

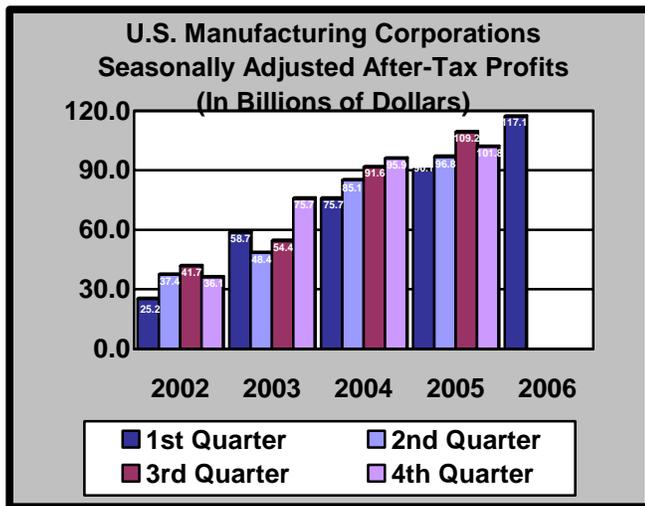
U.S. Census Bureau News

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FIRST QUARTER 2006 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 \$117.1 billion in the first quarter 2006, the U.S. Census Bureau reported. First quarter 2006 after-tax profits were up \$15.2 (± 1.5) billion from the \$101.8 billion recorded in the previous quarter. First quarter 2006 after-tax profits were up \$27.0 (± 1.3) billion from the \$90.1 billion recorded in the same quarter a year ago.

Seasonally adjusted sales for these manufacturers totaled \$1,423.8 billion for the quarter, up \$42.8 (± 9.1) billion from the \$1,381.0 billion recorded in the fourth quarter 2005, and up \$125.1 (± 8.7) billion from the \$1,298.7 billion recorded in the first quarter 2005.

After-tax profits averaged 8.2 cents per dollar of sales for the quarter, 7.4 cents last quarter, and 6.9 cents a year earlier.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' after-tax profits in the first quarter 2006 were \$66.7 billion, up \$5.3 (± 1.0) billion from the \$61.4 billion recorded in the previous quarter, and up \$11.1 (± 0.8) billion from the \$55.6 billion in the first quarter 2005.

Seasonally adjusted sales for the quarter were \$696.4 billion, up \$18.0 (± 6.7) billion from the \$678.4 billion recorded in the prior quarter, and up \$59.1 (± 6.4) billion from the \$637.3 billion in the first quarter 2005.

After-tax profits averaged 9.6 cents per dollar of sales for the quarter, 9.1 cents last quarter, and 8.7 cents a year earlier.

Durable Goods Manufacturers

First quarter 2006 seasonally adjusted after-tax profits for durable goods manufacturers were \$50.4 billion, up \$9.9 (± 1.1) billion from the \$40.4 billion recorded in the previous quarter, and up \$15.8 (± 1.0) billion from the \$34.5 billion in the first quarter 2005.

Seasonally adjusted sales for the quarter were \$727.4 billion, up \$24.8 (± 7.0) billion from the \$702.6 billion recorded in the previous quarter, and up \$66.0 (± 6.7) billion from the \$661.5 billion recorded in the first quarter 2005.

After-tax profits averaged 6.9 cents per dollar of sales for the quarter, 5.8 cents last quarter, and 5.2 cents a year earlier.

Unadjusted After-Tax Profits and Sales

Manufacturing Corporations

First quarter 2006 unadjusted after-tax profits for U.S. manufacturing corporations were \$117.1 billion, up \$27.3 (± 1.3) billion over the \$89.8 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 fourth quarter 2005 after-tax profits of \$94.1 billion, the first quarter 2006 after-tax profits were up \$23.0 (± 1.5) billion.

Unadjusted sales for the first quarter 2006 were \$1,379.4 billion, up \$121.0 (± 8.7) billion from \$1,258.4 billion in the same quarter a year ago, but down \$13.3 (± 9.1) billion from the prior quarter sales of \$1,392.7 billion.

After-tax profits per dollar of sales averaged 8.5 cents this quarter, 7.1 cents in the first quarter 2005, and 6.8 cents last quarter.

