

Philips underlying 2018 profit higher after lighting sale

January 29 2019

Dutch electronics giant Philips said Tuesday its 2018 headline earnings plunged more than 40 percent, reflecting the disposal of its lighting business, but underlying profit rose while sales were steady.

The company, which is focusing its business on [medical equipment](#) and services, said its full-year net profit was down 41.3 percent at 1.09 billion euros (\$1.25 billion) on sales of 18.12 billion euros, up nearly two percent.

Philips said however that 2018 net profit on its continuing activities jumped more than 27 percent to 1.31 billion euros.

"We achieved our objectives for the year," company chief Frans van Houten said in a statement.

"While Philips continues to face global geopolitical challenges and market volatility, for which we are taking the necessary measures, we see an improvement in our performance dynamic," Van Houten added.

The company reaffirmed its 2019 targets of a 4.0-6.0 percent increase in sales on a comparable basis, plus an improved operating margin.

Best known for the making [light bulbs](#), [electrical appliances](#) and [television sets](#), Philips has dropped these activities in face of fierce competition from Asia.

It focuses now more on high-end medical and health technology as well as household appliances.

The group, which sold its first light bulb a few years after it was founded in 1891, listed its Philips Lighting division, known as Signify, on the Amsterdam stock exchange in March last year.

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Citation: Philips underlying 2018 profit higher after lighting sale (2019, January 29) retrieved 27 April 2024 from <https://phys.org/news/2019-01-philips-underlying-profit-higher-sale.html>

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