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FIRST QUARTER 2007 DATA FROM THE QUARTERLY FINANCIAL REPORT U.S. MANUFACTURING, MINING, AND WHOLESALE TRADE CORPORATIONS

After-Tax Profits and Sales, First Quarter 2007 - Seasonally Adjusted

Manufacturing Corporations

In the first quarter of 2007, seasonally adjusted **after-tax profits** of U.S. manufacturing corporations totaled \$119.0 billion. First quarter 2007 after-tax profits were up \$6.3 (± 0.5) billion from the \$112.8 billion recorded in the fourth quarter 2006, but down \$3.7 (± 0.7) billion from the \$122.8 billion recorded in the first quarter of 2006.

First quarter 2007 seasonally adjusted **sales** for these manufacturers totaled \$1,463.9 billion, up \$22.1 (± 6.1) billion from the \$1,441.8 billion recorded in the fourth quarter of 2006, and up \$25.8 (± 10.7) billion from the \$1,438.1 billion recorded in the first quarter of 2006.

After-tax profits per dollar of sales averaged 8.1 cents for the quarter, compared with 7.8 cents in the previous quarter, and 8.5 cents in the first quarter of 2006.

Nondurable Goods Manufacturers

Nondurable goods manufacturers' seasonally adjusted **after-tax profits** in the first quarter of 2007 were \$68.1 billion, up \$3.1 (± 0.3) billion from the \$64.9 billion recorded in the fourth quarter of 2006, but not statistically different from the \$68.4 billion recorded in the first quarter of 2006.

Seasonally adjusted **sales** for the quarter were \$720.9 billion, up \$10.7 (± 3.2) billion from the \$710.3 billion recorded in the fourth quarter of 2006, but not statistically different from the \$716.3 billion recorded in the first quarter of 2006.

After-tax profits per dollar of sales averaged 9.4 cents for the quarter, compared with 9.1 cents in the previous quarter, but not statistically different from the 9.5 cents recorded in the first quarter of 2006.

Durable Goods Manufacturers

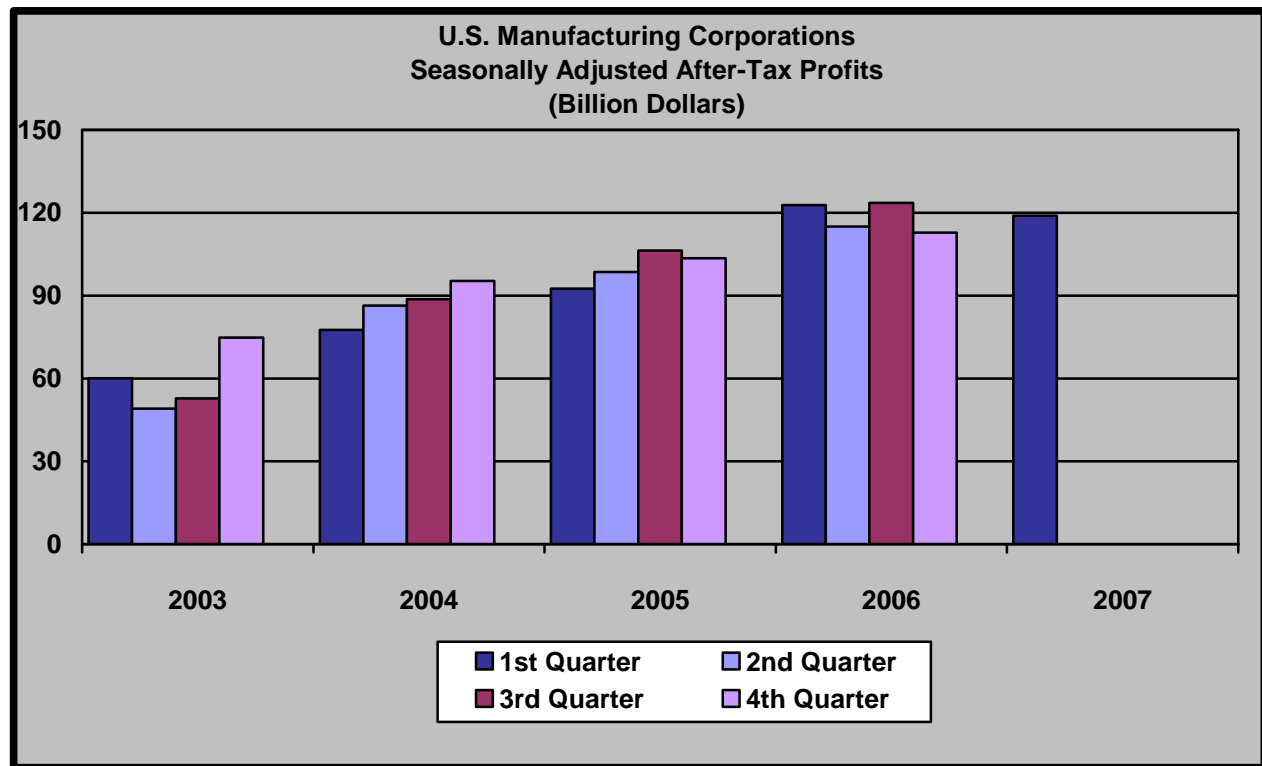
First quarter 2007 seasonally adjusted **after-tax profits** for durable goods manufacturers were \$51.0 billion, up \$3.1 (± 0.6) billion from the \$47.8 billion recorded in the fourth quarter of 2006, but down \$3.4 (± 0.5) billion from the \$54.4 billion recorded in the first quarter of 2006.

