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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

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Randall Chase, AP Business Writer

DOVER, Delaware (AP) — Chemical and bioscience company DuPont Co. says weakness in its performance chemicals and electronics and communications businesses, coupled with costs associated with growth initiatives, led to a sharp drop in fourth-quarter income.

The company on Tuesday reported net income of \$111 million, or 12 cents per share, for the last three months of 2012, down 70 percent from \$373 million, or 40 cents per share, for the fourth quarter of 2011.

Sales for the quarter were flat at \$7.3 billion, with currency effects and portfolio changes offsetting a 3 percent increase in global volumes. Sales in Latin America grew 10 percent, with an 8 percent volume gain and a 7 percent increase in local prices. A 6 percent increase in volume in the Asia-Pacific region, was offset by negative currency and pricing effects.

But the results still beat the consensus estimate of Wall Street analysts of 7 cents per share on revenue of \$7.2 billion. Its shares rose 53 cents to \$47.52 in morning trading.

For 2013, DuPont said it expects operating earnings excluding significant items will rise to a range of \$3.85 to \$4.05 from \$3.77 per share in 2012.

DuPont chairwoman and CEO Ellen Kullman said the company is stronger than it was a year ago, having posted a record year in new product introductions.

"However, weakness in markets served by performance chemicals and electronics and communications provided significant challenges in 2012," she said. "We've adjusted our plans to meet the changing market environment and grow our businesses in a slow-growth world economy."

One-time items affecting fourth-quarter results included \$135 million to resolve legal claims stemming from the use of DuPont's Imprelis weedkiller, bringing the total amount spent on Imprelis claims to \$750 million.

DuPont, based in Wilmington, Delaware, also recorded asset impairment and restructuring charges totaling \$99 million, and a pretax gain of \$117 million associated with the sale of a business within its agricultural unit.

Its fourth-quarter performance was led by the agricultural unit, which saw sales increase 18 percent to \$1.5 billion on 11 percent higher volumes and 7 percent higher prices. Full-year sales for the agricultural unit were up 14 percent to \$10.4 billion on 8 percent higher volume and 6 percent higher prices. DuPont said sales of its Pioneer seeds benefited from higher global volume and pricing gains in corn and

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soybeans, while strong demand for insecticides and herbicides resulted in increased sales of crop protection products.

Sales in DuPont's performance chemicals unit totaled \$1.6 billion for the quarter, down 15 percent on 8 percent lower volume and 7 percent lower prices. The company attributed the lower volumes primarily to weak demand for fluoropolymers in U.S. and Europe, while lower prices reflected cyclical pressure in the market for titanium dioxide, a whitening pigment with a broad range of industrial applications.

For the full year, DuPont earned almost \$2.8 billion, or \$2.95 per share, on sales of \$34.8 billion. That's down from last year's net income of almost \$3.5 billion, or \$3.68 per share, on sales of \$33.7 billion. Sales volumes were down 2 percent.

Source URL (retrieved on 04/28/2015 - 12:36pm):

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