

# Food giant Unilever posts 5% drop in 2015 profits

THE HAGUE - Dutch food and cosmetics giant Unilever Tuesday posted a 5.0 percent fall in 2015 profits from the previous 12 months, saying it had been a "challenging year" amid the economic slowdown.



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Turnover was up 10% to \$53.3 billion thanks to increased volumes and a favourable exchange rate, but net profit attributable to shareholders was down to \$4.91 billion, compared with \$5.2 billion in 2014.

"We are preparing ourselves for tougher market conditions and high volatility in 2016, as world events in recent weeks have highlighted," chief executive Paul Polman said in a statement.

He noted that 2015 had been "a challenging year with slower global economic growth, intensifying geopolitical instability, and high currency and commodity volatility" for the Rotterdam-based group. The stock market took the news in its stride with Unilever shares on the Amsterdam AEX exchange up some 3.0 percent in early trade at 38.6 euros.

Consumer demand for the group's products, which include such brand names as Knorr soup, Dove beauty care products, Hellmann's mayonnaise and Lipton tea, remained "fragile," the company said in a statement.

Despite underlying sales growth of 4.1 percent, "many emerging markets continued to be weak, particularly those dependent on oil and other commodity exports," Unilever added, releasing its 2015 earnings statement.

European markets however returned to growth last year, with home care products and ice cream sales growing strongly. Food sales were particularly robust in Britain and Germany. Latin America also delivered "double digit underlying sales growth" but Asian markets were a mixed bag.

Unilever was founded in 1930 and has grown into a massive conglomerate, employing some 173,000 people around the world.

**Source:** AFP

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