

Press release

Strong start to the year for Jotun

(Sandefjord, May 29, 2023): **Sales income increased to NOK 10 389 million, while the operating result reached NOK 2 122 million for the first four months of the year. However, significant uncertainty persists in several key markets.**

The strong sales growth continues for the Norwegian paint manufacturer Jotun, with an increase of 23 per cent compared to the same period last year. The growth was driven by a combination of price increases, volume growth and positive currency effects due to a historically weak Norwegian krone.

"We have had a very good tertiary, with positive sales development in all segments and regions. However, the demand for decorative paints in the Scandinavian market is sluggish, and the market for powder coatings remains challenging", comments Jotun's President and CEO, Morten Fon.

Operating result

Profitability strengthened and the operating result increased by 86 per cent compared to last year. The improvement was mainly driven by increased sales and higher gross margin, in addition to good cost control.

"The operating result is all-time high, which is a great achievement. We are taking market shares and are controlling costs well, despite a high activity level. In addition, easing raw material prices have started to impact our margins positively", says Fon.

Raw material prices eased somewhat in the first tertiary. However, prices are still historically high.

Outlook

While Jotun's outlook is positive, significant uncertainties persist, including increased currency volatility, rising inflation and interest rates and lower global economic growth.

"There is geopolitical tension and uncertainty in the world. Jotun is however well-positioned to handle this and achieve further profitable growth", says Fon.

Jotun invested nearly NOK 500 million in new and existing facilities during the first tertiary. The company maintains its long-term growth strategy and investment plans.

Financial key figures

<i>(Mill. NOK)</i>	<i>T1/2023</i>	<i>T1/2022</i>	<i>Change</i>
Operating revenue	10 389	8 459	23 %
Operating profit	2 122	1 143	86 %
Profit before tax	1 860	980	90 %

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