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SECOND QUARTER 2011 DATA FROM THE QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS

After-Tax Profits and Sales, Second Quarter 2011 – Not Seasonally Adjusted

Second quarter 2011 **after-tax profits** of U.S. retail corporations with assets of \$50 million and over totaled \$17.7 billion, up \$1.6 (± 0.3) billion from the after-tax profits of \$16.0 billion recorded in the first quarter 2011, and up \$1.3 (± 0.2) billion from the after-tax profits of \$16.4 billion recorded in the second quarter of 2010.

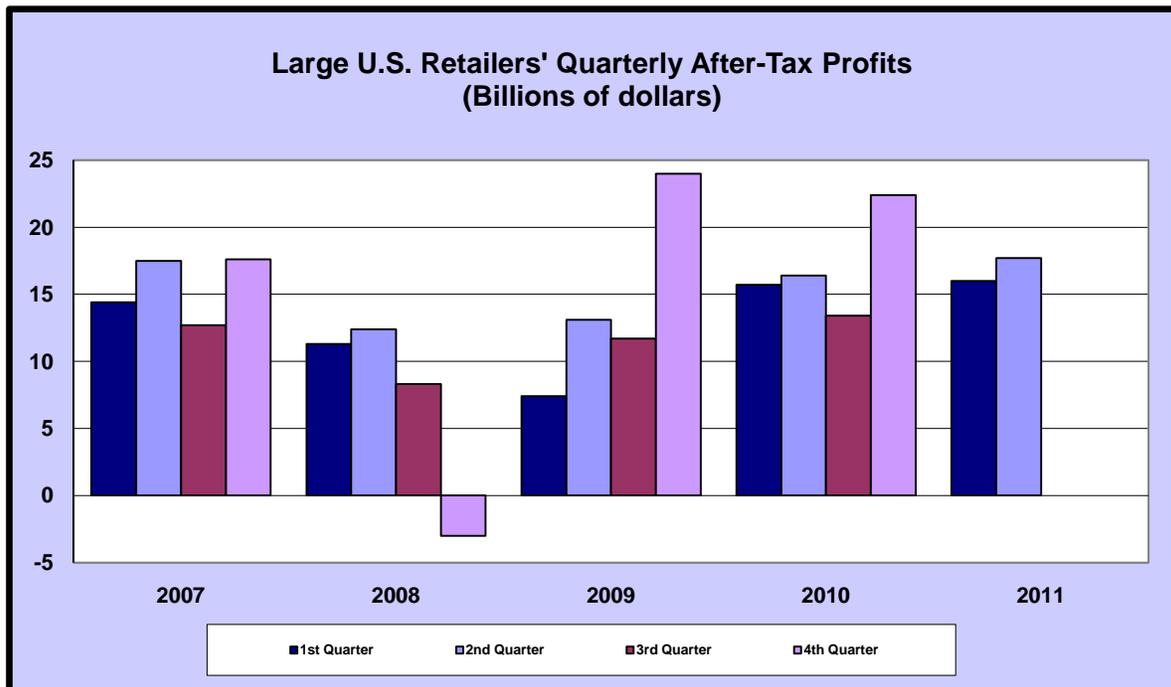
Sales in the second quarter of 2011, at \$577.4 billion, were up \$22.9 (± 4.4) billion from the \$554.5 billion recorded in the first quarter of 2011, and up \$47.2 (± 7.4) billion from the \$530.2 billion recorded in the second quarter of 2010.

After-tax profits for these corporations averaged 3.1 cents per dollar of sales for the second quarter of 2011, up 0.2 (± 0.1) cents from the 2.9 cents recorded in the first quarter of 2011, but not statistically different from the 3.1 cents recorded in the second quarter of 2010.

The annual rate of after-tax profits on stockholders' equity in the second quarter of 2011 was 15.6 percent, up 1.4 (± 0.2) percentage points from the 14.2 percent recorded in the first quarter of 2011, and up 0.6 (± 0.1) percentage points from the 15.0 percent recorded in the second quarter of 2010.

Retail Trade Corporations' After-Tax Profits, 2007-2011 – Not Seasonally Adjusted

In 2011, second quarter after-tax profits of U.S. retail trade corporations with assets of \$50 million and over (not seasonally adjusted), continue to recover from the 2008 second-quarter low in the 2007-2011 period.



