

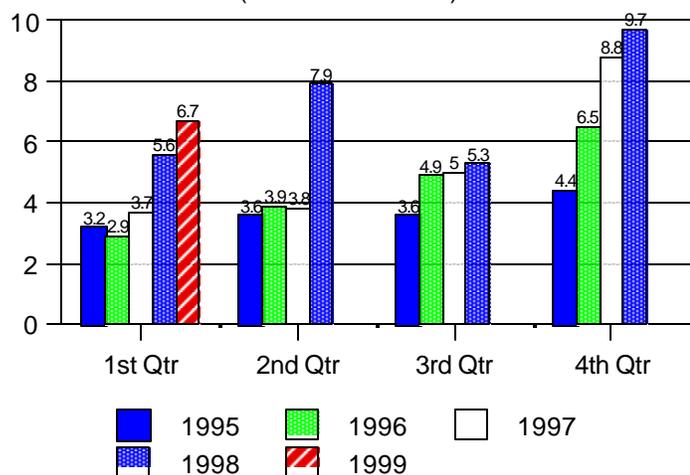
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**ADVANCE DATA ON LARGE RETAILERS' PROFITS
 FOR THE FIRST QUARTER 1999**

Large Retailers' After-Tax Profits

(Billions of Dollars)



After-tax profits for retail corporations with assets of \$50 million and over averaged 2.3 cents per dollar of sales for the first quarter of 1999, down 0.8 (± 0.1) cents from the preceding quarter, but up 0.2 (± 0.1) cents from the same quarter in 1998, according to advance data from the Commerce Department's Bureau of the Census.

For the first quarter of 1999, these large retail corporations reported after-tax profits of \$6.7 billion, down \$3.1 (± 0.2) billion from the preceding quarter, but up \$1.1 (± 0.2) billion from the same quarter a year ago. The annual rate of after-tax return on stockholders' equity was 12.7 percent, down 6.4 percent ($\pm 0.5\%$) when compared to the fourth quarter of 1998, but up 1.2 percent ($\pm 0.3\%$) from the first quarter of 1998.

First quarter 1999 sales were \$287.1 billion, down \$27.6 billion or 8.8 percent ($\pm 1.2\%$) from last quarter, but up \$23.8 billion or 9.0 percent ($\pm 1.6\%$) from the first quarter of 1998.

These data are based on quarterly financial reports obtained from 492 corporations. The figures in this release are *not* seasonally adjusted. More detailed information on the retail trade sector for the first quarter will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—Second Quarter 1999 which is scheduled for release on September 13, 1999.

EXPLANATORY NOTES:

This quarter's publication contains data revised due to the reclassification of corporations by industry, and revisions that reflect respondents' corrections of data submitted 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 (± 0.1) cents," appearing in the text, indicates the range (+2.4 to +2.6 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.

This report 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 1. Income Statement for Retail Trade Corporations with Assets of \$50 Million and Over

Item	1Q 1999	4Q 1998 ¹	1Q 1998 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	287,109	314,668	263,348
Less: Depreciation, depletion, and amortization	6,112	5,938	5,593
Less: All other operating costs and expenses	267,847	290,019	246,416
Income (or loss) from operations	13,151	18,711	11,339
Interest expense	3,510	3,538	3,187
All other nonoperating income (expense)	1,235	697	1,050
Income (or loss) before income taxes	10,876	15,870	9,202
Less: Provision for current and deferred domestic income taxes	4,201	6,143	3,650
Income (or loss) after income taxes	6,675	9,727	5,552
Cash dividends charged to retained earnings in current quarter	1,530	1,529	1,339
Net income retained in business	5,145	8,198	4,213
Retained earnings at beginning of quarter	136,436	126,793	117,369
Other direct credits (or charges) to retained earnings (net)	(842)	(506)	(1,218)
Retained earnings at end of quarter	140,739	134,485	120,364

Table 2. Income Statement in Ratio Format for Retail Trade Corporations with Assets of \$50 Million and Over

Item	1Q 1999	4Q 1998 ¹	1Q 1998 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	2.1	1.9	2.1
Less: All other operating costs and expenses	93.3	92.2	93.6
Income (or loss) from operations	4.6	5.9	4.3
Interest Expense	1.2	1.1	1.2
All other nonoperating income (expense)	0.4	0.2	0.4
Income (or loss) before income taxes	3.8	5.0	3.5
Less: Provision for current and deferred domestic income taxes	1.5	2.0	1.4
Income (or loss) after income taxes	2.3	3.1	2.1

Table 3. Operating Ratios for Retail Trade Corporations with Assets of \$50 Million and Over

Item	1Q 1999	4Q 1998 ¹	1Q 1998 ¹
	(percent)		

Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	20.69	31.22	19.07
After income taxes	12.70	19.14	11.51
Annual rate of profit on total assets:			
Before income taxes	7.43	11.00	6.82
After income taxes	4.56	6.74	4.11

¹Revised.