Coatings Adhesives and Sealants Industry

Earnings season **2025 Q4**

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A-INSIGHTS

INTRODUCING

A streamlined approach to the earnings scramble

Every earnings seasons, major chemicals earnings reports drop over a few short weeks. You've likely spent weekends buried in Dow’s 34-page report and AkzoNobel's earnings transcripts while leadership asks ”Is my competitive landscape overview ready yet?”

What you'll find in the pages ahead is a streamline approach to the earnings season scramble; 70% of the quarterly analysis work has been done for you — consolidated, validated, and reviewed by industry analysts — leaving you time for the strategic thinking about what this means for your business.

Synthesis

2025 Q4 earnings season Coatings Adhesives and Sealants

Portfolio optimization and divestments

Many companies are restructuring portfolios to focus on higher-margin specialty segments. DuPont completed the separation of its electronics business to focus on higher-growth markets, while Syensqo divested its Oil & Gas business to sharpen its specialty materials strategy. AkzoNobel sold its India business and announced a proposed merger with Axalta, aiming to create a larger coatings leader. Similarly, Covestro formed strategic partnerships to expand circular economy initiatives and advanced materials development.

Weak industrial demand and oversupply are driving a sector-wide downturn

Most companies report soft demand across chemicals, construction materials, and industrial end markets, which is compressing volumes and prices. Dow described the current environment as an "unprecedented industry downturn" with lower demand in construction and coatings, while SABIC highlighted persistent oversupply in petrochemicals impacting polypropylene and polyethylene prices. Cabot cited weaker tire demand and competitive intensity in Asia. These signals point to a global slowdown in industrial activity and cautious customer inventory management.

Cost discipline and restructuring programs are the main response to margin pressure

Companies are prioritizing structural cost reductions and operational efficiency to protect profitability. Dow accelerated a ~ €860 million cost-saving program and shut down higher-cost European assets, while Huntsman achieved about ~ €38 million in cost savings and is targeting a ~ €85 million run-rate benefit by 2026. Similarly, AkzoNobel delivered €98 million in operating expense savings through efficiency programs, and Solvay implemented structural cost reductions as part of a €350 million savings plan.

Growth pockets emerge in aerospace, healthcare, and energy transition materials

Although many end markets remain weak, several segments continue to expand. PPG reported strong growth in aerospace coatings, and Syensqo's Composite Materials segment grew due to aerospace demand. DuPont highlighted healthcare and water technologies as key growth drivers, while Cabot signed a long-term agreement to supply materials for lithium-ion batteries, reinforcing the rise of battery materials. At the same time, companies like Eastman and Covestro are investing in recycling and circular economy technologies

What's the sentiment?

Coatings Adhesives and Sealants - 2025 Q4

REVENUE GROWTH

Industry revenue performance is broadly weak, with majority of companies reporting declining sales. Dow reported net sales down 9.1%, Solvay sales declined 12.3% due to lower volumes and weakened demand in Chemicals. The pattern indicates an industry downturn driven by lower volumes, pricing pressure, and weak construction or industrial demand, with only isolated growth such as PPG's 5% sales increase supported by aerospace coatings.

PROFITABILITY

Profitability deteriorated across the sector. Examples include margin downgrades in Eastman (-12.3 p.p) due to higher raw material costs, partly offset by cost savings, Dow EBIT down 13.6 p.p. The consistent decline indicates cost inflation and lower utilization rates are outweighing pricing and cost-saving measures, resulting in broad margin compression. Only isolated cases such as Amcor's adjusted EBIT rising to through acquisition synergies demonstrate improvement.

MARKET DYNAMICS

Market conditions remain unfavorable as most companies highlight weak demand, oversupply, or macroeconomic uncertainty. SABIC reported persistent petrochemical overcapacity and weak demand impacting polymer prices, while Dow described an "unprecedented industry downturn" with lower demand in construction and coatings markets. Similarly, Syensqo cited high interest rates and weak electronics demand, reinforcing a pattern of soft industrial production and subdued construction activity.