SPECIAL NOTICE

Beginning with its June 2012 release for the first quarter of 2012, the Quarterly Financial Report (QFR) will publish seasonally adjusted net sales data for large corporations in the retail trade sector. Seasonal adjustment removes seasonal patterns from an unadjusted data series, making it more useful for observing underlying trends in the data. The new data will be computed using the X-12-ARIMA seasonal adjustment program. Prior quarter data (beginning with the first quarter of 2011) will be created using this methodology to provide data comparability over time. For more information, contact the Statistical Research and Methods Branch at 301-763-3310.

ACCESS TO QFR DATA

This press release can be viewed today in portable document format (.pdf) at the QFR internet website <http://www.census.gov/econ/qfr/index.html>. Summary statements of income and retained earnings, balance sheets, and related financial and operating ratios for retail trade corporations are also available at the QFR internet website.

RELIABILITY OF THE ESTIMATES

Data in this press release are based on quarterly financial reports from approximately 600 U.S. corporations. The data are estimated from a sample survey and are subject to sampling and nonsampling errors.

Sampling error occurs because only a subset of the entire population is measured. Estimates of sampling error can be computed based on the sample and used to construct confidence intervals around the estimates. Statements of change appearing in this report include 90 percent confidence intervals. Thus, a statement in the report such as “up \$2.5 (± 0.2) billion” estimates the interval (+\$2.3 billion to +\$2.7 billion) within which the actual value is likely to fall in 90 percent of samples of the same size and design, drawn from the same population. If the range of estimated change contains zero (0), then it is uncertain whether there is an increase or decrease; that is, the change is not statistically different from zero (0). For any comparison cited in the text without a confidence interval, the change is statistically significant at the 90 percent confidence level.

Nonsampling error encompasses all other factors that contribute to the total error of a survey, including response errors, nonresponse, and coverage errors. Although no direct measures of nonsampling error are available, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize their influence. The quarterly publication, *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations – Second quarter 2011* (QFR/11-Q2), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

Retail Trade Schedule of Release Dates for Calendar Year 2011	
Third Quarter 2011	December 19, 2011

Table 1. U.S. Retail Trade Corporations, Assets \$50 Million and Over - Income Statement^{1,2}

Item	2Q 2011	1Q 2011 ³	2Q 2010 ³
(million dollars)			
Net sales, receipts, and operating revenues	577,411	554,493	530,182
Less: Depreciation, depletion, and amortization	11,076	10,921	10,648
Less: All other operating costs and expenses	539,484	517,453	493,280
Income (or loss) from operations	26,850	26,118	26,253
Interest expense	4,290	4,288	4,273
Net nonoperating income (expense)	3,826	2,877	2,662
Income (or loss) before income taxes	26,386	24,708	24,642
Less: Provision for current and deferred domestic income taxes	8,716	8,674	8,236
Income (or loss) after income taxes	17,670	16,034	16,406
Cash dividends charged to retained earnings in current quarter	4,650	8,837	3,236
Net income retained in business	13,021	7,196	13,169
Retained earnings at beginning of quarter	331,464	331,463	309,387
Other direct credits (or charges) to retained earnings (net)	(5,410)	(7,092)	(6,293)
Retained earnings at end of quarter	339,075	331,567	316,263

¹Retail Trade data are the quarterly results of companies within the Retail Trade sector with total assets of \$50 million and over at the time of sample selection.

²Complete Income Statement and Balance Sheet Financial Tables are available at the QFR website.

³Revised.

Table 2. U.S. Retail Trade Corporations, Assets \$50 Million and Over - Income Statement Ratios^{1,2}

Item	2Q 2011	1Q 2011 ³	2Q 2010 ³
(cents per dollar of sales)			
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	1.92	1.97	2.01
Less: All other operating costs and expenses	93.43	93.32	93.04
Income (or loss) from operations	4.65	4.71	4.95
Interest expense	0.74	0.77	0.81
Net nonoperating income (expense)	0.66	0.52	0.50
Income (or loss) before income taxes	4.57	4.46	4.65
Less: Provision for current and deferred domestic income taxes	1.51	1.56	1.55
Income (or loss) after income taxes	3.06	2.89	3.09

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³Revised.

Table 3. U.S. Retail Trade Corporations, Assets \$50 Million and Over - Operating Ratios^{1,2}

Item	2Q 2011	1Q 2011 ³	2Q 2010 ³
(percent)			
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	23.23	21.85	22.45
After income taxes	15.56	14.18	14.95
Annual rate of profit on total assets:			
Before income taxes	9.58	9.10	9.39
After income taxes	6.42	5.90	6.25

¹Retail Trade data are the quarterly results of companies within the Retail Trade sector with total assets of \$50 million and over at the time of sample selection.

²Complete Income Statement and Balance Sheet Financial Tables are available at the QFR website.

³Revised.