Nondurable Goods Manufacturers

First quarter 2006 nondurable goods manufacturers' unadjusted after-tax profits of \$66.7 billion were up \$11.3 (± 0.8) billion from the \$55.5 billion recorded in the first quarter 2005. When compared to the first quarter last year, results were mixed within the industry categories. Chemical products reported an increase of \$5.2 (± 0.3) billion, mostly from the pharmaceuticals and medicines industry which increased by \$5.7 (± 0.3) billion, mainly due to strong equity earnings. Petroleum and coal products' increase of \$3.0 (± 0.1) billion were mainly due to increases in equity earnings and fewer domestic nonoperating charges. Beverage and tobacco's increase of \$2.4 (± 0.1) billion came mainly from higher equity earnings. There was a slight decline in earnings of paper products. Apparel and leather products, and other industries, reported changes that were not statistically significant.

Unadjusted sales for the first quarter 2006 were \$674.0 billion, up \$58.0 (± 6.4) billion from the \$616.0 billion in the same quarter a year ago, but down \$9.1 (± 6.7) billion from the prior quarter sales of \$683.0 billion.

After-tax profits per dollar of sales averaged 9.9 cents this quarter, 9.0 cents in the first quarter 2005, and 8.6 cents last quarter.

When compared to the fourth quarter 2005 after-tax profits of \$58.9 billion, the first quarter 2006 after-tax profits were up \$7.8 (± 0.9) billion. When compared to the last quarter, results were mixed within the industry categories. Chemical products' strong domestic and equity earnings in the pharmaceuticals and medicines industry resulted in increased earnings of \$8.4 (± 0.6) billion. Beverage and tobacco products, plastics and rubber products, paper products, and printing and related support activities reported slight improvements in their earnings. Petroleum products' earnings declined by \$2.9 (± 0.2) billion from lower dividend income and equity earnings. Food products, and other industries, reported changes that were not statistically significant.

Durable Goods Manufacturers

First quarter 2006 durable goods manufacturers' unadjusted after-tax profits of \$50.4 billion were up \$16.0 (± 1.0) billion from the \$34.4 billion recorded in the first quarter 2005. When compared to the first quarter last year, results were mostly up within the industry categories. Computer and electronic products reported an increase of \$5.5 (± 0.4) billion mainly due to domestic operating and nonoperating profits. Nonmetallic mineral products' \$4.7 (± 0.1) billion increase came from domestic operating profits and lower nonrecurring charges in the quarter. Machinery products reported an increase of \$2.7 (± 0.4) billion, mainly from domestic operations. Transportation equipment, and several other industries, reported changes in after-tax profits that were not statistically significant.

Unadjusted sales for the first quarter 2006 were \$705.4 billion, up \$63.0 (± 6.7) billion from the \$642.5 billion in the same quarter a year ago, but not statistically different from the prior quarter sales of \$709.6 billion.

After-tax profits per dollar of sales averaged 7.1 cents this quarter, 5.4 cents in the first quarter 2005 and 5.0 cents last quarter.

When compared to the fourth quarter 2005 after-tax profits of \$35.2 billion, the first quarter 2006 after-tax profits were up \$15.2 (± 1.1) billion. Transportation equipment's overall increase of \$4.7 (± 0.4) billion was boosted by lower domestic losses and higher equity income in the motor vehicles and parts industry. Fabricated metals' increase of \$2.3 (± 0.5) billion was mainly due to increases in both

domestic and equity earnings. Nonmetallic mineral products reported an increase of \$2.0 (± 0.1) billion mainly from lower nonrecurring charges. Machinery products increase of \$1.8 (± 0.4) billion resulted from lower domestic nonrecurring charges and increased equity earnings.

Mining Corporations

First quarter 2006 unadjusted after-tax profits for mining corporations with assets of \$50 million and over, at \$12.4 billion, were up \$5.1 (± 0.1) billion from the \$7.3 billion recorded in the first quarter 2005.

Unadjusted sales for the first quarter 2006 were \$43.0 billion, up \$8.7 (± 0.3) billion from the \$34.3 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 29.0 cents this quarter, compared to the 21.3 cents in the first quarter 2005.

Wholesale Trade Corporations

First quarter 2006 unadjusted after-tax profits for wholesale trade corporations with assets of \$50 million and over, at \$10.1 billion, were up \$2.6 (± 0.2) billion from the \$7.5 billion recorded in the first quarter 2005.

Unadjusted sales for the first quarter 2006 were \$429.6 billion, up \$44.1 (± 4.7) billion from the \$385.5 billion in the same quarter a year earlier.

After-tax profits per dollar of sales averaged 2.4 cents this quarter, compared to the 1.9 cents in the first quarter 2005.