GROWTH OUTLOOK

Growth expectations remain balanced across the sector, reflecting modest expansion rather than strong recovery. Several companies guide for low-single-digit revenue growth, including DuPont and Sika, while RPM expects mid-single-digit sales growth supported by acquisitions and repair demand. Overall, companies anticipate stabilization with selective growth in specialized segments such as healthcare materials, aerospace coatings, and advanced construction, while broader industrial and construction markets remain subdued.

PROFITABILITY OUTLOOK

Profitability guidance is mixed, with cost savings and restructuring offset by continued market uncertainty. Some companies expect margin improvement, such as AkzoNobel targeting adjusted EBITDA of at least €1.47 billion and RPM projecting mid- to high-single-digit EBIT growth in upcoming quarters. However, others remain cautious: Solvay expects EBITDA to decline to €770–€850 million, while Syensqo forecasts slightly lower EBITDA around €1.1 billion due to foreign exchange and demand weakness.

What's the sentiment?

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	OVERALL	RPM	amcor	sabic	ARKEMA	PPG	AkzoNobel	Dow	DuPont	Sika	covestro
REVENUE GROWTH	Negative	Positive	Positive	Negative	Negative	Positive	Negative	Negative	Neutral / Mixed	Negative	Negative
PROFITABILITY	Negative	Negative	Negative	Negative	Negative	Positive	Positive	Negative	Positive	Negative	Negative
MARKET DYNAMICS	Negative	Neutral / Mixed	Neutral / Mixed	Negative	Negative	Neutral / Mixed	Negative	Negative	Negative	Negative	Negative
GROWTH OUTLOOK	Neutral / Mixed	Positive	Positive	Neutral / Mixed	Neutral / Mixed	Neutral / Mixed	Neutral / Mixed	Negative	Positive	Positive	Negative
PROFITABILITY OUTLOOK	Neutral / Mixed	Neutral / Mixed	Positive	Neutral / Mixed	Neutral / Mixed	Neutral / Mixed	Positive	Negative	Positive	Positive	Negative

Positive Neutral / Mixed Negative

*All results shown are for Q2 or H1, except for Fonterra, which reports on a full-year basis. Please keep this difference in mind when making comparisons

Note: A grey bubble = not mentioned in the earnings update. Hence no sentiment can be derived from its reporting on these developments.

What's the sentiment?

Coatings Adhesives and Sealants - 2025 Q4

	OVERALL	HUNTSMAN	SOLVAY	kuraray	Nitto	NIPPON PAINT	SEKISUI Specialty Chemicals	SYENSQO	CABOT	EASTMAN	Olin
REVENUE GROWTH	Negative	Negative	Negative	Negative	Neutral / Mixed	Positive	Positive	Negative	Negative	Negative	Neutral / Mixed
PROFITABILITY	Negative	Neutral / Mixed	Negative	Negative	Negative	Positive	Negative	Negative	Negative	Negative	Negative
MARKET DYNAMICS	Negative	Negative	Negative	Negative	Neutral / Mixed	Negative	Neutral / Mixed	Negative	Negative	Neutral / Mixed	Negative
GROWTH OUTLOOK	Neutral / Mixed	Neutral / Mixed	Negative	Positive	Neutral / Mixed	Neutral / Mixed	Positive	Neutral / Mixed	Neutral / Mixed	Neutral / Mixed	Negative
PROFITABILITY OUTLOOK	Neutral / Mixed	Negative	Negative	Positive	Negative	Neutral / Mixed	Neutral / Mixed	Negative	Neutral / Mixed	Neutral / Mixed	Negative

Positive Neutral / Mixed Negative

*All results shown are for Q2 or H1, except for Fonterra, which reports on a full-year basis. Please keep this difference in mind when making comparisons

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Overview of results (1/5)

