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FIRST QUARTER 2008 DATA FROM THE QUARTERLY FINANCIAL REPORT U.S. MANUFACTURING, MINING, AND TRADE CORPORATIONS

After-Tax Profits and Sales, First Quarter 2008 - Seasonally Adjusted¹

Manufacturing Corporations

In the first quarter of 2008, seasonally adjusted **after-tax profits** of U.S. manufacturing corporations totaled \$119.5 billion. First quarter 2008 after-tax profits were up \$2.3 (± 0.6) billion from the \$117.2 billion recorded in the fourth quarter of 2007, but not statistically different from the \$118.9 billion recorded in the first quarter of 2007.

First quarter 2008 seasonally adjusted **sales** for these manufacturers totaled \$1,614.5 billion, up \$34.0 (± 6.2) billion from the \$1,580.4 billion recorded in the fourth quarter of 2007, and up \$164.7 (± 11.7) billion from the \$1,449.7 billion recorded in the first quarter of 2007.

After-tax profits per dollar of sales averaged 7.4 cents for the quarter, not statistically different from fourth quarter 2007, and 8.2 cents in the first quarter of 2007.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the first quarter of 2008 totaled \$73.5 billion, up \$2.9 (± 0.3) billion from the \$70.6 billion recorded in the fourth quarter of 2007, and up \$3.8 (± 0.3) billion from the \$69.7 billion recorded in the first quarter of 2007.

Seasonally adjusted **sales** for the quarter totaled \$851.9 billion, up \$35.3 (± 5.8) billion from the \$816.5 billion recorded in the fourth quarter of 2007, and up \$139.3 (± 5.3) billion from the \$712.5 billion recorded in the first quarter of 2007.

After-tax profits per dollar of sales averaged 8.6 cents for the quarter, compared with 8.6 cents in the fourth quarter of 2007, and 9.8 cents in the first quarter of 2007.

Durable Goods Manufacturers

First quarter 2008 seasonally adjusted **after-tax profits** for durable goods manufacturers totaled \$46.1 billion, down \$0.6 (± 0.3) billion from the \$46.6 billion recorded in the fourth quarter of 2007, and down \$3.1 (± 0.6) billion from the \$49.2 billion recorded in the first quarter of 2007.

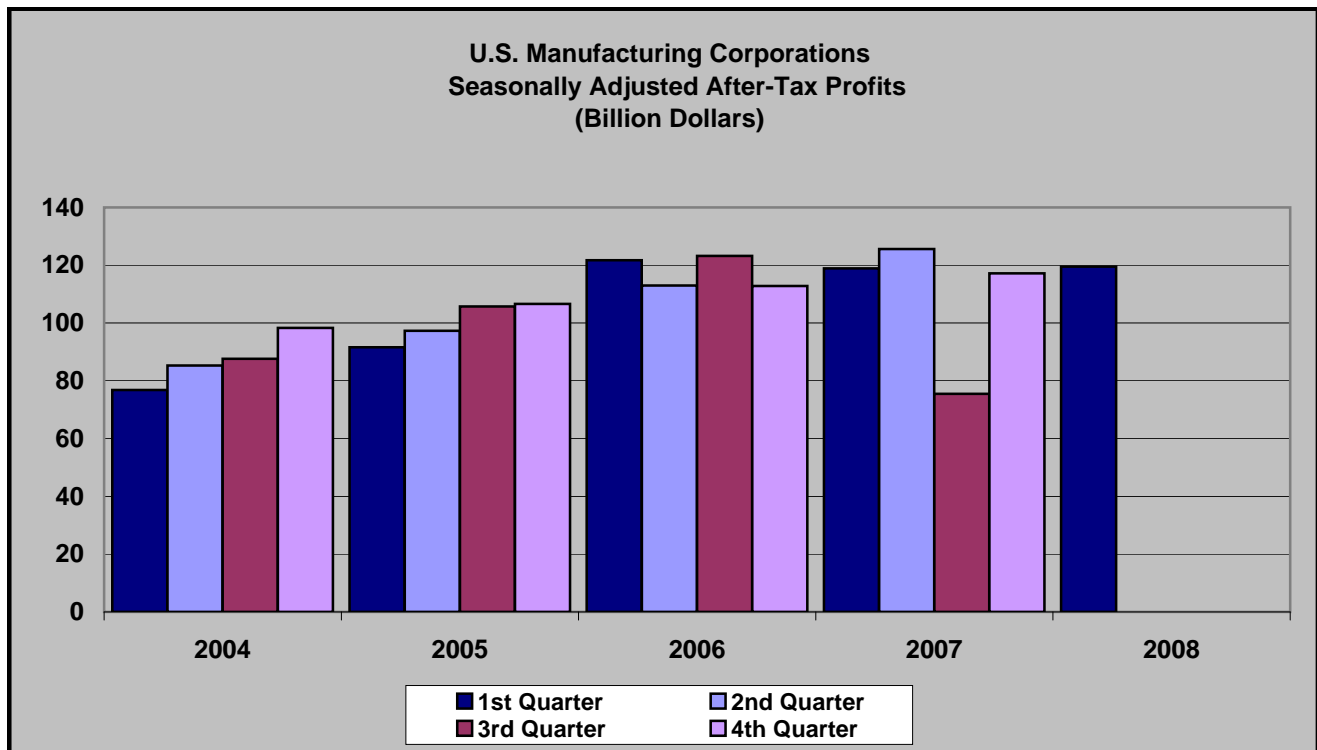
Seasonally adjusted **sales** for the quarter at \$762.6 billion, were not statistically different from the \$763.9 billion recorded in the fourth quarter of 2007, but were up \$25.4 (± 8.1) billion from the \$737.2 billion recorded in the first quarter of 2007.

