

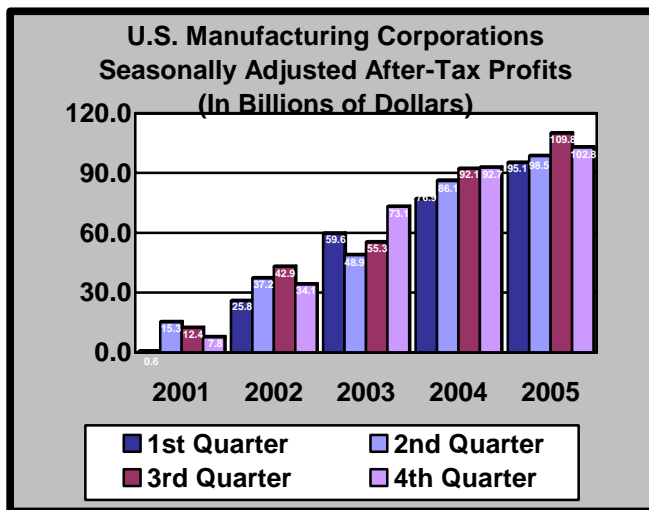
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U.S. Census Bureau Contact:
Yolando St. George (301) 763-6600
John Seabold (301) 763-3386
e-mail: csd.qfr@census.gov

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FOURTH 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 \$102.8 billion in the fourth quarter 2005, the U.S. Census Bureau reported. Fourth quarter 2005 after-tax profits were down \$7.1 (± 1.4) billion from the \$109.8 billion recorded in the previous quarter. Fourth quarter 2005 after-tax profits were up \$10.0 (± 1.5) billion from the \$92.7 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,406.5 billion for the quarter, not statistically different from the \$1,405.5 billion recorded in the third quarter 2005, and up \$129.3 (± 8.9) billion from the \$1,277.2 billion recorded in the fourth quarter 2004.

After-tax profits averaged 7.3 cents per dollar of sales for the quarter, 7.8 cents last quarter, and 7.3 cents a year earlier (not a statistically significant change).

Nondurable Goods Manufacturers

Nondurable goods manufacturers' after-tax profits in the fourth quarter 2005 were \$65.0 billion, not statistically different from the \$64.8 billion recorded in the previous quarter, and up \$14.0 (± 0.9) billion from the \$51.0 billion in the fourth quarter 2004.

Seasonally adjusted sales for the quarter were \$709.3 billion, not statistically different from the \$715.3 billion recorded in the prior quarter, and up \$85.2 (± 6.6) billion from the \$624.2 billion in the fourth quarter 2004.

After-tax profits averaged 9.2 cents per dollar of sales for the quarter, 9.1 cents last quarter, and 8.2 cents a year earlier.

Durable Goods Manufacturers

Fourth quarter 2005 seasonally adjusted after-tax profits for durable goods manufacturers were \$37.8 billion, down \$7.2 (± 1.1) billion from the \$45.0 billion recorded in the previous quarter, and down \$4.0 (± 1.1) billion from the \$41.8 billion in the fourth quarter 2004.

Seasonally adjusted sales for the quarter were \$697.1 billion, not statistically different from the \$690.2 billion recorded in the previous quarter, and up \$44.2 (± 6.7) billion from the \$653.0 billion recorded in the fourth quarter 2004.

After-tax profits averaged 5.4 cents per dollar of sales for the quarter, 6.5 cents last quarter, and 6.4 cents a year earlier.

Unadjusted After-Tax Profits and Sales

Manufacturing Corporations

Fourth quarter 2005 unadjusted after-tax profits for U.S. manufacturing corporations were \$98.5 billion, up \$10.1 (± 1.5) billion over the \$88.4 billion recorded in the same quarter a year ago. This overall improvement was mainly due to higher domestic operating profits and equity earnings. When compared to the third quarter 2005 after-tax profits of \$108.1 billion, the fourth quarter 2005 after-tax profits were down \$9.5 (± 1.4) billion.

Unadjusted sales for the fourth quarter 2005 were \$1,420.8 billion, up \$132.3 (± 8.9) billion from the \$1,288.5 billion in the same quarter a year ago, and up \$14.0 (± 9.3) billion from the prior quarter sales of \$1,406.9 billion.