Seasonally adjusted **sales** for the quarter were \$743.0 billion, up \$11.5 (± 4.6) from the \$731.5 billion recorded in the fourth quarter of 2006, and up \$21.1 (± 7.1) billion from the \$721.9 billion recorded in the first quarter of 2006.

After-tax profits per dollar of sales averaged 6.9 cents for the quarter, compared with the 6.5 cents in the prior quarter, and 7.5 cents in the first quarter of 2006.

Manufacturing Corporations After-Tax Profits, 2003-2007 - Seasonally Adjusted

Between 2003 and 2006 despite quarterly variations, seasonally adjusted after-tax profits of U.S. manufacturing corporations increased. In the period since 2003, the first quarter of 2007 is the first quarter to show a decline over the same quarter in the previous year.



After-Tax Profits and Sales, First Quarter 2007 - Not Seasonally Adjusted

Manufacturing Corporations

First quarter 2007 unadjusted **after-tax profits** of U.S. manufacturing corporations were \$115.9 billion, down \$3.9 (± 0.7) billion from the \$119.8 billion recorded in the first quarter of 2006. Compared with fourth quarter 2006 after-tax profits of \$105.5 billion, first quarter 2007 after-tax profits were up \$10.4 (± 0.5) billion.

Manufacturers' unadjusted **sales** for the first quarter of 2007 were \$1,421.3 billion, up \$23.8 (± 10.7) billion from the \$1,397.4 billion recorded in the first quarter of 2006, but down \$24.2 (± 6.1) billion from fourth quarter 2006 sales of \$1,445.5 billion.

After-tax profits per dollar of sales averaged 8.2 cents in the first quarter of 2007, compared with 7.3 cents in the fourth quarter of 2006, and 8.6 cents in the first quarter of 2006.

Nondurable Goods Manufacturers

First quarter 2007 nondurable goods manufacturers' unadjusted **after-tax profits** were \$67.8 billion, down \$0.3 (± 0.3) billion from the \$68.1 billion recorded in the first quarter of 2006. Within industry categories, results were mixed. Chemical products' decrease of \$2.2 (± 0.2) billion, compared with the first quarter of 2006, reflected pharmaceuticals and medicines' loss of \$4.7 (± 0.1) billion, offset in part by the all other chemicals' gains of \$1.8 (± 0.2) billion, and basic chemicals' gains of \$0.7 (± 0.1) billion. Petroleum and coal products earnings increased by \$0.8 (± 0.1) billion.

Unadjusted **sales** for the first quarter of 2007 were \$699.1 billion, not statistically different from the \$695.3 billion recorded in the first quarter of 2006, but down \$7.5 (± 3.2) billion from fourth quarter 2006 sales of \$706.6 billion.

After-tax profits per dollar of sales averaged 9.7 cents in the first quarter of 2007, compared with 8.7 cents in the fourth quarter of 2006, but not statistically different from the 9.8 cents in the first quarter of 2006.

