

# U.S. Census Bureau News

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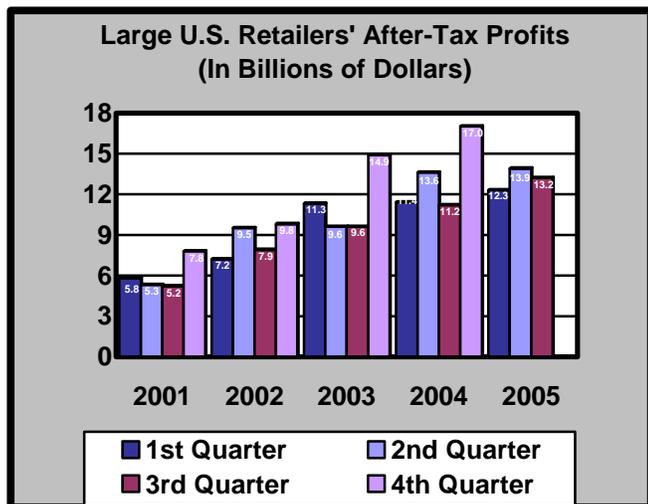
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For Release Wednesday, January 11, 2006

10 a.m. (EST)

CB06-04

## THIRD QUARTER 2005 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT LARGE U.S. RETAIL TRADE CORPORATIONS



After-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$13.2 billion in the third quarter 2005, down \$0.7 ( $\pm 0.2$ ) billion from the \$13.9 billion of the preceding quarter, but up \$2.0 ( $\pm 0.1$ ) billion from \$11.2 billion of the same quarter a year ago, the U.S. Census Bureau reported. Sales in the third quarter 2005, at \$445.2 billion, were up \$3.9 ( $\pm 2.9$ ) billion or 0.9 percent ( $\pm 0.7\%$ ) from the \$441.3 billion of last quarter, and up \$35.5 ( $\pm 2.8$ ) billion or 8.7 percent ( $\pm 0.7\%$ ) from the \$409.8 billion of the third quarter of 2004. These data are not adjusted for seasonality.

After-tax profits for these corporations averaged 3.0 cents per dollar of sales for the third quarter of 2005, down 0.1 ( $\pm 0.1$ ) cents from the 3.1 cents of the preceding quarter, but up 0.3 ( $\pm 0.1$ ) cents from the 2.7 cents recorded in the third quarter of 2004.

The annual rate of after-tax profits on stockholders' equity in the third quarter of 2005 was 15.0 percent, down 1.4 percent ( $\pm 0.2\%$ ) from the 16.4 percent of the second quarter of 2005, but up 0.8 percent ( $\pm 0.2\%$ ) from the 14.2 percent of the third quarter of 2004.

### NOTE

These data are based on quarterly financial reports obtained from approximately 500 corporations. More detailed information on the retail trade sector for the third quarter 2005 will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Fourth Quarter 2005 (QFR05-4), scheduled for release on April 4, 2006.

### 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 ( $\pm 0.2$ ) 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.

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

Item	3Q 2005	2Q 2005 <sup>1</sup>	3Q 2004 <sup>1</sup>
	(million dollars)		
Net sales, receipts, and operating revenues .....	445,243	441,328	409,756
Less: Depreciation, depletion, and amortization.....	8,367	8,218	7,715
Less: All other operating costs and expenses .....	417,036	412,028	386,518
<b>Income (or loss) from operations</b> .....	19,840	21,081	15,522
Interest expense .....	3,121	3,050	2,901
Net nonoperating income (expense) .....	2,955	3,031	4,276
<b>Income (or loss) before income taxes</b> .....	19,674	21,063	16,898
Less: Provision for current and deferred domestic income taxes.....	6,520	7,203	5,712
<b>Income (or loss) after income taxes</b> .....	13,154	13,860	11,186
Cash dividends charged to retained earnings in current quarter.....	2,439	3,144	2,224
<b>Net income retained in business</b> .....	10,715	10,716	8,962
Retained earnings at beginning of quarter .....	242,761	239,934	224,869
Other direct credits (or charges) to retained earnings (net) .....	(7,737)	(2,917)	(1,302)
<b>Retained earnings at end of quarter</b> .....	245,738	247,733	232,529

**Table 2. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over**

Item	3Q 2005	2Q 2005 <sup>1</sup>	3Q 2004 <sup>1</sup>
	(cents)		
Net sales, receipts, and operating revenues .....	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization .....	1.9	1.9	1.9
Less: All other operating costs and expenses .....	93.7	93.4	94.3
<b>Income (or loss) from operations</b> .....	4.5	4.8	3.8
Interest expense .....	0.7	0.7	0.7
Net nonoperating income (expense) .....	0.7	0.7	1.0
<b>Income (or loss) before income taxes</b> .....	4.4	4.8	4.1
Less: Provision for current and deferred domestic income taxes.....	1.5	1.6	1.4
<b>Income (or loss) after income taxes</b> .....	3.0	3.1	2.7

**Table 3. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over**

Item	3Q 2005	2Q 2005 <sup>1</sup>	3Q 2004 <sup>1</sup>
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
<b>Before income taxes</b> .....	22.46	24.88	21.46
<b>After income taxes</b> .....	15.02	16.37	14.20
Annual rate of profit on total assets:			
<b>Before income taxes</b> .....	9.36	10.47	8.73
<b>After income taxes</b> .....	6.26	6.89	5.78

<sup>1</sup>Revised.