

Novozymes reports 17% growth

22 January 2013 | News | By BioSpectrum Bureau

Novozymes reports 17% growth



Novozymes, the world leader in bioinnovation and industrial enzymes, reported 7% sales growth in 2012 when compared with 2011. Earnings before interest and taxes (EBIT) increased by 17%, raising the EBIT margin to 24.4%. Net profit grew by 10%. Strong free cash flow before acquisitions of DKK 1,581 million exceeded the outlook. For 2013, the EBIT margin is expected to remain at its current high level, while organic sales growth is expected to increase to 5-8%. Long-term financial targets adjusted to reflect high profitability and timing of sales growth.

"We delivered strong earnings growth and record profitability in a year when organic sales growth was challenged and came in at 4% - below our ambition," says Mr Steen Riisgaard, outgoing president and CEO. "With 2012 behind us, we have reviewed our long-term growth scenarios and decided to adjust our long-term financial targets. We are still confident that we can reach the long-term sales growth target of more than 10%, although not until 2015. Meanwhile, profitability will remain at current levels, and we are raising our target for EBIT margin to more than 24%. The ROIC target is confirmed as more than 22%. The company's strategy is unchanged and, under the leadership of the new president and CEO, Mr Peder Holk Nielsen, Novozymes will continue to focus on innovation, partnerships and sustainability," he added.

Novozymes India began its operations in 1983 with two employees operating from a business center. Since then the Indian operations have grown into an organization spread across three sites in India covering manufacturing, business functions, a shared service center, and R&D with over 400+ employees. Over the last 25 years it has become the largest supplier of industrial enzymes and microorganisms in India, catering to requirements in the household care, food, feed, textile, leather, oils and fats, beverage alcohol, and biofuel industries.