First quarter 2007 nondurable goods manufacturers' unadjusted **after-tax profits** of \$67.8 billion were up \$6.0 (± 0.3) billion from the \$61.7 billion in the fourth quarter of 2006. When compared with the fourth quarter 2006, results within the industry categories were mostly up. Industries reporting increases included petroleum and coal products, up \$2.5 (± 0.1) billion, beverage and tobacco products, up \$1.6 (± 0.1) billion, and chemical products, up \$4.6 (± 0.2) billion. Industries reporting a decline included paper products, down \$2.2 (± 0.1) billion, and food products, down \$1.8 (± 0.1) billion.

Durable Goods Manufacturers

First quarter 2007 durable goods manufacturers' unadjusted **after-tax profits** of \$48.1 billion were down \$3.6 (± 0.5) billion from the \$51.7 billion recorded in the first quarter of 2006. When compared with the first quarter of 2006, results within the industry categories were mixed. Computer and electronic products declined \$3.5 (± 0.2) billion, and transportation equipment's motor vehicles and parts industry declined \$1.8 (± 0.1) billion. However, electrical equipment and appliances was up \$1.1 (± 0.2) billion.

Unadjusted **sales** for the first quarter of 2007 were \$722.2 billion, up \$20.0 (± 7.1) billion from the \$702.1 billion recorded in the first quarter of 2006, and down \$16.8 (± 4.6) billion from the fourth quarter of 2006 sales of \$738.9 billion.

After-tax profits per dollar of sales averaged 6.7 cents in the first quarter of 2007, compared with 5.9 cents in the fourth quarter of 2006, and 7.4 cents in the first quarter of 2006.

First quarter 2007 durable goods manufacturers' unadjusted **after-tax profits** of \$48.1 billion were up \$4.4 (± 0.6) billion from the \$43.8 billion recorded in the fourth quarter of 2006. When compared with the fourth quarter of 2006, results within the industry categories were mixed. After-tax profits in the transportation equipment's motor vehicles and parts industry increased \$5.7 (± 0.1) billion. Fabricated metal products reported an increase of \$1.7 (± 0.2) billion, and machinery products increased \$1.8 (± 0.5) billion. In contrast computer and electronic products recorded a decrease of \$3.4 (± 0.2) billion, and electrical equipment and appliances reported a decrease of \$1.5 (± 0.1) billion.

Mining Corporations

First quarter 2007 unadjusted **after-tax profits** for mining corporations with assets of \$50 million and over, were \$8.8 billion, down \$4.1 (± 0.1) billion from the \$12.9 billion recorded in the first quarter of 2006.

Unadjusted **sales** for the first quarter of 2007 were \$43.7 billion, down \$1.9 (± 0.4) billion from the \$45.6 billion recorded in the first quarter of 2006.

After-tax profits per dollar of sales averaged 20.2 cents in the first quarter of 2007, compared with 28.4 cents recorded in the first quarter of 2006.

Wholesale Trade Corporations

First quarter 2007 unadjusted **after-tax profits** for wholesale trade corporations with assets of \$50 million and over, were \$9.1 billion, up \$0.7 (± 0.3) billion from the \$8.4 billion recorded in the first quarter of 2006.

Unadjusted **sales** for the first quarter of 2007 were \$437.5 billion, up \$27.3 (± 8.3) billion from the \$410.2 billion recorded in the first quarter of 2006.

After-tax profits per dollar of sales averaged 2.1 cents in the first quarter of 2007, not statistically different from the 2.1 cents recorded in the first quarter of 2006.

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/econhelp/qfr>. 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 2007 (QFR-07-1). This quarterly publication is available for downloading at our QFR internet website under "Press Releases and Publications". 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 8,400 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 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), 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 at the 90% confidence level. The quarterly publication, Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - First quarter 2007 (QFR-07-1), includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

Beginning with the publication in the third quarter of 2006, the methodology for calculating the sample variance has changed. See the Survey Methodology section of the Introduction in the quarterly publication for information on this change in methodology.

Schedule of Data Release Dates - 2007		
Reference Quarter	Manufacturing, Mining, and Wholesale Trade	Retail Trade
First 2007 Second 2007 Third 2007	September 10 December 10	July 11 October 09

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

#	Seasonally adjusted			Unadjusted		
	1Q 2007	4Q 2006 ¹	1Q 2006	1Q 2007	4Q 2006 ¹	1Q 2006 ¹
Rate of return (after taxes):						
Cents per dollar of sales.....	8.1	7.8	8.5	8.15	7.3	8.57
Percent on equity (annual rate).....	N/A	N/A	N/A	16.56	15.47	18.39
	(million dollars)					
Sales.....	1,463,931	1,441,784	1,438,113	1,421,263	1,445,498	1,397,414
Income after income taxes.....	119,044	112,767	122,751	115,902	105,516	119,808
Dividends paid (cash).....	N/A	N/A	N/A	37,254	60,664	37,624

¹Revised.