After-tax profits per dollar of sales averaged 6.9 cents this quarter, 6.9 cents in the fourth quarter 2004 (not a statistically significant change), and 7.7 cents last quarter.

Nondurable Goods Manufacturers

Fourth quarter 2005 nondurable goods manufacturers' unadjusted after-tax profits of \$63.2 billion were up \$14.0 (± 0.9) billion from the \$49.2 billion recorded in the fourth quarter 2004. Chemical products reported an increase of \$8.6 (± 0.6) billion, and petroleum and coal products reported an increase of \$4.0 (± 0.1) billion, mainly due to increases in both domestic earnings and equity earnings. Beverage and tobacco's increase of \$1.0 (± 0.1) billion was mainly due to higher domestic operating profits and equity earnings. Plastics and rubber, printing, paper products, and apparel and leather's changes were not statistically significant.

Unadjusted sales for the fourth quarter 2005 were \$714.1 billion, up \$85.8 (± 6.6) billion from the \$628.3 billion in the same quarter a year ago, but down \$8.5 (± 7.1) billion from the prior quarter sales of \$722.6 billion.

After-tax profits per dollar of sales averaged 8.9 cents this quarter, 7.8 cents in the fourth quarter 2004 and 9.1 cents last quarter.

When compared to the third quarter 2005 after-tax profits of \$65.4 billion, the fourth quarter 2005 after-tax profits were down \$2.2 (± 0.9) billion. Paper products' decline of \$1.6 (± 0.1) billion was mainly due to lower domestic operating profits and equity earnings. Petroleum products' increase of \$1.7 (± 0.2) billion came mainly from equity earnings. Chemical products' overall change was not statistically significant as the increase of \$3.5 (± 0.1) billion in basic chemicals and \$1.7 (± 0.2) billion in all other chemicals, was offset by the decrease of \$5.3 (± 0.6) billion in the pharmaceutical products. The decreases in after-tax profits in the plastics and rubber, apparel and leather, beverage and tobacco, textiles, and printing industries were modest.

Durable Goods Manufacturers

Fourth quarter 2005 durable goods manufacturers' unadjusted after-tax profits of \$35.3 billion were down \$3.9 (± 1.1) billion from the \$39.2 billion recorded in the fourth quarter 2004. When compared to the fourth quarter last year, results were mixed within the industry categories. The decline in domestic operating profits in motor vehicles and parts contributed to the decrease of \$3.9 (± 0.3) billion in the transportation equipment industry. Electrical equipment and appliances also reported a decline, \$2.2 (± 0.3) billion, mainly from decreased domestic nonoperating income and equity income. Machinery products reported an increase of \$1.8 (± 0.3) billion in domestic operations. Computer and electronics, wood products, and miscellaneous manufacturing's change in after-tax profits were not statistically significant.

Unadjusted sales for the fourth quarter 2005 were \$706.7 billion, up \$46.5 (± 6.7) billion from the \$660.2 billion in the same quarter a year ago, and up \$22.5 (± 8.0) billion from the prior quarter sales of \$684.3 billion.

After-tax profits per dollar of sales averaged 5.0 cents this quarter, 5.9 cents in the fourth quarter 2004 and 6.2 cents last quarter.

When compared to the third quarter 2005 after-tax profits of \$42.7 billion, the fourth quarter 2005 after-tax profits were down \$7.4 (± 1.1) billion. Fabricated metals' decrease of \$1.9 (± 0.4) billion was mainly due to decreases in both domestic earnings and equity earnings. Nonmetallic mineral products reported a decrease of \$2.4 (± 0.2) billion mainly from declining operating profits and from nonrecurring charges. Electrical equipment and appliances' decrease of \$1.9 (± 0.2) billion resulted from domestic and equity earnings. Motor vehicles and parts back-to-back domestic operating losses contributed to the decline in transportation equipment's after-tax profit of \$1.1 (± 0.3) billion. Computer and electronics reported a modest increase of \$0.9 (± 0.4) billion mainly due to domestic operating income.

