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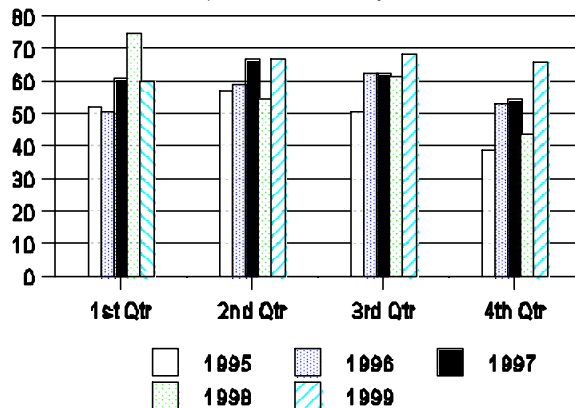
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**ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT FOR MANUFACTURING,  
MINING, AND TRADE CORPORATIONS--FOURTH QUARTER 1999**

*(Except where noted, all figures in text and tables are not seasonally adjusted.)*

*Sales and after-tax profits data for all manufacturing are presented in Table 1 on both a seasonally adjusted and an unadjusted basis. Seasonally adjusted historical data for this series, as well as for total durable and total nondurable manufacturing, are presented in Table 3. Data for individual manufacturing industries are not seasonally adjusted.*

**Manufacturers' After-Tax Profits**  
(Billions of Dollars)



Manufacturing corporations' seasonally adjusted after-tax profits averaged 6.6 cents per dollar of sales for the fourth quarter of 1999, up 0.2 ( $\pm 0.1$ ) cents from the third quarter of 1999. The Commerce Department's Census Bureau also reported that on an unadjusted basis, after-tax profits for the fourth quarter averaged 6.1 cents per dollar of sales, down 0.4 ( $\pm 0.1$ ) cents from the preceding quarter, but up 1.7 ( $\pm 0.2$ ) cents from the same quarter in 1998.

For the fourth quarter of 1999, manufacturers' seasonally adjusted after-tax profits were \$70.0 billion, up \$2.5 ( $\pm 1.3$ ) billion from last quarter. On an unadjusted basis, fourth quarter after-tax profits were \$65.8 billion, down \$2.5 ( $\pm 1.3$ ) billion from last quarter, but up \$22.0 ( $\pm 1.5$ ) billion from the same quarter a year ago.

Unadjusted durable manufacturers' after-tax profits for the fourth quarter of 1999 were \$36.0 billion, up \$1.2 or 3.4 percent ( $\pm 2.8\%$ ) from the third quarter of 1999. The underlying industry categories reported mixed results. Electrical machinery, instruments, and motor vehicles reported increased earnings. Electrical machinery's \$3.0 ( $\pm 0.5$ ) billion increase was due to higher operating profits, dividend income, and other nonoperating income, and gains from asset sales. Motor vehicles' \$1.0 ( $\pm 0.1$ ) billion increase was due primarily to higher operating profits and dividend income. Instruments' \$1.1 ( $\pm 0.3$ ) billion improvement resulted from higher equity earnings and gains from asset sales. Fabricated metals and stone, clay, and glass reported declines of \$1.7 ( $\pm 0.3$ ) and \$0.7 ( $\pm 0.2$ ) billion, respectively, which were due primarily to lower operating profits. Also reporting statistically significant decreases were lumber, miscellaneous manufacturing, and nonferrous metals. Iron and steel, machinery, aircraft, and furniture showed no statistically significant changes.

When compared to the fourth quarter of 1998, unadjusted durable manufacturers' after-tax profits were up \$6.9 billion or 23.5 percent ( $\pm 4.4\%$ ). Most of the increase came from electrical machinery, instruments, stone, clay and glass, and motor vehicles. Electrical machinery's \$2.6 ( $\pm 0.5$ ) billion improvement was due to increases in other nonoperating and dividend income, and gains from asset sales. Instrument's \$2.1 ( $\pm 0.5$ ) billion increase was due to higher equity earnings, other nonoperating income, and gains from asset sales. Stone, clay and glass' increase of \$1.4 ( $\pm 0.1$ ) billion was due primarily to the absence of significant nonrecurring charges. Motor vehicles' increase of \$0.8 ( $\pm 0.1$ ) billion was due chiefly to improved equity earnings. Aircraft and furniture were the only two categories reporting statistically significant decreases. Iron and steel, nonferrous metals, fabricated metals, machinery, and lumber showed no

statistically significant changes.

Unadjusted nondurable manufacturers' after-tax profits for the fourth quarter of 1999 were \$29.8 billion, down \$3.7 billion or 11.0 percent ( $\pm 2.5\%$ ) when compared to the third quarter of 1999. Most underlying industry categories were down. Petroleum's \$1.5 ( $\pm 0.1$ ) billion decrease was due primarily to lower operating profits and significant restructuring and asset impairment charges. Drugs' \$1.1 ( $\pm 0.4$ ) billion decrease was due to decreased operating profits and equity earnings more than offsetting increases in dividend and other nonoperating income. Residual of chemicals, apparel, and industrial chemicals also reported statistically significant declines. Printing and paper reported statistically significant increases. Printing's \$0.6 ( $\pm 0.3$ ) billion increase was due primarily to gains from asset sales. Food, textiles and rubber showed no statistically significant changes.

