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

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

Third quarter 2011 **after-tax profits** of U.S. retail corporations with assets of \$50 million and over totaled \$15.3 billion, down \$1.9 (± 0.1) billion from the after-tax profits of \$17.3 billion recorded in the second quarter of 2011, but up \$2.0 (± 0.1) billion from the after-tax profits of \$13.4 billion recorded in the third quarter of 2010.

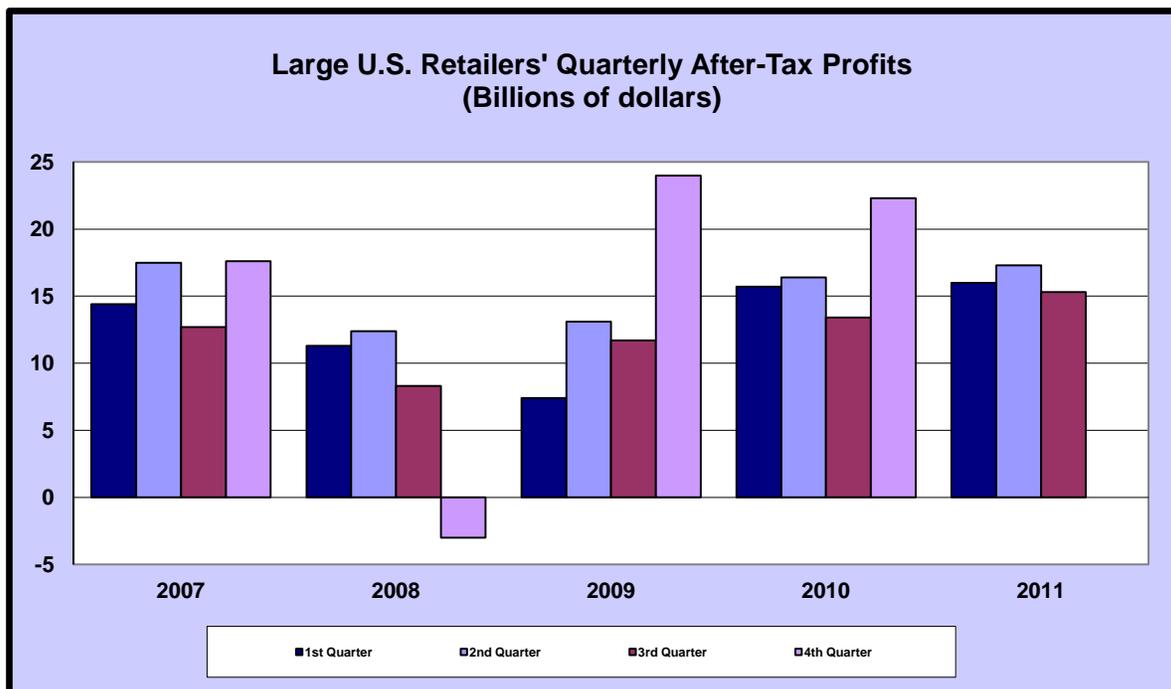
Sales in the third quarter of 2011, at \$568.7 billion, were down \$7.2 (± 3.4) billion from the \$575.9 billion recorded in the second quarter of 2011, but up \$42.4 (± 4.9) billion from the \$526.3 billion recorded in the third quarter of 2010.

After-tax profits per dollar of sales were 2.7 cents for the quarter, compared with 3.0 cents for the second quarter of 2011, and 2.5 cents for the third quarter of 2010.

The annual rate of after-tax profits on stockholders' equity in the third quarter of 2011 was 13.8 percent, down 1.5 (± 0.1) percentage points from the 15.3 percent recorded in the second quarter of 2011, but up 1.6 (± 0.1) percentage points from the 12.1 percent recorded in the third quarter of 2010.

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

In 2011, third quarter after-tax profits of U.S. retail trade corporations with assets of \$50 million and over (not seasonally adjusted), were higher than in any other third quarter 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

Estimates of change presented in this press release are calculated using unrounded data. The calculated difference is then rounded to the nearest unit of measure. Due to this rounding, differences may not add to the totals. The same applies to the calculated confidence intervals. Thus, a difference of \$0.0 billion indicates the difference is less than \$0.05 billion. A confidence interval of +0.0 billion indicates a confidence interval of less than +0.05 billion.

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 – Third quarter 2011* (QFR/11-Q3), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

Retail Trade Schedule of Release Dates for Calendar Year 2012	
Fourth Quarter 2011	March 26, 2012
First Quarter 2012	June 18, 2012
Second Quarter 2012	September 17, 2012
Third Quarter 2012	December 17, 2012

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

Item	3Q 2011	2Q 2011 ³	3Q 2010 ³
(million dollars)			
Net sales, receipts, and operating revenues	568,723	575,946	526,308
Less: Depreciation, depletion, and amortization	10,999	11,032	10,755
Less: All other operating costs and expenses	534,609	538,463	492,613
Income (or loss) from operations	23,115	26,451	22,940
Interest expense	4,249	4,340	4,287
Net nonoperating income (expense)	4,209	3,763	1,285
Income (or loss) before income taxes	23,075	25,874	19,937
Less: Provision for current and deferred domestic income taxes	7,734	8,601	6,563
Income (or loss) after income taxes	15,341	17,273	13,374
Cash dividends charged to retained earnings in current quarter	3,242	4,699	2,711
Net income retained in business	12,098	12,574	10,663
Retained earnings at beginning of quarter	341,905	331,406	317,523
Other direct credits (or charges) to retained earnings (net)	(4,229)	(5,670)	(7,249)
Retained earnings at end of quarter	349,774	338,311	320,936

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	3Q 2011	2Q 2011 ³	3Q 2010 ³
(cents per dollar of sales)			
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	1.93	1.92	2.04
Less: All other operating costs and expenses	94.00	93.49	93.60
Income (or loss) from operations	4.06	4.59	4.36
Interest expense	0.75	0.75	0.81
Net nonoperating income (expense)	0.74	0.65	0.24
Income (or loss) before income taxes	4.06	4.49	3.79
Less: Provision for current and deferred domestic income taxes	1.36	1.49	1.25
Income (or loss) after income taxes	2.70	3.00	2.54

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³Revised.

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

Item	3Q 2011	2Q 2011 ³	3Q 2010 ³
(percent)			
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	20.69	22.86	18.06
After income taxes	13.75	15.26	12.11
Annual rate of profit on total assets:			
Before income taxes	8.37	9.47	7.49
After income taxes	5.56	6.32	5.02

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³Revised.