Mining Corporations

Fourth quarter 2005 unadjusted after-tax profits for mining corporations with assets of \$50 million and over, at \$11.3 billion, were up \$4.3 (± 0.1) billion from the \$7.0 billion recorded in the fourth quarter 2004.

Unadjusted sales for the fourth quarter 2005 were \$41.4 billion, up \$8.0 (± 0.2) billion from the \$33.4 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 27.2 cents this quarter, compared to the 20.9 cents in the fourth quarter 2004.

Wholesale Trade Corporations

Fourth quarter 2005 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over, at \$10.5 billion, were up \$1.5 (± 0.1) billion from the \$9.0 billion recorded in the fourth quarter 2004.

Unadjusted sales for the fourth quarter 2005 were \$434.2 billion, up \$36.3 (± 5.4) billion from the \$398.0 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 2.4 cents this quarter, compared to the 2.3 cents in the fourth quarter 2004.

Retail Trade Corporations

Fourth quarter 2005 unadjusted after-tax profits for retail trade corporations with assets of \$50 million and over, at \$16.2 billion, were down \$0.8 (± 0.2) billion from the \$17.0 billion recorded in the fourth quarter 2004.

Unadjusted sales for the fourth quarter 2005 were \$466.3 billion, up \$9.6 (± 3.0) billion from the \$456.7 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 3.5 cents this quarter, compared to the 3.7 cents in the fourth quarter 2004.

NOTE

These advance data, based on quarterly financial reports from approximately 8,600 corporations, were released today from the [Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations](#) - Fourth quarter 2005 (QFR-05-4).

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 (+2.3 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.

First quarter 2006 advance data for U.S. Manufacturing, Mining and Wholesale Trade Corporations are scheduled for release on June 12, 2006, for U.S. Retail Trade Corporations, July 11, 2006.

Table 1. U.S. Manufacturing Corporations

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#	Item	Seasonally adjusted			Unadjusted		
		4Q 2005	3Q 2005 ¹	4Q 2004 ¹	4Q 2005	3Q 2005 ¹	4Q 2004 ¹
	Rate of return (after taxes):						
	Cents per dollar of sales	7.3	7.8	7.3	6.9	7.7	6.9
	Percent on equity (annual rate)	N/A	N/A	N/A	16.0	17.7	15.3
		(million dollars)					
	Sales	1,406,487	1,405,452	1,277,167	1,420,841	1,406,857	1,288,495
	Income after income taxes	102,760	109,823	92,737	98,522	108,064	88,433
	Dividends paid (cash)	N/A	N/A	N/A	45,401	45,649	40,346