When compared to the same quarter in 1998, unadjusted nondurable manufacturers' after-tax profits were up \$15.2 ( $\pm 1.0$ ) billion. Most underlying industry categories were up. Petroleum's \$8.8 ( $\pm 0.1$ ) billion increase, the largest of the group, was due primarily to improvements in operating profits and equity earnings and lower nonrecurring charges in the fourth quarter of 1999. Food's \$3.3 ( $\pm 0.3$ ) billion increase was due primarily to the absence of significant nonrecurring charges. Paper's \$1.9 ( $\pm 0.2$ ) billion increase was due primarily to higher operating profits. Industrial chemicals and residual of chemicals also reported statistically significant increases. Drugs and textiles reported statistically significant decreases. Apparel, printing, and rubber showed no statistically significant changes.

Manufacturers' seasonally adjusted sales for the fourth quarter of 1999 were \$1,064.1 billion, up \$15.7 billion or 1.5 percent ( $\pm 1.0\%$ ) from last quarter. On an unadjusted basis, sales were \$1,083.0 billion, up \$35.3 billion or 3.4 percent ( $\pm 1.0\%$ ) from last quarter, and up \$76.6 billion or 7.6 percent ( $\pm 1.1\%$ ) from the fourth quarter of 1998.

Seasonally adjusted durable sales were \$581.7 billion, showing no statistically significant change from last quarter. Seasonally adjusted nondurable sales were \$482.4 billion, up \$12.3 billion or 2.6 percent ( $\pm 1.4\%$ ) from last quarter. Unadjusted durable sales were \$593.4 billion, up \$22.0 billion or 3.9 percent ( $\pm 1.4\%$ ) when compared to the third quarter of 1999. On a same quarter a year ago basis, unadjusted durable sales were up \$31.5 billion or 5.6 percent ( $\pm 1.4\%$ ). Unadjusted nondurable sales were \$489.6 billion, up \$13.3 billion or 2.8 percent ( $\pm 1.4\%$ ) from last quarter, and up \$45.2 billion or 10.2 percent ( $\pm 1.5\%$ ) from a year ago.

Also included in this release are fourth quarter 1999 data for large mining and wholesale and retail trade corporations.

These advance data, based on quarterly financial reports from about 8,200 corporations, were released today from the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—Fourth quarter 1999 (QFR-99-4). The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. The aggregated data 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 \$34 domestic and \$42.50 foreign. Remittances from foreign countries must be by international money order or by draft on a U.S. bank.

Files are also available on 3.5 inch flexible diskettes from U.S. Department of Commerce, Census Bureau (MS1921), P.O. Box 277943, Atlanta, GA 30384-7943 (301-457-4100). The annual subscription cost is \$84; \$66 for the first diskette and \$6 for each additional diskette. First quarter 2000 advance data are scheduled for release on June 12, 2000.

#### EXPLANATORY NOTES:

This quarter's publication contains data revised due to the reclassification of corporations by industry, and revisions that reflect respondents' corrections of submitted data subsequent to original publication.

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 ( $\pm 0.15$ ) cents," appearing in the text, indicates the range (+2.35 to +2.65 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.

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This press release is available on the day of issue through the Department of Commerce's on-line Economic Bulletin Board (202-482-1986) and on the Internet (<http://www.census.gov/csd/qfr>).



**Table 3. Quarterly Financial Report for Manufacturing Corporations--Seasonally Adjusted**

Industry Group and Year	Net Sales <sup>1</sup>				After-Tax Profits <sup>1</sup>			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)							
All manufacturing:								
1992 .....	704,638	717,984	729,830	737,010	(42,688)	24,188	25,974	14,643
1993 .....	743,911	751,074	753,401	766,314	12,659	19,464	23,505	27,507
1994 .....	784,929	802,888	825,150	841,431	36,560	41,305	45,361	51,701
1995 .....	872,100	872,495	883,356	899,283	53,061	52,214	49,221	43,642
1996 .....	915,337	932,423	948,101	960,122	51,607	54,463	60,918	57,858
1997 .....	967,622	972,329	986,671	992,529	61,334	62,722	61,271	59,083
1998 .....	992,667	982,179	986,611	988,556	75,523	50,555	60,052	48,189
1999 .....	1,001,763	1,021,727	1,048,403	1,064,094	60,517	62,569	67,439	69,960
All nondurable manufacturing:								
1992 .....	367,382	374,405	378,422	379,896	(4,166)	18,002	17,089	14,991
1993 .....	382,010	382,626	379,358	381,115	12,756	15,358	11,728	15,715
1994 .....	387,549	394,696	405,657	409,718	19,049	19,953	22,495	26,227
1995 .....	426,037	427,663	430,702	435,675	26,003	28,412	27,643	21,734
1996 .....	442,474	452,696	457,448	462,590	28,200	28,761	32,091	29,671
1997 .....	463,283	457,631	460,748	462,486	33,656	31,474	30,339	27,572
1998 .....	452,316	448,304	442,924	437,755	30,132	29,822	30,340	16,227
1999 .....	445,753	457,217	470,100	482,359	26,685	27,657	30,951	31,222
All durable manufacturing:								
1992 .....	337,256	343,579	351,408	357,114	(38,522)	6,186	8,885	(348)
1993 .....	361,901	368,448	374,043	385,199	(97)	4,106	11,777	11,792
1994 .....	397,380	408,192	419,493	431,713	17,511	21,352	22,866	25,474
1995 .....	446,063	444,832	452,654	463,608	27,058	23,802	21,578	21,908
1996 .....	472,863	479,727	490,653	497,532	23,407	25,702	28,827	28,187
1997 .....	504,339	514,698	525,923	530,043	27,678	31,248	30,932	31,511
1998 .....	540,351	533,875	543,687	550,801	45,391	20,733	29,712	31,962
1999 .....	556,010	564,510	578,303	581,735	33,832	34,912	36,488	38,738

