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SECOND QUARTER 2010 DATA FROM THE QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS

After-Tax Profits and Sales, Second Quarter 2010 – Not Seasonally Adjusted

Second quarter 2010 **after-tax profits** of U.S. retail corporations with assets of \$50 million and over totaled \$16.1 billion, up \$0.9 (± 0.1) billion from the after-tax profits of \$15.1 billion recorded in first quarter 2010, and up \$2.9 (± 0.3) billion from the after-tax profits of \$13.1 billion recorded in the second quarter of 2009.

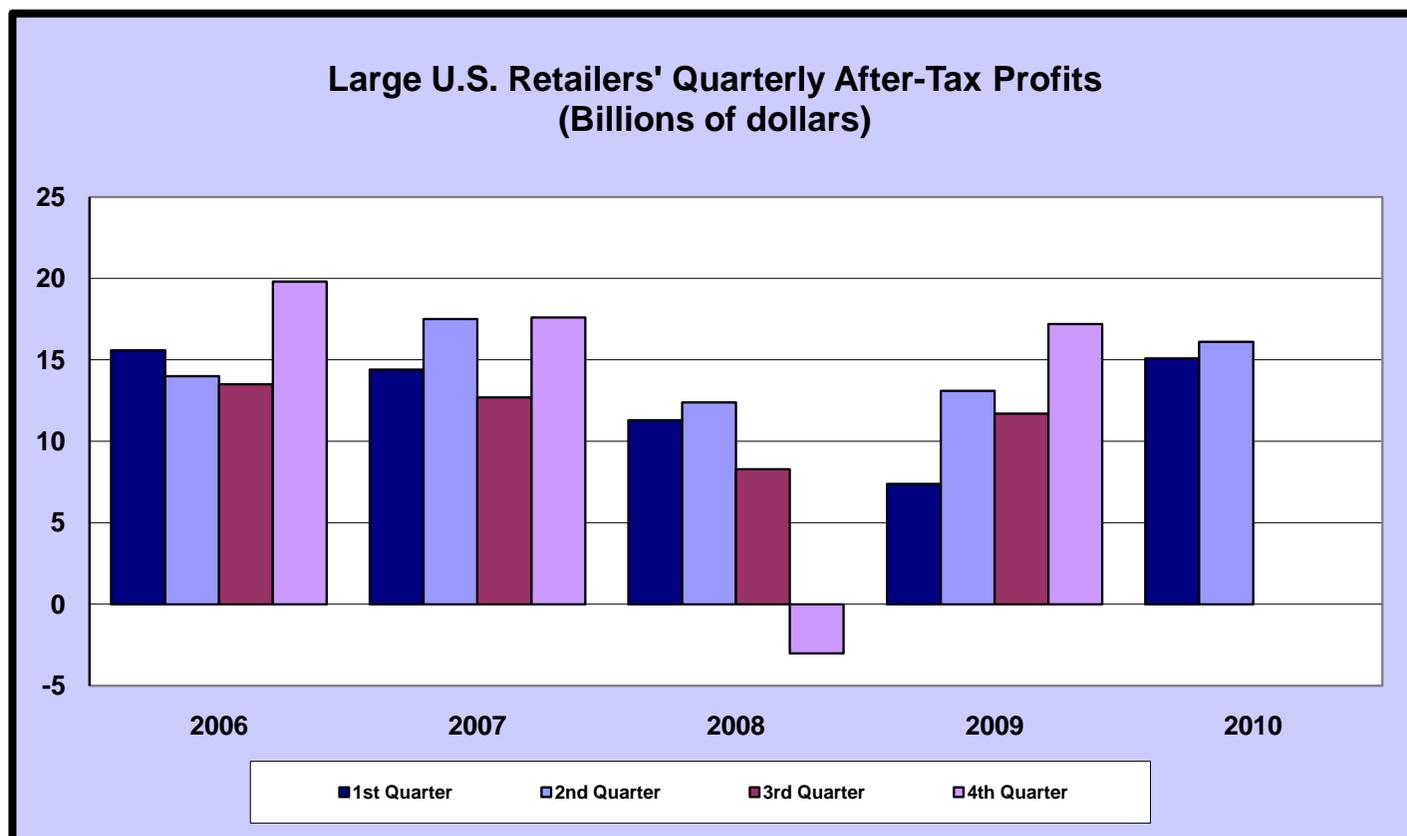
Sales in the second quarter of 2010, at \$528.8 billion, were up \$9.9 (± 2.4) billion from the \$518.9 billion recorded in the first quarter of 2010, and up \$30.9 (± 7.2) billion from the \$498.0 billion recorded in the second quarter of 2009.