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.....	871,356	872,836	883,536	899,641	52,846	51,878	49,380	44,189
1996.....	914,279	932,772	948,249	961,207	51,311	53,837	61,249	58,692
1997.....	965,811	972,500	986,668	995,011	60,881	61,675	61,901	60,277
1998.....	989,980	981,791	985,913	993,415	74,911	48,824	61,224	49,679
1999.....	1,003,196	1,026,649	1,047,975	1,071,247	60,200	62,971	67,253	67,537
2000.....	1,120,607	1,128,190	1,145,112	1,120,268	77,750	70,340	74,881	47,234
2001.....	1,115,917	1,094,116	1,059,255	1,026,888	616	15,324	12,382	7,765
2002.....	1,025,510	1,049,563	1,065,079	1,074,905	25,782	37,168	42,910	34,106
2003.....	1,102,740	1,074,374	1,106,147	1,110,286	59,563	48,866	55,251	73,073
2004.....	1,183,075	1,222,909	1,248,722	1,277,167	76,889	86,105	92,085	92,737
2005.....	1,309,593	1,342,088	1,405,452	1,406,487	95,085	98,531	109,823	102,760
All nondurable manufacturing:								
1995.....	425,660	427,748	430,849	435,783	25,873	28,199	27,600	22,236
1996.....	442,199	452,565	457,726	462,822	28,024	28,318	32,144	30,426
1997.....	463,170	456,752	461,364	463,186	33,384	30,686	30,568	28,659
1998.....	452,439	446,248	443,671	439,440	29,767	28,466	30,988	17,518
1999.....	445,879	452,946	461,284	474,641	26,504	28,745	31,676	30,636
2000.....	507,746	514,855	527,979	502,810	37,564	38,264	37,688	28,851
2001.....	509,094	506,354	489,034	469,654	31,814	33,663	27,757	19,033
2002.....	464,882	478,976	497,752	513,187	26,926	28,453	31,733	31,404
2003.....	542,138	514,590	533,661	523,694	43,861	33,635	30,577	40,706
2004.....	572,285	593,742	605,749	624,184	41,212	46,915	52,380	50,951
2005.....	649,302	669,045	715,285	709,339	58,463	58,072	64,827	64,979
All durable manufacturing:								
1995.....	445,696	445,088	452,687	463,858	26,973	23,678	21,780	21,953
1996.....	472,080	480,207	490,522	498,385	23,287	25,520	29,104	28,267
1997.....	502,641	515,748	525,304	531,825	27,496	30,989	31,333	31,618
1998.....	537,541	535,543	542,242	553,976	45,144	20,358	30,236	32,162
1999.....	557,316	573,703	586,691	596,606	33,697	34,226	35,577	36,902
2000.....	612,862	613,335	617,133	617,458	40,186	32,076	37,193	18,383
2001.....	606,824	587,762	570,221	557,233	(31,198)	(18,338)	(15,374)	(11,268)
2002.....	560,628	570,587	567,326	561,719	(1,145)	8,715	11,177	2,702
2003.....	560,601	559,783	572,486	586,592	15,701	15,231	24,674	32,367
2004.....	610,789	629,167	642,973	652,983	35,677	39,190	39,706	41,786
2005.....	660,291	673,043	690,167	697,148	36,622	40,459	44,996	37,781

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.

²Revised.

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

Industry group	Sales			Operating profits ¹			After-tax profits		
	4Q 2005	3Q 2005 ²	4Q 2004 ²	4Q 2005	3Q 2005 ²	4Q 2004 ²	4Q 2005	3Q 2005 ²	4Q 2004 ²
	(million dollars)								
All manufacturing ³	1,420,841	1,406,857	1,288,495	80,359	92,313	74,572	98,522	108,064	88,433
All nondurable manufacturing	714,111	722,590	628,295	46,603	52,639	43,369	63,240	65,414	49,212
Food	114,489	107,314	108,817	7,218	6,791	7,242	5,539	5,278	5,334
Beverage and tobacco products	36,876	37,048	34,278	5,497	5,955	4,918	5,890	6,492	4,900
Textile mills and textile product mills	12,193	12,705	12,045	587	828	328	284	554	123
Apparel and leather products	22,658	23,010	22,336	1,739	2,330	1,943	1,338	1,965	1,401
Paper	37,777	38,247	37,228	1,749	3,230	1,495	338	1,899	433
Printing and related support activities	17,766	17,206	17,353	1,102	1,250	984	409	663	393
Petroleum and coal products	272,315	291,063	208,127	17,183	17,961	16,333	26,173	24,517	22,150
Chemicals	157,552	155,183	149,834	9,285	11,799	8,353	22,030	22,139	13,406
Basic chemicals, resins, and synthetics ⁴	49,942	48,807	45,125	1,987	2,163	344	5,186	1,670	910
Pharmaceuticals and medicines ⁴	64,613	63,272	64,785	4,857	5,738	5,376	11,831	17,159	5,126
All other chemicals ⁴	42,997	43,104	39,924	2,441	3,898	2,633	5,013	3,310	7,370
Plastics and rubber products	42,487	40,814	38,275	2,243	2,495	1,774	1,239	1,907	1,073
All durable manufacturing	706,730	684,267	660,200	33,756	39,674	31,203	35,282	42,650	39,221
Wood products	20,078	20,709	18,119	986	1,511	970	739	839	541
Nonmetallic mineral products	30,214	33,592	25,507	2,694	4,165	1,736	35	2,391	772
Primary metals	49,634	47,507	44,452	4,143	3,836	3,616	3,207	3,029	3,624
Iron, steel, and ferroalloys ⁴	24,054	23,293	23,733	2,248	1,933	2,720	1,725	1,436	2,285
Nonferrous metals ⁴	19,914	18,727	16,212	1,483	1,551	906	1,183	1,354	1,436
Foundries ⁴	5,666	5,487	4,506	413	353	(10)	299	240	(97)
Fabricated metal products	61,010	61,772	56,513	4,321	6,045	3,248	2,748	4,681	2,197
Machinery	81,613	81,730	73,225	5,813	6,453	3,582	4,736	5,340	2,923
Computer and electronic products	143,379	137,691	139,786	9,316	8,796	7,708	13,989	13,139	13,710
Computer and peripheral equipment ⁴	46,195	41,677	44,627	1,936	1,487	1,724	5,997	4,410	6,596
Communications equipment ⁴	28,585	27,591	27,035	2,296	2,251	749	2,539	3,253	1,976
All other electronic products ⁴	68,598	68,423	68,125	5,084	5,057	5,235	5,453	5,476	5,139
Electrical equipment, appliances, and components	50,470	48,031	47,795	3,891	3,421	3,506	4,821	6,699	7,038
Transportation equipment	220,027	203,794	209,678	(1,729)	109	2,647	1,038	2,145	4,898
Motor vehicles and parts ⁴	154,437	144,341	149,745	(6,750)	(5,108)	(1,610)	(2,951)	(2,337)	1,367
Aerospace products and parts ⁴	53,019	47,087	50,095	3,505	3,695	3,333	2,856	3,369	2,954
Furniture and related products	17,606	17,177	15,036	1,080	1,408	673	620	866	321
Miscellaneous manufacturing	32,700	32,263	30,088	3,242	3,931	3,517	3,349	3,520	3,196
All mining ³	41,400	38,264	33,364	12,579	11,119	7,874	11,272	9,632	6,973
All wholesale trade ³	434,237	419,236	397,986	14,111	11,585	12,735	10,452	8,789	8,967
All retail trade ³	466,311	445,043	456,698	23,971	19,694	25,825	16,245	13,076	16,999