NOTE

These advance data, based on quarterly financial reports from approximately 8,100 corporations, were released today from the [Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations](#) – First quarter 2006 (QFR-06-1).

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>. 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. Retail Corporations are scheduled for release on July 11, 2006.

Second quarter 2006 advance data for U.S. Manufacturing, Mining, and Wholesale Trade Corporations are scheduled for release on September 11, 2006, and for U.S. Retail Corporations on October 11, 2006.

Table 1. U.S. Manufacturing Corporations

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# Item	Seasonally adjusted			Unadjusted		
	1Q 2006	4Q 2005 ¹	1Q 2005 ¹	1Q 2006	4Q 2005 ¹	1Q 2005 ¹
Rate of return (after taxes):						
Cents per dollar of sales	8.2	7.4	6.9	8.5	6.8	7.1
Percent on equity (annual rate)	N/A	N/A	N/A	18.1	15.0	15.3
	(million dollars)					
Sales	1,423,828	1,381,004	1,298,726	1,379,395	1,392,696	1,258,442
Income after income taxes	117,084	101,840	90,099	117,126	94,080	89,827
Dividends paid (cash)	N/A	N/A	N/A	37,261	46,006	42,596

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:								
1996.....	914,290	932,783	948,245	961,170	51,254	53,797	61,190	58,895
1997.....	965,854	972,505	986,661	994,949	60,776	61,622	61,826	60,560
1998.....	990,066	981,781	985,896	993,342	74,710	48,911	60,944	50,118
1999.....	1,003,333	1,026,599	1,047,956	1,071,171	59,934	63,182	66,739	68,147
2000.....	1,120,806	1,128,080	1,145,077	1,120,254	77,416	70,757	73,937	48,216
2001.....	1,116,138	1,093,896	1,059,238	1,027,014	191	15,723	11,220	9,165
2002.....	1,025,665	1,049,184	1,065,078	1,075,339	25,216	37,350	41,650	36,143
2003.....	1,102,748	1,073,753	1,106,198	1,111,287	58,747	48,447	54,351	75,679
2004.....	1,182,726	1,221,877	1,248,890	1,278,864	75,715	85,059	91,617	95,944
2005.....	1,298,726	1,321,995	1,382,471	1,381,004	90,099	96,782	109,158	101,840
2006.....	1,423,828				117,084			
All nondurable manufacturing:								
1996.....	442,202	452,570	457,727	462,813	28,027	28,292	32,052	30,560
1997.....	463,172	456,761	461,365	463,170	33,379	30,659	30,439	28,825
1998.....	452,446	446,256	443,671	439,422	29,719	28,602	30,634	17,779
1999.....	445,893	452,955	461,279	474,607	26,433	29,046	31,103	30,938
2000.....	507,799	514,859	527,957	502,741	37,479	38,857	36,705	29,324
2001.....	509,206	506,357	489,004	469,531	31,715	34,397	26,575	19,540
2002.....	465,042	478,992	497,795	512,860	26,887	29,249	30,338	32,107
2003.....	542,389	514,650	533,781	523,298	43,846	34,189	29,355	41,448
2004.....	572,462	593,813	606,034	623,720	41,228	47,199	51,327	51,841
2005.....	637,272	648,708	690,702	678,394	55,585	57,718	62,235	61,421
2006.....	696,398				66,724			
All durable manufacturing:								
1996.....	472,088	480,213	490,519	498,357	23,227	25,505	29,138	28,334
1997.....	502,682	515,744	525,296	531,779	27,397	30,963	31,387	31,735
1998.....	537,620	535,524	542,225	553,920	44,991	20,309	30,310	32,339
1999.....	557,440	573,644	586,676	596,565	33,501	34,137	35,636	37,209
2000.....	613,007	613,221	617,120	617,512	39,937	31,901	37,232	18,892
2001.....	606,932	587,539	570,234	557,483	(31,524)	(18,673)	(15,355)	(10,375)
2002.....	560,623	570,191	567,283	562,479	(1,671)	8,101	11,312	4,036
2003.....	560,360	559,103	572,417	587,988	14,901	14,258	24,995	34,230
2004.....	610,264	628,064	642,856	655,144	34,487	37,860	40,290	44,103
2005.....	661,454	673,287	691,769	702,609	34,514	39,065	46,923	40,418
2006.....	727,430				50,361			