\*Operating profits are profits before nonoperating income and expense items and income taxes.

<sup>1</sup>Revised.

<sup>2</sup>Includes leather industry (previously titled "Other Nondurables").

<sup>3</sup>Included in major industry above.

<sup>4</sup>Mining and trade data are of the quarterly results of companies in those divisions with assets over \$50 million; whereas, data for manufacturing corporations represent the quarterly results of companies with assets over \$250,000.

**Table 4. Income Statement for Retail Trade Corporations with Assets of \$50 Million and Over**

Item	4Q 1999	3Q 1999 <sup>1</sup>	4Q 1998 <sup>1</sup>
	(million dollars)		
Net sales, receipts, and operating revenues . . . . .	343,976	299,949	315,535
Less: Depreciation, depletion, and amortization . . . . .	6,717	6,359	5,941
Less: All other operating costs and expenses . . . . .	316,302	279,472	290,816
<b>Income (or loss) from operations . . . . .</b>	<b>20,957</b>	<b>14,119</b>	<b>18,778</b>
Net nonoperating income (expense) . . . . .	(1,565)	(3,146)	(2,822)
<b>Income (or loss) before income taxes . . . . .</b>	<b>19,393</b>	<b>10,973</b>	<b>15,956</b>
Less: Provision for current and deferred domestic income taxes . . . . .	7,330	5,014	6,084
<b>Income (or loss) after income taxes . . . . .</b>	<b>12,062</b>	<b>5,960</b>	<b>9,872</b>
Cash dividends charged to retained earnings in current quarter . . . . .	1,431	1,581	1,557
<b>Net income retained in business . . . . .</b>	<b>10,631</b>	<b>4,379</b>	<b>8,316</b>
Retained earnings at beginning of quarter . . . . .	152,741	147,668	127,189
Other direct credits (or charges) to retained earnings (net) . . . . .	(2,395)	(1,174)	(478)
<b>Retained earnings at end of quarter . . . . .</b>	<b>160,977</b>	<b>150,872</b>	<b>135,026</b>

**Table 5. Income Statement in Ratio Format for Retail Trade Corporations with Assets of \$50 Million and Over**

Item	4Q 1999	3Q 1999 <sup>1</sup>	4Q 1998 <sup>1</sup>
	(cents)		
Net sales, receipts, and operating revenues . . . . .	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization . . . . .	2.0	2.1	1.9
Less: All other operating costs and expenses . . . . .	92.0	93.2	92.2
<b>Income (or loss) from operations . . . . .</b>	<b>6.1</b>	<b>4.7</b>	<b>6.0</b>
Net nonoperating income (expense) . . . . .	(0.5)	(1.0)	(0.9)
<b>Income (or loss) before income taxes . . . . .</b>	<b>5.6</b>	<b>3.7</b>	<b>5.1</b>
Less: Provision for current and deferred domestic income taxes . . . . .	2.1	1.7	1.9
<b>Income (or loss) after income taxes . . . . .</b>	<b>3.5</b>	<b>2.0</b>	<b>3.1</b>

**Table 6. Operating Ratios for Retail Trade Corporations with Assets of \$50 Million and Over**

Item	4Q 1999	3Q 1999 <sup>1</sup>	4Q 1998 <sup>1</sup>
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
<b>Before income taxes . . . . .</b>	<b>33.60</b>	<b>19.83</b>	<b>31.27</b>
<b>After income taxes . . . . .</b>	<b>20.90</b>	<b>10.77</b>	<b>19.35</b>
Annual rate of profit on total assets:			
<b>Before income taxes . . . . .</b>	<b>12.45</b>	<b>7.07</b>	<b>11.05</b>
<b>After income taxes . . . . .</b>	<b>7.74</b>	<b>3.84</b>	<b>6.83</b>

<sup>1</sup>Revised.**Schedule of Advance Data Release Dates—2000**

Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2000	June 12, 2000	July 12, 2000
Second 2000	September 11, 2000	October 12, 2000
Third 2000	December 12, 2000	