

BUSINESS & FINANCE

Procter & Gamble Sales Tick Up

Higher prices helped offset a volume drop at the consumer products company

By Kelly Cloonan and Nicholas G. Miller

Procter & Gamble posted slightly higher revenue in its fiscal second quarter as an increase in prices helped offset a decline in volumes.

The company said it has seen a difficult operating environment in the beginning of the fiscal year but that results would likely improve in the back half as its product-innovation efforts take hold.

"It's been a challenging start to the fiscal year with softer consumer markets, aggressive competition and a dynamic geopolitical landscape. We expect stronger results in the second half," said Chief Financial Officer Andre Schulten in the company's earnings call on Thursday.

The maker of Crest toothpaste and Pantene shampoo

cuts its earnings outlook for the fiscal year, citing higher restructuring charges. It does expect commodity costs to ease a bit and backed its prior forecast for adjusted earnings.

Shares ticked up 2.6% to \$149.93 Thursday.

The company posted a profit of \$4.32 billion, or \$1.78 a share, for the fiscal second

quarter ended Dec. 31, compared with \$4.63 billion, or \$1.88 a share, in the like period a year earlier. The decrease was primarily driven by higher restructuring charges, it said.

Adjusted earnings per share were \$1.88, ahead of estimates of \$1.86, according to analysts polled by FactSet.

Revenue climbed 1% to \$22.21 billion, just short of analyst estimates of \$22.3 billion.

Organic sales, a figure that

strips out the impact of acquisitions, divestitures and currency effects, were flat, as a decline in unit volume offset higher pricing. The metric rose 4% in P&G's beauty segment and 3% in its healthcare unit, and retreated 4% in its baby, feminine and family-care business.

Looking ahead, P&G continues to forecast sales growth of 1% to 5% and organic sales to be flat to up 4% for the fiscal year, which ends June 30.

The consumer-products company now expects fiscal-year net earnings per share to rise between 1% and 6%, compared with a prior growth forecast of 3% to 9%. The updated guidance reflects higher non-core restructuring charges in the year, P&G said.

Adjusted earnings for the year are still expected to be flat to up 4%.

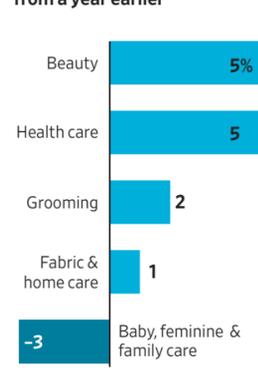
P&G expects results to improve in its fiscal year's second half.

Procter & Gamble's net sales, change from a year earlier



Note: Latest fiscal quarter ended Dec. 31. Sources: S&P Capital IQ (net sales); the company (segments)

Net sales by segment, change from a year earlier



A drop in profit was caused by higher restructuring charges.



An autonomous vehicle is displayed at the Autodesk stand at an industrial technology fair in Hanover, Germany, in 2023.

Autodesk Restructuring Set To Eliminate 1,000 Positions

By Robb M. Stewart

Autodesk plans to cut about 1,000 jobs, roughly 7% of its workforce, as part of a global restructuring plan as it seeks to strengthen sales and marketing.

The move is the final phase of efforts by the maker of AutoCAD and other digital design software to streamline customer engagement and bolster its sales channels. The plan also reallocates resources in certain other functions to accelerate strategic priorities, Autodesk said Thursday.

The company said a significant

portion of the job cuts will be within customer-facing sales functions.

Autodesk forecast the move will result in pretax restructuring charges of about \$135 million to \$160 million, largely tied to employee termination benefits. Most of the pretax restructuring charges will result in cash expenditures during the fiscal year through Jan. 31, 2027, it said. The company said

A significant portion of the cuts will be customer-facing sales functions.

it expected to record before-tax restructuring charges of roughly \$110 million in the fourth quarter of fiscal 2026, and the remainder the following year.

Autodesk said it expected to complete the plan by the end of fiscal 2027, subject to local law and consultation requirements.

Shares gained 4.8% to \$269.77 on Thursday.

McCormick Cuts Profit Outlook for Fiscal Year

By Connor Hart

McCormick & Co. posted higher sales in the fourth quarter but expects higher costs to dent profits for the fiscal year.

Chief Executive Brendan Foley on Thursday said the company continues to face inflationary pressures and rising costs.

Foley told analysts in October that the company was absorbing incremental costs as tariffs climbed higher than expected.

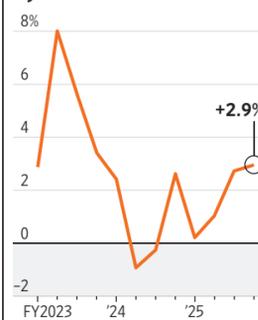
Shares fell 8% to \$61.20 on Thursday.

The spice and seasoning maker posted net income of \$226.6 million, or 84 cents a share, for its quarter ended Nov. 30, compared with \$215.2 million, or 80 cents a share, a year earlier. Stripping out one-time items, earnings were 86 cents a share.

Quarterly sales rose 2.9% to \$1.85 billion.

McCormick forecast net sales to grow between 13% and 17% in fiscal 2026, boosted by sustained volume growth and increased pricing benefits compared with the previous year.

McCormick & Co. quarterly sales, change from a year earlier



Note: Latest fiscal quarter ended Nov. 30. Source: S&P Capital IQ



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