INDIA FASHION ICON MAGAZINE

P&G Posts 20% Profit Growth, Tariff Impact Halved

Published on 27 Oct 2025 | By IFI Correspondent

Procter & Gamble (P&G) began its fiscal year with a notable performance. For its first quarter (July-September), the company recorded net profit of **US $4.75 billion** — a 20% increase compared to the same period last year.
Sales for the quarter were US $22.386 billion, up approximately 3% year-on-year on a reported basis.
On an organic growth basis (excluding effects of foreign exchange, acquisitions and divestitures), the company grew 2%, including about a 1% gain from price increases.

Business Segment Performance

Breaking the results down by business segments:

- **Beauty**: US $4.143 billion in sales — up ~6% year-on-year.
- **Grooming**: US $1.817 billion in sales — up ~5%.
- **Health Care**: US $3.220 billion — up ~2%.
- **Home Care**: US $7.793 billion — up ~1%.
- **Baby, Feminine & Family Care**: US $5.171 billion — up ~1%.

So, while growth was modest in some mature segments, the stronger growth in Beauty and Grooming helped bolster overall performance.

Strategic Significance & Trends

- This performance signals that P&G is **managing** global headwinds (tariffs, cost inflation, currency) while still delivering profit growth.
- The fact that the tariff impact is *halved* is notable — it suggests supply-chain mitigation or cost absorption strategies are working.
- With healthy growth in the Beauty and Grooming segments, P&G is leaning into categories where consumer demand remains resilient even in challenging environments.
- Hence modest growth in categories like Home Care and Family Care suggests those areas are mature or more exposed to competitive/price pressures.

- Thus guidance for organic sales growth in the full year remains at 3%-9% and diluted EPS growth at 3%-9%.

Implications for Consumers & Industry

For consumers: the stable performance of P&G may translate to continued investment in product innovation, possibly with fewer disruptive price increases if tariffs and materials costs are managed.
ost pressures

For more style updates & exclusive fashion stories follow [indiafashionicon.com]