After-tax profits per dollar of sales averaged 6.0 cents for the quarter, not statistically different from fourth quarter 2007, and 6.7 cents in the first quarter of 2007.

¹Beginning with the 2007Q4 data release, updated RegARIMA models for seasonal adjustment were implemented. These updated models improve the identification of seasonal patterns in unadjusted net sales and net income after taxes for All Manufacturing, All Nondurable manufacturing, and All Durable manufacturing.

Manufacturing Corporations After-Tax Profits, 2004-2008 - Seasonally Adjusted

Seasonally adjusted after-tax profits of U.S. manufacturing corporations for the first quarter of 2008 were slightly higher than the fourth quarter of 2007, but not statistically different from the first quarter of 2007.



After-Tax Profits and Sales, First Quarter 2008 - Not Seasonally Adjusted

Manufacturing Corporations

First quarter 2008 unadjusted **after-tax profits** of U.S. manufacturing corporations totaled \$118.5 billion, up \$1.1 (± 0.8) billion from the \$117.3 billion recorded in the first quarter of 2007. Compared with fourth quarter 2007 after-tax profits of \$105.6 billion, first quarter 2008 after-tax profits were up \$12.8 (± 0.6) billion.

Manufacturers' unadjusted **sales** for the first quarter of 2008 totaled \$1,565.8 billion, up \$160.0 (± 11.7) billion from the \$1,405.8 billion recorded in the first quarter of 2007, but down \$19.2 (± 6.2) billion from fourth quarter 2007 sales of \$1,585.0 billion.

After-tax profits per dollar of sales averaged 7.6 cents in the first quarter of 2008, compared with 8.4 cents in the first quarter of 2007, and 6.7 cents in the fourth quarter of 2007.

Nondurable Goods Manufacturers

First quarter 2008 nondurable goods manufacturers' unadjusted **after-tax profits** totaled \$73.5 billion, up \$3.9 (± 0.3) billion from the \$69.6 billion recorded in the first quarter of 2007. Within industry categories, year over year results were mixed. Industries reporting increases included petroleum and coal products, up \$2.2 (± 0.1) billion, food, up \$1.8 (± 0.1) billion, and basic chemicals, resins, and synthetics, up \$1.4 (± 0.1) billion. Industries reporting decreases included paper, down \$1.0 (± 0.1) billion, and printing and related support activities, down \$0.5 (± 0.1) billion.