COMPANY	PERIOD	NET SALES (€M AND % DEV.)		OPER. PROFIT (%PT. DEV.)		GROWTH DRIVERS	INSIGHTS & OUTLOOK
RPM International	2026 - Q2 3 months	€ 1,693M	(+3.5%)	12.0%	(-0.3%)	• +3.4% acquisitions impact • +0.6% FX impact • -0.5% organic decline	• Sales growth was driven by acquisitions and demand for engineered solutions in high-performance buildings, despite soft DIY (do–it-yourself) activity and longer construction lead times. • EBIT declined as growth investments and temporary inefficiencies from plant consolidations reduced fixed-cost absorption and pressured margins. • Europe benefited from M&A and favorable currency, while North America saw mixed trends with building solutions. The Kalzip acquisition supports the strategy to strengthen building envelope systems.
Amcor	2026 - Q2 3 months	€ 4,830M	(+68.1%)	6.1%	(-3.1%)	• +7.0% synergy benefits (G&A and procurement) • -2.0% volume • +2.0% cost reduction and productivity initiatives	• Net sales rose significantly primarily due to acquisitions (Berry), with synergy benefits driving EBIT growth and margin expansion despite struggle with volumes. Margin declined since the revenue growth outpaced EBIT. • Cost controls and integration efficiencies supported profitability in a challenging market. • The integration of Berry Global advanced, with portfolio optimization actions enhancing strategic positioning and operational efficiency.
Sabic	2025 - Q4 3 months	€ 6,597M	(-5.7%)	-0.3%	(-4.3%)	• +1% volume effect • -6% price effect	• Performance reflected continued pressure from petrochemical sector overcapacity, which weighed on prices, margins, and utilization rates. • Profitability declined as lower selling prices reduced EBIT, despite cost discipline and operational efficiency measures. • The company also advanced portfolio optimization through divestments of European petrochemicals and engineering thermoplastics businesses while maintaining disciplined investments.
Arkema	2025 - Q4 3 months	€ 2,105M	(-7.4%)	-1.2%	(-3.4%)	• -2.3% volume effect • -1.5% price effect • -2.3% volume effect • +1.4% from acquisition of Dow laminating adhesives	• Arkema's 2025 performance was affected by weak demand in Europe and North America, tight inventory management, and unfavorable pricing in acrylics and refrigerants. • Despite strict cost control, cost savings, and contributions from major projects, EBIT remained negative. • Specialty Materials remained resilient while the group advanced portfolio refocusing through battery technology partnerships and divestments.

Overview of results (2/5)

COMPANY	PERIOD	NET SALES (€M AND % DEV.)	OPER. PROFIT (%PT. DEV.)	GROWTH DRIVERS	INSIGHTS & OUTLOOK
PPG Industries	2025 - Q4 3 months	€ 3,469M (+5.0%)	7.7% (+7.7%)	• +2% selling prices • +1% sales volume • +2% FX impact • -3% divestitures (silicas and Russian architectural coatings)	• PPG delivered organic sales growth driven by higher volumes and selling prices, with aerospace coatings achieving record performance and backlog expansion, and Mexico showing retail strength. • Margin improvement was supported by cost-control actions, productivity gains, and favorable currency, offsetting inflation. • Structural cost reductions included European manufacturing consolidation, reinforcing technology-advantaged product momentum.
AkzoNobel	2025 - Q4 3 months	€ 2,372M (-9.4%)	33.2% (+28.3%)	• -1% organic sales • -2% volume effect • +1% price/mix	• AkzoNobel's revenue declined due to FX headwinds and lower volumes, though price/mix gains and stable volumes in EMEA and Asia partly mitigated weakness, while LATAM declined. • Operating income increased following the India divestment and efficiency actions, with strong cost control driving margin expansion and OPEX savings. • Strategic moves, including the India divestment and proposed Axalta merger, aim to streamline operations and strengthen scale.
Dow	2025 - Q4 3 months	€ 8,385M (-9.1%)	-11.0% (-13.6%)	• -9% price effect • -2% volume effect	• Net sales declined due to lower prices and volumes across major segments, with Packaging & Specialty Plastics affected by weaker polymer pricing and demand, partly offset by wire and cable gains. • Operating income fell on margin compression and lower operating rates despite cost savings. • Asset shutdowns in Europe and the Transform to Outperform initiative support structural earnings improvement and sustainable growth through Path2Zero.
DuPont	2025 - Q4 3 months	€ 1,501M (+0.2%)	24.2% (+0.8%)	• -1% organic sales • +3% sales Healthcare & Water Technologies • -4% Diversified Industrials	• DuPont achieved slight reported sales growth driven by healthcare and water markets, with medical packaging and devices supporting broad-based gains. • EBIT and margins improved through productivity actions and favorable mix, offsetting growth investments, alongside strong cash flow conversion. • The Electronics business separation streamlined operations to focus on higher-growth segments, reinforcing disciplined execution despite macro challenges.

