)	1,663	1,638
Aerospace products and parts ⁴	46,268	50,183	45,803	3,609	3,910	3,148	3,287	3,141	2,393
Furniture and related products	16,924	15,994	15,258	1,427	1,012	1,126	870	688	868
Miscellaneous manufacturing.....	32,483	31,343	29,229	3,971	3,371	3,161	3,675	2,659	2,959
All mining ³	38,177	37,010	31,279	10,150	9,775	6,653	9,076	9,367	5,578
All wholesale trade ³	419,985	408,715	379,029	11,520	12,607	12,259	8,772	9,412	9,501
All retail trade ³	N/A	441,328	409,756	N/A	21,081	15,522	N/A	13,860	11,186

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 of \$50 million and over.

⁴Included in major industry above.