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		
	1Q 2006	4Q 2005 ²	1Q 2005 ²	1Q 2006	4Q 2005 ²	1Q 2005 ²	1Q 2006	4Q 2005 ²	1Q 2005 ²
	(million dollars)								
All manufacturing ³	1,379,395	1,392,696	1,258,442	95,819	81,262	85,702	117,126	94,080	89,827
All nondurable manufacturing	673,957	683,047	615,989	54,546	46,882	54,273	66,700	58,886	55,450
Food.....	107,181	113,862	105,149	5,632	7,200	6,515	5,232	5,516	5,335
Beverage and tobacco products	34,745	36,346	33,217	5,438	5,373	5,551	6,566	5,760	4,168
Textile mills and textile product mills	12,285	12,401	12,075	651	590	559	394	270	346
Apparel and leather products	21,384	22,845	21,119	1,588	1,649	1,830	1,363	1,240	1,532
Paper.....	38,655	37,898	37,280	2,233	1,773	2,301	878	313	1,176
Printing and related support activities	18,127	17,638	16,628	1,266	1,097	1,083	819	408	451
Petroleum and coal products.....	236,134	242,458	198,586	15,719	15,691	15,311	24,080	26,998	21,053
Chemicals.....	163,090	157,189	153,890	19,259	11,333	19,342	25,593	17,173	20,387
Basic chemicals, resins, and synthetics ⁴	52,234	50,347	50,503	3,412	1,837	3,996	3,236	5,091	3,650
Pharmaceuticals and medicines ⁴	66,142	63,989	62,004	11,847	6,843	11,377	19,087	7,043	13,434
All other chemicals ⁴	44,714	42,854	41,383	4,001	2,653	3,969	3,270	5,040	3,302
Plastics and rubber products	42,357	42,410	38,044	2,761	2,177	1,782	1,776	1,208	1,003
All durable manufacturing	705,438	709,649	642,453	41,273	34,380	31,429	50,426	35,194	34,377
Wood products	19,038	19,918	17,922	1,428	991	1,316	881	750	815
Nonmetallic mineral products.....	29,034	30,192	22,816	2,407	2,570	1,157	1,093	(909)	(3,619)
Primary metals	52,657	49,945	47,352	4,843	4,060	4,783	3,901	3,122	3,735
Iron, steel, and ferroalloys ⁴	26,073	24,340	25,140	2,676	2,237	3,013	1,906	1,713	2,197
Nonferrous metals ⁴	20,629	19,964	17,223	1,769	1,434	1,384	1,638	1,138	1,252
Foundries ⁴	5,955	5,641	4,989	398	389	385	357	271	286
Fabricated metal products	63,951	61,079	57,218	6,433	4,262	4,783	5,087	2,777	3,484
Machinery	85,186	81,470	72,752	7,456	5,971	4,379	6,309	4,470	3,642
Computer and electronic products.....	141,630	145,500	133,387	6,687	9,728	5,033	16,953	15,256	11,461
Computer and peripheral equipment ⁴	42,892	46,404	41,249	229	1,971	(121)	5,417	6,013	4,111
Communications equipment ⁴	28,372	28,545	25,154	1,127	2,284	893	2,530	2,962	2,843
All other electronic products ⁴	70,366	70,551	66,984	5,330	5,473	4,262	9,006	6,282	4,506
Electrical equipment, appliances, and components	45,866	50,464	44,422	3,197	3,905	2,477	5,816	4,717	5,048
Transportation equipment	217,230	220,212	200,779	3,506	(1,575)	2,498	5,717	1,015	5,421
Motor vehicles and parts ⁴	155,158	154,791	144,224	(2,129)	(6,404)	(1,984)	1,251	(2,817)	1,267
Aerospace products and parts ⁴	49,713	53,208	46,194	4,134	3,479	3,368	3,457	2,855	3,307
Furniture and related products	17,196	18,030	15,404	1,232	1,120	1,083	793	703	750
Miscellaneous manufacturing.....	33,651	32,838	30,401	4,085	3,346	3,919	3,875	3,292	3,640
All mining ³	42,965	43,638	34,286	13,539	13,991	8,434	12,440	12,122	7,294
All wholesale trade ³	429,640	433,229	385,491	13,163	14,174	11,210	10,107	11,404	7,486
All retail trade ³	N/A	478,841	426,016	N/A	26,510	19,750	N/A	17,744	12,307

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; data for mining and trade corporations represent the quarterly results of companies with assets over \$50 million.

⁴Included in major industry above.