Overview of results (3/5)

COMPANY	PERIOD	NET SALES (€M AND % DEV.)		OPER. PROFIT (%PT. DEV.)		GROWTH DRIVERS	INSIGHTS & OUTLOOK
Sika	2025 - Q4 YTD 12 months	€ 11,957M	(-4.8%)	13.3%	(-1.2%)	• +0.6% sales in local currency • -5.4% FX impact • +1% acquisition contributions	• Sales declined year-on-year due to foreign currency effects and weaker demand in parts of Asia-Pacific, particularly China. • Market conditions were affected by residential real estate weakness in China, tariff-related uncertainty. • The company focused on efficiency initiatives and innovation through its Fast Forward program to strengthen competitiveness and support future growth. Strategic investments, including AI-driven concrete partnerships and targeted acquisitions, reinforced regional positioning and efficiency ambitions.
Covestro	2025 - Q4 3 months	€ 2,915M	(-13.7%)	-11.1%	(-7.2%)	• -1.3% volume effect • -7.8% price effect • -4.6% FX effect	• Covestro faced continued pressure from oversupply and trade conflicts, which drove price declines in the global polymer market. • The challenging pricing environment and weak market conditions weighed on profitability, with EBIT remaining negative despite cost discipline and efficiency measures. • Acquisitions in specialized films and aliphatic isocyanates strengthened the portfolio in coatings and adhesives, alongside management's focus on sustainability and innovation.
Huntsman Corporation	2025 - Q4 3 months	€ 1,201M	(-6.7%)	-4.4%	-0.0%	• -8% sales Polyurethanes • -6% Performance Products • -4% Advanced Materials	• Huntsman reported lower revenues due to weaker European demand and margin pressure in key segments, with operational disruptions weighing on results. • Polyurethanes growth in the Americas and Asia was offset by European weakness and a Rotterdam outage, while Advanced Materials maintained stable margins despite aerospace softness. • Cost savings programs and restructuring actions supported margins amid higher raw material costs.
Solvay	2025 - Q4 3 months	€ 995M	(-12.3%)	8.4%	(-6.7%)	• -9.3% organic sales • -3% FX effect • -5.6% volume efeect • -3.7% price effect	• Results were affected by weaker demand and pricing pressure, particularly in soda ash and the Coatis business, leading to lower sales and profitability. • Margins declined as reduced volumes and competitive pricing weighed on earnings despite cost control. • Special Chem showed resilience, supported by higher rare earth volumes in electronics and medical applications, while the company advanced portfolio optimization through site divestment plans and a U.S. pension risk transfer.

Overview of results (4/5)

COMPANY	PERIOD	NET SALES (€M AND % DEV.)		OPER. PROFIT (%PT. DEV.)		GROWTH DRIVERS	INSIGHTS & OUTLOOK
Kuraray	2026 - Q4 YTD 12 months	€ 4,792M	(-2.2%)	7.3%	(-3.0%)	• -10.4% sales Vinyl Acetate • +4% Isoprene • -1% Functional Materials • -1.9% Fibers & Textiles	• Net sales declined due to weaker demand in Vinyl Acetate and Functional Materials and higher raw material costs, with profitability further impacted by inventory valuation effects and extraordinary losses. • Demand was soft in Europe and the U.S., while optical-use poval film benefited from Chinese appliance replacement initiatives. • Margin pressure was partly mitigated by cost controls, alongside divestitures of noncore assets and capacity expansions in growth areas.
Nitto Denko	2026 - Q3 YTD 9 months	€ 4,660M	(+1.0%)	18.8%	(-0.8%)	• +3% sales Industrial Tape • -2.4% Optronics • +8% Human Life	• Revenue rose slightly, driven by growth in Industrial Tape and Human Life, supported by automotive and protective material demand. • Operating profit declined as higher costs and weaker demand in Optronics weighed on margins, partly offset by cost-control measures. • Investments in Life Science and Personal Care capacity aim to support long-term growth and operational optimization.
Nippon Paint	2025 - Q4 3 months	€ 2,702M	(+9.6%)	14.6%	(+3.4%)	• +13.6% comparable sales driven by M&A contributions (notably AOC) • +3% volume effect • -3% price/mix • +1% FX impact	• Revenue increased significantly, supported by M&A contributions and volume growth across regions. • Operating profit margin improved on cost efficiencies and RMCC gains, offsetting higher SG&A, with strong performance in NIPSEA Except China driven by regional synergies. • Strategic acquisitions, including AOC, strengthened portfolio diversification and global positioning, enhancing margins and cash generation.
Sekisui Chemical	2026 - Q3 3 months	€ 1,957M	(+1.2%)	8.3%	(-0.5%)	• +5.6% selling price increases • +4.1% raw materials benefit • +1.4% FX impact • +0.2% sales volume	• Net sales reached a record level, supported by strong high-end housing demand, improved product mix, and urban-focused strategies. • Operating profit declined due to EV market weakness, resin-related expenses, and biorefinery impairments, despite pricing improvements and steady plastics sales. • Strategic actions included dismantling the Kuji Plant and treasury share repurchases, while margins remained under cost pressure.

