

## Press release

### Solid sales and profit growth for Jotun

**Sandefjord, May 28, 2019: Jotun recorded sales of NOK 6 245 million in the first four months of the year, an increase of 10 per cent compared to the same period last year. Operating profit increased by more than 50 per cent rising to NOK 851 million.**

The positive sales development was supported by strong growth in the sale of protective coatings and the implementation of price increases in all segments last year. Sales of marine coatings are also improving after a period of low demand. In addition, positive currency effects contributed to top line growth.

President and CEO, Morten Fon notes that Jotun's improved sales follow a lengthy period of challenging market conditions in some markets. "As one of the world's leading suppliers of coatings to the shipping and offshore industries, our results have improved in line with the recovery of these markets," he says. "We anticipate sales will continue to grow throughout 2019, supported by increased newbuilding activity for ships and offshore units."

#### Strong result improvement

While last year's result was characterized by lower sales and high raw material prices, operating profit for the first four months of the year improved significantly to end at NOK 851 million (2018: NOK 561 million). "Our profitability has been supported by steps taken to control costs and compensate for high raw material prices," he says. "Uncertainty related to developments in raw material prices requires we maintain a good cost control going forward".

#### Investments continue

Jotun invested a total of NOK 481 million in tangible and intangible assets in the first four months. This represents eight per cent of the company's total revenue, about twice the amount recorded in 2018. (NOK 218 million). The largest investments are related to the construction of Jotun's new head office and R&D Centre in Sandefjord, as well as investments to increase production capacity in Egypt and Vietnam.

#### Highlights so far in 2019:

- Strong growth in sales and operating profit
- Improved sales of Marine and Protective Coatings, following a challenging period
- Continuing to invest for the future

Financial key figures (NOK million)	T1 2019	T1 2018	Change
Operating revenue	6 254	5 658	+ 10 %
Operating profit	851	561	+ 52 %
Profit before tax	792	464	+ 71 %

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