Table 2. U.S. Manufacturing Corporations - Seasonally Adjusted Sales and Net Income After-Tax¹

Industry group and year	Sales ²				After-tax profits ²			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All manufacturing:								
1996.....	914,353	931,477	947,849	963,283	51,391	53,789	60,965	58,996
1997.....	965,696	970,688	986,298	997,623	60,913	61,621	61,573	60,663
1998.....	989,480	980,178	985,622	995,453	74,919	48,771	60,847	50,096
1999.....	1,002,879	1,025,573	1,047,344	1,073,421	60,238	62,920	66,807	67,970
2000.....	1,119,613	1,127,687	1,144,175	1,123,293	77,847	70,370	74,161	47,823
2001.....	1,113,821	1,093,584	1,058,677	1,030,802	779	15,422	11,340	8,478
2002.....	1,022,387	1,048,855	1,064,325	1,080,589	26,157	37,362	41,211	35,241
2003.....	1,098,557	1,073,425	1,104,366	1,117,525	60,148	49,092	52,767	74,818
2004.....	1,178,353	1,222,218	1,244,718	1,287,471	77,636	86,384	88,686	95,250
2005.....	1,294,324	1,322,669	1,377,328	1,414,528	92,559	98,635	106,311	103,533
2006.....	1,438,113	1,448,544	1,460,618	1,441,784	122,751	114,978	123,565	112,767
2007.....	1,463,931				119,044			
All nondurable manufacturing:								
1996.....	442,222	451,466	457,294	464,740	27,989	28,204	32,037	30,728
1997.....	463,086	455,134	460,890	465,646	33,291	30,581	30,451	28,987
1998.....	452,035	444,776	443,284	441,371	29,656	28,391	30,824	17,851
1999.....	445,637	451,961	460,574	476,768	26,424	28,680	31,469	30,943
2000.....	506,796	514,401	526,989	505,786	37,572	38,226	37,288	29,297
2001.....	507,073	505,909	488,331	473,401	31,861	33,616	27,193	19,589
2002.....	461,975	478,551	496,710	518,315	27,081	28,371	30,868	32,288
2003.....	538,616	514,045	531,572	529,586	44,054	33,402	29,525	41,899
2004.....	568,986	593,607	601,534	632,031	41,439	46,527	51,114	52,533
2005.....	634,391	648,405	687,401	708,885	55,799	57,190	62,863	64,367
2006.....	716,252	727,456	727,879	710,253	68,360	71,619	74,121	64,930
2007.....	720,945				68,069			
All durable manufacturing:								
1996.....	472,131	480,011	490,555	498,543	23,402	25,585	28,928	28,268
1997.....	502,610	515,554	525,408	531,977	27,622	31,040	31,122	31,676
1998.....	537,445	535,402	542,338	554,082	45,263	20,380	30,023	32,245
1999.....	557,242	573,612	586,770	596,653	33,814	34,240	35,338	37,027
2000.....	612,817	613,286	617,186	617,507	40,275	32,144	36,873	18,526
2001.....	606,748	587,675	570,346	557,401	(31,082)	(18,194)	(15,853)	(11,111)
2002.....	560,412	570,304	567,615	562,274	(924)	8,991	10,343	2,953
2003.....	559,941	559,380	572,794	587,939	16,094	15,690	23,242	32,919
2004.....	609,367	628,611	643,184	655,440	36,197	39,857	37,572	42,717
2005.....	659,933	674,264	689,927	705,643	36,760	41,445	43,448	39,166
2006.....	721,861	721,088	732,739	731,531	54,391	43,359	49,444	47,837
2007.....	742,986				50,975			

¹Data after fourth quarter 2000 are presented on the North American Industry Classification System basis. Data prior to fourth quarter 2000 are presented on the Standard Industrial Classification system basis.

²Revised.

