

20 May 2026

Quarterly update – Q1 2026

A good start to 2026, despite the Middle East conflict

- ✓ Solid underlying growth in both sales and earnings
- ✓ Reported results impacted by negative currency translation effects due to a stronger NOK
- ✓ Increased uncertainty and a challenging outlook due to the ongoing war in the Middle East

Jotun has had a good start to the year with a solid first quarter. Although the war in the Middle East started to weigh on performance towards the end of the quarter, the overall impact on Group results remained limited in Q1, as the effects were confined to March.

Operations in war-affected areas in the Middle East have been maintained despite challenging logistics and operating conditions while at the same time ensuring that employee safety always remains the top priority.

Operating revenue

In Q1, Jotun reported operating revenue on par with the same period last year (+0.1%). Excluding negative currency translation effects due to a stronger Norwegian krone, underlying revenue growth was 9%.

All segments and regions contributed to the underlying sales growth in Q1, led by solid Decorative sales in both Europe & Central Asia and South East Asia & Pacific. Growth was driven by higher volumes as well as positive mix effects, including increased premium sales.

Only 8% of the Group's reported revenue in Q1 originated from units directly affected by the war in the Middle East. Of the eight units in the affected areas, only three are majority-owned by Jotun and therefore included in the Group's consolidated operating revenue. For the remaining units, Jotun's pro rata share of profit is recognised directly in operating profit.

Operating profit

Jotun's operating profit increased by 5% in the first quarter compared to the same period in 2025. Excluding negative currency translation effects, the underlying growth was 16%.

The solid underlying performance was driven by increased sales as well as improved gross margin as raw material prices remained favourable during the first quarter. Additionally, good cost control contributed to keeping other operating expenses stable at the same level as last year.

Share of profits from associate companies in the Middle East, all located in war-affected areas, accounted for 11% of reported operating profit in Q1 and declined by 17% compared to Q1 2025. Excluding negative currency translation effects, however, the underlying decline was only 5%.

Outlook

Jotun's outlook for the coming quarters is characterised by a high degree of uncertainty due to the ongoing war in the Middle East. While the direct effects of the conflict are most pronounced in the region, the consequences are global in nature, as higher energy prices, supply chain disruptions and increased logistics costs affect business conditions across all regions and segments, albeit with varying timing and magnitude.

If the war persists, supply-related effects are expected to influence the Group's financial performance more significantly in the coming quarters. Even in the event of a near-term de-escalation, supply chains are expected to take time to normalise, and higher raw material prices and availability challenges are therefore expected to weigh on margins throughout the year. In addition, demand-related effects remain uncertain and will depend on the duration of the war and its broader impact on economic activity and sentiment.

Jotun has initiated a range of measures, including price increases, alternative sourcing initiatives and a strengthened focus on cost control to mitigate the challenges posed by the Middle East conflict. In addition, certain investments in war-affected areas have been temporarily put on hold. However, the effects of mitigating actions, including price increases, will be reflected gradually.

While the current outlook is highly uncertain, Jotun benefits from a globally diversified business model, with broad geographic exposure, a wide product range, and a diverse customer base. This diversification has

Jotun is one of the world's leading manufacturers of decorative paints, marine, protective and powder coatings. The Group has 68 companies and 40 production facilities globally, and 11 000 employees. Jotun products are available in more than 100 countries through own subsidiaries, joint ventures, associates, branch offices, dealers and distributors. The Jotun Group's sales in 2025 were NOK 34.3 billion. The Jotun Group is organised into four segments and five geographical regions, and has its head office in Sandefjord, Norway.



Jotun Protects Property

historically supported resilience through global crises and cyclical downturns, and Jotun therefore maintains its long-term growth strategy.

Key figures (NOK million)	Jan-Mar	Jan-Mar	Change
	2026	2025	
Operating revenue	8 581	8 571	0.1%
Operating profit	1 989	1 890	5.3%

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