After-tax profits for these corporations averaged 3.0 cents per dollar of sales for the second quarter of 2010, up 0.1 (± 0.1) cents from the 2.9 cents recorded in the first quarter of 2010, and up 0.4 (± 0.1) cents from the 2.6 cents recorded in the second quarter of 2009.

The annual rate of after-tax profits on stockholders' equity in the second quarter of 2010 was 15.5 percent, up 0.9 (± 0.1) percentage points from the 14.6 percent recorded in the first quarter of 2010, and up 2.3 (± 0.2) percentage points from the 13.3 percent recorded in the second quarter of 2009.

Retail Trade Corporations After-Tax Profits, 2006-2010 – Not Seasonally Adjusted

Second quarter after-tax profits of U.S. retail trade corporations with assets of \$50 million and over (not seasonally adjusted) were stronger in 2010 than in 2008 and 2009 (see below).



SPECIAL NOTICES

Beginning with data collected for fourth quarter 2010 (released in March 2011) the Quarterly Financial Report (QFR) will implement a new methodology to account for nonrespondent companies. The new methodology will, on average, produce more accurate data estimates and better reflect current financial standing than the existing methodology. Estimates for the prior four quarters (fourth quarter 2009 through third quarter 2010) will be restated using this new imputation methodology to provide comparability of the data across these quarters. For more information on the new methodology, call the Statistical Research and Methods Branch on 1-301-763-3310.

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 630 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 2010* (QFR/10-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 2010	
Third Quarter 2010	December 20, 2010

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

Item	2Q	1Q	2Q
	2010	2010 ³	2009 ³
	(million dollars)		
Net sales, receipts, and operating revenues	528,831	518,924	497,963
Less: Depreciation, depletion, and amortization	10,400	10,389	10,256
Less: All other operating costs and expenses	492,464	483,673	464,936
Income (or loss) from operations	25,966	24,862	22,771
Interest expense	4,196	4,108	4,169
Net nonoperating income (expense)	2,472	2,260	1,412
Income (or loss) before income taxes	24,242	23,014	20,014
Less: Provision for current and deferred domestic income taxes	8,176	7,895	6,883
Income (or loss) after income taxes	16,066	15,119	13,131
Cash dividends charged to retained earnings in current quarter	3,054	7,990	2,483
Net income retained in business	13,013	7,129	10,648
Retained earnings at beginning of quarter	302,107	300,900	278,508
Other direct credits (or charges) to retained earnings (net)	(6,619)	(5,822)	(2,395)
Retained earnings at end of quarter	308,501	302,208	286,761

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	1Q	2Q
	2010	2010 ³	2009 ³
	(cents per dollar of sales)		
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	1.97	2.00	2.06
Less: All other operating costs and expenses	93.12	93.21	93.37
Income (or loss) from operations	4.91	4.79	4.57
Interest expense	0.79	0.79	0.84
Net nonoperating income (expense)	0.47	0.44	0.28
Income (or loss) before income taxes	4.58	4.44	4.02
Less: Provision for current and deferred domestic income taxes	1.55	1.52	1.38
Income (or loss) after income taxes	3.04	2.91	2.64

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

³Revised.

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

Item	2Q	1Q	2Q
	2010	2010 ³	2009 ³
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	23.44	22.24	20.23
After income taxes	15.53	14.61	13.28
Annual rate of profit on total assets:			
Before income taxes	9.55	9.13	8.11
After income taxes	6.33	6.00	5.32

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.