Compared to fourth quarter 2007 after-tax profits of \$65.4 billion, first quarter 2008 after-tax profits, at \$73.5 billion, were up \$8.1 (± 0.3) billion. Within industry categories, quarter over quarter results were mixed. Industries reporting increases included pharmaceuticals and medicines, up \$9.5 (± 0.1) billion, basic chemicals, resins, and synthetics, up \$2.7 (± 0.1) billion and petroleum and coal products, up \$1.8 (± 0.1) billion. Industries reporting decreases included food, down \$2.9 (± 0.1) billion, paper, down \$1.2 (± 0.1) billion, all other chemicals, down \$0.8 (± 0.2) billion, and beverage and tobacco products, down \$0.5 (± 0.1) billion.

Unadjusted **sales** for the first quarter of 2008 totaled \$825.5 billion, up \$135.4 (± 5.3) billion from the \$690.0 billion recorded in the first quarter of 2007, and up \$8.6 (± 5.8) billion from fourth quarter 2007 sales of \$816.8 billion.

After-tax profits per dollar of sales averaged 8.9 cents in the first quarter of 2008, compared with 10.1 cents in the first quarter of 2007, and 8.0 cents in the fourth quarter of 2007.

Durable Goods Manufacturers

First quarter 2008 durable goods manufacturers' unadjusted **after-tax profits** totaled \$44.9 billion, down \$2.8 (± 0.6) billion from the \$47.7 billion recorded in the first quarter of 2007. Within industry categories, year over year results were mostly down. Industries reporting decreases included motor vehicles and parts, down \$2.7 (± 0.1) billion, nonmetallic mineral products, down \$0.6 (± 0.1) billion, electrical equipment, appliances and components, down \$0.6 (± 0.2) billion, and wood products, down \$0.4 (± 0.1) billion. Industries reporting increases included computer and peripheral equipment, up \$1.5 (± 0.2) billion, aerospace products and parts, up \$0.6 (± 0.1) billion, and fabricated metal products, up \$0.5 (± 0.4) billion.

Compared to fourth quarter 2007 after-tax profits of \$40.2 billion, first quarter 2008 after-tax profits, at \$44.9 billion, were up \$4.7 (± 0.3) billion. Within the industry categories, quarter over quarter results were mostly up. Industries reporting increases included all other electronic products, up \$2.8 (± 0.2) billion, communications equipment, up \$2.3 (± 0.1) billion, fabricated metal products, up \$1.9 (± 0.2) billion, and miscellaneous manufacturing, up \$0.8 (± 0.2) billion. Industries reporting decreases included electrical equipment, appliances, and components, down \$2.2 (± 0.2) billion, computer and peripheral equipment, down \$0.9 (± 0.1) billion, and machinery, down \$0.8 (± 0.3) billion.

Unadjusted **sales** for the first quarter of 2008 were \$740.4 billion, up \$24.5 (± 8.1) billion from the \$715.8 billion recorded in the first quarter of 2007, but down \$27.8 (± 4.8) billion from fourth quarter 2007 sales of \$768.2 billion.

After-tax profits per dollar of sales averaged 6.1 cents in the first quarter of 2008, compared with 6.7 cents in the first quarter of 2007, and 5.2 cents in the fourth quarter of 2007.

Mining Corporations

First quarter 2008 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over, totaled \$11.2 billion, up \$2.1 (± 0.1) billion from the \$9.1 billion recorded in the first quarter of 2007. Compared with fourth quarter 2007 after-tax profits of \$11.1 billion, first quarter 2008 after-tax profits were up \$0.2 (± 0.1) billion.

Unadjusted sales for the first quarter of 2008 totaled \$57.4 billion, up \$11.5 (± 0.3) billion from the \$45.9 billion recorded in the first quarter of 2007, and up \$3.2 (± 0.2) billion from the fourth quarter of 2007 sales of \$54.2 billion.