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 2007	4Q 2006 ²	1Q 2006 ²	1Q 2007	4Q 2006 ²	1Q 2006 ²	1Q 2007	4Q 2006 ²	1Q 2006 ²
	(million dollars)								
All manufacturing ³	1,421,263	1,445,498	1,397,414	98,390	86,040	96,038	115,902	105,516	119,808
All nondurable manufacturing	699,097	706,576	695,274	58,358	48,208	56,756	67,763	61,729	68,099
Food.....	123,087	123,778	113,177	6,720	8,258	5,583	5,740	7,499	4,981
Beverage and tobacco products	35,416	35,604	33,679	5,944	5,268	5,333	5,490	3,862	6,028
Textile mills and textile product mills	11,391	11,824	12,207	592	576	644	339	162	379
Apparel and leather products	20,180	22,825	21,587	1,998	2,075	1,971	1,653	1,670	1,442
Paper.....	35,820	36,349	35,042	1,073	2,437	913	1,090	3,339	44
Printing and related support activities	18,350	18,799	17,750	1,371	1,007	1,239	793	355	842
Petroleum and coal products.....	231,218	234,052	248,659	15,068	13,342	16,408	25,361	22,868	24,517
Chemicals.....	183,316	182,084	171,318	23,345	13,525	21,985	26,135	21,569	28,322
Basic chemicals, resins, and synthetics ⁴	61,879	59,269	55,746	3,736	2,633	4,049	4,019	3,661	3,297
Pharmaceuticals and medicines ⁴	73,952	74,565	70,118	13,022	4,508	12,972	15,979	11,818	20,689
All other chemicals ⁴	47,485	48,249	45,454	6,587	6,384	4,965	6,137	6,089	4,336
Plastics and rubber products	40,319	41,262	41,855	2,246	1,720	2,679	1,162	406	1,544
All durable manufacturing	722,166	738,922	702,140	40,032	37,831	39,282	48,139	43,787	51,709
Wood products	17,686	18,239	18,667	880	468	1,429	417	477	866
Nonmetallic mineral products.....	28,341	33,626	29,450	1,577	3,186	2,529	672	1,573	1,576
Primary metals	60,928	58,854	54,939	5,855	5,396	5,317	4,671	4,654	4,317
Iron, steel, and ferroalloys ⁴	29,413	26,732	26,553	2,821	2,211	2,780	2,111	1,775	2,350
Nonferrous metals ⁴	25,104	25,128	22,140	2,383	2,625	2,033	2,111	2,564	1,596
Foundries ⁴	6,411	6,994	6,247	651	559	504	448	316	371
Fabricated metal products	64,417	63,731	60,460	6,484	4,474	6,150	5,014	3,265	4,909
Machinery	88,225	87,806	84,019	7,347	6,372	7,172	6,593	4,810	6,175
Computer and electronic products	146,866	152,214	139,767	4,641	8,382	4,675	14,054	17,441	17,517
Computer and peripheral equipment ⁴	45,408	48,595	44,381	1,183	3,002	232	5,558	8,265	5,404
Communications equipment ⁴	29,022	29,597	27,851	(366)	279	452	2,432	2,984	3,198
All other electronic products ⁴	72,435	74,022	67,536	3,824	5,101	3,991	6,063	6,192	8,914
Electrical equipment, appliances, and components	48,920	50,757	45,908	3,377	4,581	3,215	7,086	8,626	5,967
Transportation equipment	210,417	218,230	215,058	4,342	772	3,005	4,092	(1,272)	5,321
Motor vehicles and parts ⁴	144,974	146,896	152,985	(2,361)	(5,753)	(2,565)	(866)	(6,529)	967
Aerospace products and parts ⁴	51,711	57,286	49,194	5,163	4,924	4,046	3,923	4,202	3,326
Furniture and related products	19,689	20,108	21,349	1,231	1,082	1,725	865	481	1,087
Miscellaneous manufacturing	36,676	35,358	32,522	4,299	3,119	4,065	4,676	3,733	3,974
All mining ³	43,665	45,238	45,558	10,681	11,870	14,341	8,816	14,514	12,942
All wholesale trade ³	437,540	441,209	410,229	12,579	12,982	11,873	9,140	8,154	8,449
All retail trade ³	N/A	530,422	468,162	N/A	30,161	22,613	N/A	20,498	15,597

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 assets over \$250,000; whereas, data for mining and trade corporations represent the quarterly results of companies with assets over \$50 million.

⁴Included in major industry above.