Overview of results (5/5)

COMPANY	PERIOD	NET SALES (€M AND % DEV.)		OPER. PROFIT (%PT. DEV.)		GROWTH DRIVERS	INSIGHTS & OUTLOOK
SYENSQO Syensqo	2025 - Q4 YTD 12 months	€ 5,762M	(-6.5%)	3.4%	(-4.9%)	• -5% volume effect • -6% FX effect • -17.8% sales Specialty Polymers • +3.2% sales Composite Materials	• Syensqo's performance was weighed down by lower volumes and foreign exchange effects, with weaker demand in Specialty Polymers, especially in electronics and automotive. • Composite Materials stood out with growth supported by aerospace demand and disciplined portfolio management. • Margins came under pressure from lower volumes and currency movements, partly offset by cost savings, while the divestment of the Oil & Gas business further advanced the specialty strategy.
CABOT Cabot Corporation	2026 - Q1 3 months	€ 753M	(-11.1%)	15.2%	(-1.0%)	• -7% volumes Reinforcement Materials • -3% volumes Performance Chemicals	• Cabot Corporation's results were pressured by lower volumes in Reinforcement Materials, particularly in the Americas and Asia Pacific, which weighed on profitability. • Performance Chemicals delivered EBIT growth supported by favorable product mix, cost management, and strength in Battery Materials. • A multi-year supply agreement with PowerCo SE reinforces its position in lithium-ion batteries and EV exposure, alongside continued cost actions to support resilience.
EASTMAN Eastman	2025 - Q4 3 months	€ 1,749M	(-12.1%)	3.2%	(-12.3%)	• -9% volume/mix effect • -1% price impact • -1% FX impact	• Revenue declined due to weaker volume/mix and pricing, with demand softness in consumer discretionary and building markets pressuring margins. • EBIT fell on lower spreads and higher raw material costs, partly offset by cost savings and structural efficiencies. • Strategic portfolio actions included exiting low-value share in Advanced Materials, while the Kingsport methanolysis facility supported innovation-led growth through higher recycled content output.
Olin Olin	2025 - Q4 3 months	€ 1,476M	(-0.4%)	-4.9%	(-7.7%)	• -10.2% Chlor alkali products and vinyls sales due to lower pricing • +27% Epoxy sales due to higher volumes • +3.2% Winchester sales due to higher military sales	• Sales edged lower as reduced pricing and higher operating costs weighed on performance, particularly in Chlor Alkali Products and Vinyls amid weaker chlorine demand and production disruptions. • Epoxy achieved growth in the U.S. and Europe driven by favorable mix and broader market participation. • Structural cost reductions and the closure of the Brazil Epoxy site support streamlining efforts, though margins were affected by maintenance and fixed-cost absorption..

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The combined power of Valona Intelligence and A-INSIGHTS helps you deliver faster, clearer, and more actionable insights across your industry. We consolidate the earnings data, leaving you time to deliver sharp strategic insights for leadership. Simple as that.

Worth discussing how this could work for your team every quarter?

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