

Michelin's net profit of €1.6bn for the year

PARIS, FRANCE: French tyre company Michelin reported a 7.4% rise in net profit in for 2012 with a boost from capital gains but was cautious about the outlook for the market this year.

The group's net profit rose to €1.6bn as operating profit before non-recurrent items increased by 25% to €2.4bn.

The group said that the results for 2012 reflected effective pricing, the strength of a global presence and a limited impact from the price of raw materials.

Michelin said sales rose by 3.6% to €21.5bn but the volume of tyre sales fell by 6.4% because demand remained sluggish in the second half of the year.

The group expected to pay a dividend of €2.40 per share.

The company was cautious about the outlook for this year and said it was aiming for stable sales volumes and operating profits from a positive cash flow. It forecast an operating profit of €2.9bn for the year.

Source: *AFP* via I-Net Bridge