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 2005	3Q 2005 ¹	4Q 2004 ¹
	(million dollars)		
Net sales, receipts, and operating revenues.....	466,311	445,043	456,698
Less: Depreciation, depletion, and amortization.....	8,463	8,378	8,512
Less: All other operating costs and expenses	433,877	416,970	422,361
Income (or loss) from operations	23,971	19,694	25,825
Net nonoperating income (expense).....	(519)	(201)	85
Income (or loss) before income taxes	23,452	19,494	25,910
Less: Provision for current and deferred domestic income taxes	7,208	6,418	8,910
Income (or loss) after income taxes	16,245	13,076	16,999
Cash dividends charged to retained earnings in current quarter.....	2,748	2,439	2,928
Net income retained in business	13,497	10,637	14,072
Retained earnings at beginning of quarter	244,664	242,916	234,318
Other direct credits (or charges) to retained earnings (net)	(1,161)	(7,788)	(2,274)
Retained earnings at end of quarter	257,000	245,764	246,116

¹Revised.**Table 5. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over**

Item	4Q 2005	3Q 2005 ¹	4Q 2004 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.8	1.9	1.9
Less: All other operating costs and expenses	93.0	93.7	92.5
Income (or loss) from operations	5.1	4.4	5.7
Net nonoperating income (expense)	(0.1)	(0.0)	0.0
Income (or loss) before income taxes	5.0	4.4	5.7
Less: Provision for current and deferred domestic income taxes	1.5	1.4	2.0
Income (or loss) after income taxes	3.5	2.9	3.7

¹Revised.**Table 6. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over**

Item	4Q 2005	3Q 2005 ¹	4Q 2004 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	25.91	22.26	31.34
After income taxes	17.95	14.93	20.56
Annual rate of profit on total assets:			
Before income taxes	10.93	9.27	13.02
After income taxes	7.57	6.22	8.54

¹Revised.

Schedule of Advance Data Release Dates-2006		
Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2006	June 12, 2006	July 11, 2006
Second 2006	September 11, 2006	October 11, 2006
Third 2006	December 12, 2006	