After-tax profits per dollar of sales averaged 19.6 cents in the first quarter of 2008, compared with 19.9 cents in the first quarter of 2007, and 20.5 cents in the fourth quarter of 2007.

Wholesale Trade Corporations

First quarter 2008 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over, totaled \$5.7 billion, down \$3.2 (± 0.4) billion from the \$9.0 billion recorded in the first quarter of 2007. Compared with fourth quarter 2007 after-tax profits of \$7.7 billion, first quarter 2008 after-tax profits were down \$2.0 (± 0.1) billion.

Unadjusted **sales** for the first quarter of 2008 totaled \$474.8 billion, up \$48.7 (± 13.7) billion from the \$426.1 billion recorded in the first quarter of 2007, and down \$11.5 (± 4.1) billion from the fourth quarter of 2007 sales of \$486.3 billion.

After-tax profits per dollar of sales averaged 1.2 cents in the first quarter of 2008, compared with 2.1 cents in the first quarter of 2007, and 1.6 cents in the fourth quarter of 2007.

ACCESS TO QFR DATA

This press release can be viewed today in portable document format (.pdf) at our QFR internet website http://www.census.gov/csd/qfr/view/qfr_mg.pdf. Data in the release are drawn from a more comprehensive data set published in the *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - First quarter 2008* (QFR-08-1). This quarterly publication is available for downloading at our QFR internet website <http://www.census.gov/csd/qfr/pub.html>. The quarterly publication includes summary statements of income and retained earnings, balance sheets, and related financial and operating ratios for manufacturing, mining, and trade corporations. Data presented are classified by industry and asset size.

SAMPLING

Data in this press release are based on quarterly financial reports from approximately 9,500 U.S. corporations. The data 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 this release. A statement such as "up \$2.5 (± 0.2) billion," appearing in the text, indicates the range (+\$2.3 billion to +\$2.7 billion) 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), then it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically different from zero (0). For any comparison cited without a confidence interval, the change is statistically significant at the 90% confidence level. The quarterly publication, *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - First quarter 2008* (QFR-08-1), includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

Schedule of Release Dates for Calendar Year 2008		
Reference Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First Quarter 2008	June 16, 2008	July 9, 2008
Second Quarter 2008	September 8, 2008	October 8, 2008
Third Quarter 2008	December 8, 2008	

Table 1. U.S. Manufacturing Corporations - Selected Financial Data¹

Item	Seasonally adjusted			Unadjusted		
	1Q 2008	4Q 2007 ²	1Q 2007 ²	1Q 2008	4Q 2007 ²	1Q 2007 ²
Rate of return (after taxes):						
Cents per dollar of sales	7.40	7.42	8.20	7.57	6.66	8.35
Percent on equity(annual rate)	N/A	N/A	N/A	15.54	13.99	16.91
	(million dollars)					
Sales	1,614,468	1,580,435	1,449,729	1,565,807	1,585,023	1,405,836
Income after income taxes	119,511	117,214	118,855	118,478	105,634	117,332
Dividends paid (cash)	N/A	N/A	N/A	40,255	51,075	37,691

¹Beginning with the 2007Q4 data release, updated RegARIMA models for seasonal adjustment were implemented. These updated models improve the identification of seasonal patterns in the unadjusted net sales and net income after taxes for All Manufacturing, All Nondurable manufacturing, and All Durable manufacturing.

²Revised.

Table 2. U.S. Manufacturing Corporations - Seasonally Adjusted Sales and Net Income After-Tax^{1,2}

