

U.S. Census Bureau News

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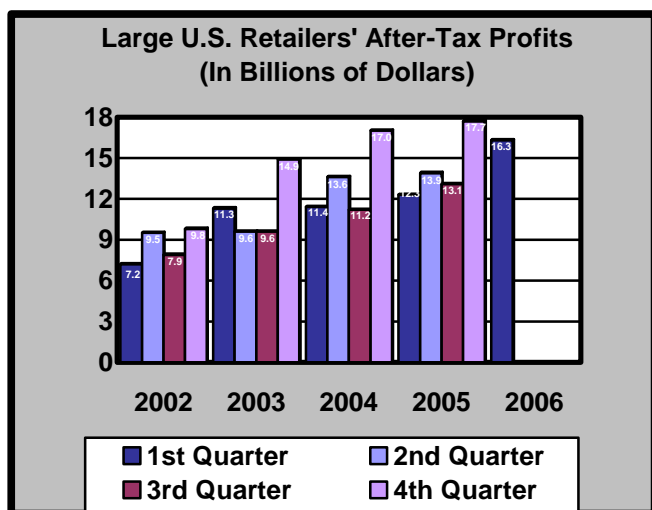
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FIRST QUARTER 2006 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT LARGE U.S. RETAIL TRADE CORPORATIONS



After-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$16.3 billion in the first quarter 2006, down \$1.5 (± 0.2) billion from the \$17.7 billion of the preceding quarter, but up \$4.0 (± 0.2) billion from \$12.3 billion of the same quarter a year ago, the U.S. Census Bureau reported. Sales in the first quarter 2006, at \$463.5 billion, were down \$15.3 (± 3.1) billion or 3.2 percent ($\pm 0.6\%$) from the \$478.8 billion of last quarter, but up \$37.5 (± 2.9) billion or 8.8 percent ($\pm 0.7\%$) from the \$426.0 billion of the first quarter of 2005. These data are not adjusted for seasonality.

After-tax profits for these corporations averaged 3.5 cents per dollar of sales for the first quarter of 2006, down 0.2 (± 0.1) cent from the 3.7 cents of the preceding quarter, but up 0.6 (± 0.1) cent from the 2.9 cents recorded in the first quarter of 2005.

The annual rate of after-tax profits on stockholders' equity in the first quarter of 2006 was 17.4 percent, down 2.1 percent ($\pm 0.3\%$) from the 19.5 percent of the fourth quarter of 2005, but up 2.7 percent ($\pm 0.2\%$) from the 14.7 percent of the first quarter of 2005.

NOTE

These data are based on quarterly financial reports obtained from approximately 500 corporations. More detailed information on the retail trade sector for the first quarter 2006 will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Second Quarter 2006 (QFR-06-2), scheduled for release on September 11, 2006.

SAMPLING

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 (± 0.2) cents", appearing in the text, indicates the range (+2.3 to +2.7 cents) 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 includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

DATA AVAILABILITY

This press release can be viewed today in page image format (.pdf) at the internet website <http://www.census.gov/csd/qfr>. More detailed information on U.S. Manufacturing, Mining, and Wholesale and Retail Trade Corporations is available for downloading at our website under "QFR Products: Publication". The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. Data presented are classified by industry and asset size.

Second quarter 2006 advance data for U.S. Manufacturing, Mining, and Wholesale Trade Corporations are scheduled for release on September 11, 2006, and for U.S. Retail Trade Corporations on October 11, 2006.

Table 1. Income Statement For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	1Q 2006	4Q 2005 ¹	1Q 2005 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	463,516	478,841	426,016
Less: Depreciation, depletion, and amortization.....	8,674	8,515	8,293
Less: All other operating costs and expenses	431,667	443,816	397,974
Income (or loss) from operations	23,175	26,510	19,750
Interest expense	3,320	3,233	3,013
Net nonoperating income (expense)	2,918	2,751	1,701
Income (or loss) before income taxes.....	22,773	26,028	18,438
Less: Provision for current and deferred domestic income taxes	6,515	8,284	6,131
Income (or loss) after income taxes	16,258	17,744	12,307
Cash dividends charged to retained earnings in current quarter.....	3,500	2,749	2,971
Net income retained in business.....	12,758	14,995	9,336
Retained earnings at beginning of quarter	261,211	244,161	245,266
Other direct credits (or charges) to retained earnings (net)	(5,140)	(771)	(6,276)
Retained earnings at end of quarter.....	268,829	258,385	248,326

Table 2. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	1Q 2006	4Q 2005 ¹	1Q 2005 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.9	1.8	1.9
Less: All other operating costs and expenses	93.1	92.7	93.4
Income (or loss) from operations.....	5.0	5.5	4.6
Interest expense	0.7	0.7	0.7
Net nonoperating income (expense)	0.6	0.6	0.4
Income (or loss) before income taxes	4.9	5.4	4.3
Less: Provision for current and deferred domestic income taxes	1.4	1.7	1.4
Income (or loss) after income taxes	3.5	3.7	2.9

Table 3. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	1Q 2006	4Q 2005 ¹	1Q 2005 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	24.34	28.59	22.07
After income taxes	17.38	19.49	14.73
Annual rate of profit on total assets:			
Before income taxes	10.35	12.09	9.23
After income taxes.....	7.39	8.24	6.16

¹Revised.