

# AkzoNobel splashes out as Q1 profits paint rosy picture

April 24 2018

---



AkzoNobel, the world's leading paintmaker, owns brands such as Dulux and Trimetal

Leading global paintmaker AkzoNobel Tuesday posted rising first quarter profits and after a turbulent year in 2017 hailed its

transformation into a focused paints company.

Last month the company announced it was selling its chemicals arm to US-based investors Carlyle Group and Singapore's GIC for 10.1 billion euros (\$12.6 billion), seeking to restore investor confidence in the Dutch giant.

That was "a key milestone" in the company's history, said chief executive Thierry Vanlancker, revealing profits for the first three months rose 5.0 percent on the same period in 2017 to hit 253 million euros.

Sales however dropped some 8.0 percent to 2.2 billion euros, hit mainly by fluctuating currencies. Volume was also hit as "headwinds continue for marine and protective coatings," said Vanlancker.

The manufacturer of such household paint brands as Dulux and Trimetal, AkzoNobel last year decided to divest its chemicals arm as it fended off an increasingly hostile takeover bid by US-based rival PPG.

After making three offers, PPG eventually dropped its efforts in mid-2017, which would have valued the Dutch [company](#) at 26.9 billion euros.

The sale to Carlyle Group and Singapore's GIC is due to be completed towards the end of 2018, with the net proceeds after deductions of about 7.5 billion euros due to be distributed to shareholders.

"The transformation is gaining momentum and we are on track for delivering 15 percent return on sales by 2020," said Vanlancker.

© 2018 AFP

Citation: AkzoNobel splashes out as Q1 profits paint rosy picture (2018, April 24) retrieved 4 May 2024 from <https://phys.org/news/2018-04-akzonobel-splashes-q1-profits-rosy.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.