Industry group and year	Sales ³				After-tax profits ³			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All Manufacturing:								
1997	965,342	970,709	986,148	998,177	60,330	61,078	60,024	63,487
1998	989,064	980,239	985,317	996,099	74,368	48,083	58,760	53,738
1999	1,002,466	1,025,744	1,046,925	1,073,833	59,526	62,168	64,069	72,447
2000	1,119,563	1,127,827	1,144,057	1,122,611	77,006	69,489	71,124	52,760
2001	1,114,670	1,093,738	1,058,860	1,028,914	(280)	14,635	8,304	13,214
2002	1,024,168	1,048,985	1,064,751	1,077,306	25,236	36,481	38,698	39,362
2003	1,101,514	1,073,874	1,104,424	1,113,772	59,241	48,278	50,845	78,293
2004	1,181,925	1,223,306	1,243,827	1,283,318	76,806	85,330	87,562	98,299
2005	1,298,002	1,325,142	1,374,289	1,411,508	91,610	97,310	105,699	106,647
2006	1,441,138	1,458,119	1,454,948	1,427,772	121,669	113,004	123,217	112,753
2007	1,449,729	1,498,924	1,525,352	1,580,435	118,855	125,575	75,547	117,214
2008	1,614,468				119,511			
All Nondurable manufacturing:								
1997	462,726	455,167	460,742	466,192	33,189	30,156	29,640	30,389
1998	451,603	444,858	442,988	442,004	29,518	28,009	29,725	19,622
1999	445,180	452,200	460,148	477,159	26,119	28,387	30,115	33,030
2000	506,668	514,666	526,857	505,075	37,025	38,197	35,650	31,573
2001	507,784	506,241	488,529	471,480	31,144	33,807	25,517	21,676
2002	463,522	478,886	497,271	515,021	26,367	28,777	29,282	33,979
2003	541,112	514,628	532,226	525,659	43,512	33,807	28,244	43,102
2004	571,866	594,368	602,508	627,160	41,144	46,796	50,099	53,502
2005	637,219	649,554	688,377	704,113	55,717	57,105	62,046	65,479
2006	718,431	727,526	724,896	701,499	68,316	70,711	72,860	65,866
2007	712,534	753,687	758,779	816,503	69,684	71,788	67,426	70,591
2008	851,850				73,453			
All Durable manufacturing:								
1997	502,616	515,542	525,406	531,985	27,141	30,922	30,384	33,098
1998	537,461	535,381	542,329	554,095	44,850	20,074	29,035	34,116
1999	557,286	573,544	586,777	596,674	33,407	33,781	33,954	39,417
2000	612,895	613,161	617,200	617,536	39,981	31,292	35,474	21,187
2001	606,886	587,497	570,331	557,434	(31,424)	(19,172)	(17,213)	(8,462)
2002	560,646	570,099	567,480	562,285	(1,131)	7,704	9,416	5,383
2003	560,402	559,246	572,198	588,113	15,729	14,471	22,601	35,191
2004	610,059	628,938	641,319	656,158	35,662	38,534	37,463	44,797
2005	660,783	675,588	685,912	707,395	35,893	40,205	43,653	41,168
2006	722,707	730,593	730,052	726,273	53,353	42,293	50,357	46,887
2007	737,195	745,237	766,573	763,932	49,171	53,787	8,121	46,623
2008	762,618				46,058			

¹The seasonally adjusted estimates provided in this table were derived using a combination of SIC-based and NAICS-based estimates.

²Beginning with the 2007Q4 data release, updated RegARIMA models for seasonal adjustment were implemented. These updated models improve the identification of seasonal patterns in the unadjusted net sales and net income after taxes for All Manufacturing, All Nondurable manufacturing, and All Durable manufacturing.

³Revised.

Table 3. U.S. Manufacturing, Mining, and Trade Corporations – Not Seasonally Adjusted Sales and Profits

Industry group	Sales			Operating profits ¹			After-tax profits		
	1Q	4Q	1Q	1Q	4Q	1Q	1Q	4Q	1Q
	2008	2007 ²	2007 ²	2008	2007 ²	2007 ²	2008	2007 ²	2007 ²
	(million dollars)								
All manufacturing ³	1,565,807	1,585,023	1,405,836	91,809	86,896	98,170	118,478	105,634	117,332
All nondurable manufacturing	825,451	816,823	690,003	53,617	50,562	59,000	73,538	65,401	69,608
Food	148,606	145,784	116,478	9,052	9,439	6,441	7,464	10,341	5,642
Beverage and tobacco products	31,773	33,034	35,025	5,314	5,299	5,882	5,650	6,128	5,958
Textile mills and textile product mills	10,803	11,028	11,160	345	467	582	91	485	318
Apparel and leather products	21,083	22,726	19,913	1,831	2,165	1,990	1,581	1,559	1,568
Paper	36,305	36,750	35,658	1,049	690	1,065	167	1,375	1,193
Printing and related support activities	20,580	20,556	18,380	1,424	997	1,367	327	158	786
Petroleum and coal products	325,581	315,550	231,720	12,705	8,043	14,949	27,469	25,661	25,245
Chemicals	190,630	189,666	180,616	20,156	21,203	24,472	29,900	18,434	27,730
Basic chemicals, resins, and synthetics ⁴	67,631	63,265	59,273	3,283	2,053	3,475	5,110	2,398	3,732
Pharmaceuticals and medicines ⁴	70,944	75,612	73,634	10,458	13,399	14,490	18,382	8,877	18,686
All other chemicals ⁴	52,055	50,788	47,708	6,414	5,752	6,507	6,407	7,159	5,313
Plastics and rubber products	40,089	41,729	41,053	1,740	2,258	2,252	889	1,261	1,169
All durable manufacturing	740,356	768,200	715,833	38,192	36,335	39,170	44,940	40,234	47,724
Wood products	15,836	17,211	17,283	253	426	871	(34)	(24)	406
Nonmetallic mineral products	25,411	30,094	27,285	(61)	1,577	1,502	177	808	815
Primary metals	69,308	63,905	61,196	5,980	4,847	5,567	5,042	4,162	5,177
Iron, steel, and ferroalloys ⁴	37,791	32,906	29,501	2,989	2,460	2,791	2,260	1,532	2,077
Nonferrous metals ⁴	25,877	25,101	25,174	2,430	1,793	2,081	2,407	2,298	2,618
Foundries ⁴	5,640	5,898	6,521	561	595	695	374	332	483
Fabricated metal products	72,121	69,037	65,151	7,122	4,836	6,543	5,707	3,805	5,214
Machinery	94,087	92,839	88,597	8,227	7,102	7,840	6,907	7,685	7,030
Computer and electronic products	140,643	151,600	134,560	4,556	5,991	3,750	13,762	9,534	12,432
Computer and peripheral equipment ⁴	37,879	41,386	36,285	(284)	1,152	673	5,177	6,097	3,652
Communications equipment ⁴	30,041	33,219	28,315	(185)	(50)	(408)	2,300	(7)	2,609
All other electronic products ⁴	72,722	76,996	69,960	5,025	4,890	3,484	6,285	3,443	6,171
Electrical equipment, appliances, and components	51,482	56,290	48,484	3,778	4,647	2,992	6,247	8,456	6,841
Transportation equipment	212,235	225,622	216,896	3,445	1,867	4,578	2,078	2,013	4,432
Motor vehicles and parts ⁴	141,078	149,696	151,137	(3,872)	(5,508)	(2,091)	(3,358)	(3,782)	(660)
Aerospace products and parts ⁴	57,156	61,259	51,845	6,036	6,076	5,147	4,679	4,902	4,036
Furniture and related products	17,861	18,585	19,718	892	820	1,229	542	59	845
Miscellaneous manufacturing	41,372	43,016	36,664	4,001	4,222	4,299	4,512	3,737	4,533
All mining ³	57,406	54,193	45,886	15,627	13,184	11,439	11,247	11,090	9,125
All wholesale trade ³	474,780	486,267	426,077	10,697	11,931	12,508	5,721	7,675	8,969
All retail trade ^{3,5}	N/A	552,214	497,962	N/A	27,164	22,642	N/A	17,439	14,370

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 total assets of \$250 thousand and over at the time of sample selection; whereas, data for mining and trade corporations represent the quarterly results of companies with total assets of \$50 million and over at the time of sample selection.

⁴Included in major industry above.

⁵First quarter estimates for Retail Trade will be available on July 9, 2008, and will be published in the second quarter publication, scheduled for release on September 8, 2008.