

Henkel Q3 2013

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Düsseldorf
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Disclaimer

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Agenda

- 1 Key Developments Q3 2013**
- 2 Financials Q3 2013
- 3 Summary & Outlook FY 2013

Key figures Q3 2013

4,184 m€

Sales

16.1 %

Adj. EBIT margin

1.10 €

Adj. EPS (pref.)

4.5 %

NWC in % of sales

485 m€

Net financial pos.

Achievements Q3 2013

Henkel

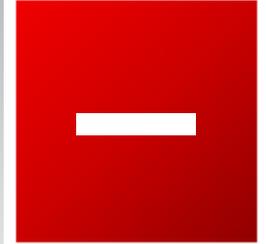
- Solid organic sales growth driven by all businesses and regions
- Continued very strong organic sales growth in Emerging Markets
- Latin America with double digit organic growth
- Adj. EBIT margin very strong, growth driven by all businesses



Challenges Q3 2013

Henkel

- Mature Markets affected by weak S. Europe & Japan
- Promotional pressure remains high
- Electronic Adhesives organic sales growth remains weak
- Intensified headwind from FX
- Continued geo-political and social unrest in Africa/Middle East



Laundry & Home Care

Key developments



Sales

- