

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR RELEASE MONDAY, DECEMBER 21, 2015 AT 10 A.M. EST

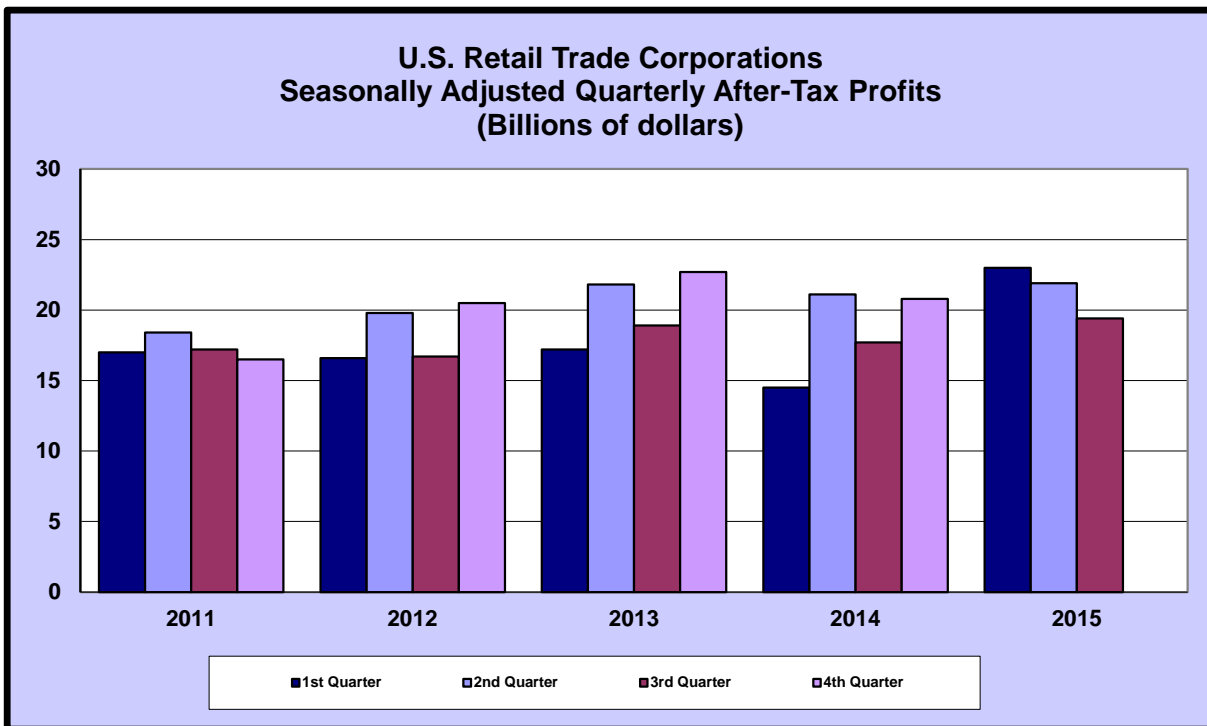
CB15-211

U. S. Census Bureau Contact:

Brandi Maxson or Rose Antonio (301) 763-6600

e-mail: csd.qfr@census.gov

THIRD QUARTER 2015 DATA FROM THE QUARTERLY FINANCIAL REPORT: LARGE U.S. RETAIL TRADE CORPORATIONS



After-Tax Profits and Sales, Third Quarter 2015 – Seasonally Adjusted

Seasonally adjusted after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$19.4 billion, down \$2.6 (± 0.1) billion from the \$21.9 billion in the second quarter of 2015, but up \$1.7 (± 0.3) billion from the \$17.7 billion recorded in the third quarter of 2014.

Seasonally adjusted sales for the quarter totaled \$675.5 billion, up \$7.2 (± 3.0) billion from the \$668.3 billion recorded in the second quarter of 2015, and up \$10.3 (± 9.0) billion from the \$665.1 billion recorded in the third quarter of 2014.

After-Tax Profits and Sales, Third Quarter 2015 – Not Seasonally Adjusted

Third quarter 2015 after-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$17.9 billion, up \$1.7 (± 0.3) billion from the after-tax profits of \$16.2 billion recorded in the third quarter of 2014, but down \$3.4 (± 0.1) billion from the after-tax profits of \$21.3 billion recorded in the second quarter of 2015.

Sales in the third quarter of 2015, were \$662.2 billion, up \$10.4 (± 9.0) billion from the \$651.9 billion recorded in the third quarter of 2014, but down \$3.0 (± 3.0) billion from the \$665.3 billion recorded in the second quarter of 2015.

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

Item	3Q 2015	2Q 2015 ³	3Q 2014 ³
	(million dollars)		
Net sales, receipts, and operating revenues	662,224	665,254	651,860
Less: Depreciation, depletion, and amortization	13,668	13,174	12,726
Less: All other operating costs and expenses	617,903	618,044	609,681
Income (or loss) from operations	30,654	34,036	29,452
Interest expense	4,958	5,056	4,326
Net nonoperating income (expense)	1,417	2,932	(119)
Income (or loss) before income taxes	27,113	31,912	25,007
Less: Provision for current and deferred domestic income taxes	9,197	10,576	8,762
Income (or loss) after income taxes	17,916	21,336	16,245
Cash dividends charged to retained earnings in current quarter	7,786	6,025	4,931
Net income retained in business	10,130	15,311	11,314
Retained earnings at beginning of quarter	409,525	400,510	387,711
Other direct credits (or charges) to retained earnings (net)	(18,137)	(6,819)	(3,667)
Retained earnings at end of quarter	401,518	409,002	395,358

¹This table only includes estimates for corporations with 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 <http://www.census.gov/econ/qfr>.

³Revised.

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

Item	3Q 2015	2Q 2015 ³	3Q 2014 ³
	(cents per dollar of sales)		
Net sales, receipts, and operating revenues	100.00	100.00	100.00
Less: Depreciation, depletion, and amortization	2.06	1.98	1.95
Less: All other operating costs and expenses	93.31	92.90	93.53
Income (or loss) from operations	4.63	5.12	4.52
Interest expense	0.75	0.76	0.66
Net nonoperating income (expense)	0.21	0.44	(0.02)
Income (or loss) before income taxes	4.09	4.80	3.84
Less: Provision for current and deferred domestic income taxes	1.39	1.59	1.34
Income (or loss) after income taxes	2.71	3.21	2.49

¹This table only includes estimates for corporations with 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 <http://www.census.gov/econ/qfr>.

³Revised.

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

Item	3Q	2Q	3Q
	2015	2015 ³	2014 ³
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	22.68	25.71	20.40
After income taxes	14.98	17.19	13.26
Annual rate of profit on total assets:			
Before income taxes	7.89	9.52	7.79
After income taxes	5.22	6.36	5.06

¹This table only includes estimates for corporations with 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 <http://www.census.gov/econ/qfr>.

³Revised.

Table 4. U.S. Retail Trade Corporations, Assets \$50 Million and Over - Seasonally Adjusted Sales and Net Income After Tax^{1, 2}

Industry group and year	Sales				Net Income After Tax			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	(million dollars)				(million dollars)			
All retail								
2004	406,507	410,777	422,026	427,135	12,243	14,510	11,185	17,000
2005	437,876	447,797	458,902	467,432	13,185	14,816	14,521	16,042
2006	480,200	493,142	498,014	501,371	16,511	14,913	15,205	16,194
2007	509,881	514,994	516,370	520,440	15,316	18,383	14,459	14,010
2008	523,418	536,533	531,754	500,410	12,223	13,345	9,974	(6,952)
2009	496,029	495,324	508,801	519,199	8,472	13,876	13,232	20,593
2010	532,677	534,753	539,765	550,016	16,638	17,231	14,970	19,068
2011	568,164	585,078	586,016	585,582	17,009	18,352	17,244	16,497
2012	604,579	597,862	602,904	610,575	16,595	19,768	16,682	20,549
2013	620,107	626,679	635,936	641,708	17,242	21,805	18,932	22,715
2014	642,057	658,574	665,139	667,747	14,542	21,118	17,687	20,807
2015	653,946	668,276	675,474		23,036	21,928	19,359	

¹This table only includes estimates for corporations with assets of \$50 million and over at the time of sample selection.

²For information on adjustment for seasonal variation, see the Introduction, Survey Methodology section, in the *Quarterly Financial Report for Manufacturing, Mining, Trade, and Selected Service Industries*, or at the QFR internet website <http://www.census.gov/econ/qfr/collection.html>.

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, as well as information on adjustments for seasonal variation, are available at the QFR internet website. Time series/trend chart data are available at <http://www.census.gov/econ/qfr/index.html>, select the Time Series/Trend Charts link under Latest QFR Press Releases.

RELIABILITY OF THE ESTIMATES

Estimates of change presented in this press release are calculated using unrounded data. The calculated difference is then rounded to the nearest unit of measure. Due to this rounding, differences may not add to the totals. The same applies to the calculated confidence intervals. Thus, a difference of \$0.0 billion indicates the difference is less than \$0.05 billion. A confidence interval of ± 0.0 billion indicates a confidence interval with width of less than ± 0.05 billion on each side of the estimated value.

Data in this press release are based on quarterly financial reports from approximately 600 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, Trade and Selected Service Industries – Third Quarter 2015* (QFR/15-Q3), includes more detailed explanations of nonsampling and sampling error, and additional measures of sampling variability.

DATA QUALITY INDICATORS

The QFR produces two indicators of data quality: the Unit Response Rate (URR) and the Total Quantity Response Rate (TQRR)¹. The URR is defined as the percentage of sampled units (unweighted) that responded to the current quarter’s survey. In determining the URR, a unit is classified as a respondent if it provided adequate information for key QFR data items. The TQRR is defined as the weighted estimated total of a key QFR data item that is either reported by a survey unit or acquired from some other information source (such as a publicly available quarterly or annual report) that is determined to be equivalent in quality to reported data. The TQRR is calculated for the QFR data items Net sales, Depreciation, Income before income taxes, and Total assets.

The Unit Response Rate (URR) and Total Quantity Response Rates (TQRR) for the current quarter are: URR for All retail trade: 61.5%; TQRR for Net sales: 89.1%; TQRR for Depreciation: 88.7%; TQRR for Income before income taxes: 91.3%; and TQRR for Total assets: 89.5%. For more information, see the Introduction, Survey Methodology section, in the *Quarterly Financial Report for Manufacturing, Mining, Trade, and Selected Service Industries*.

¹Imputation Rate = 100% - TQRR.

U.S. Retail Trade Corporations Schedule of Release Dates for Calendar Year 2016	
Fourth Quarter 2015	March 21, 2016
First Quarter 2016	June 6, 2016
Second Quarter 2016	September 6, 2016
Third Quarter 2016	December 5, 2016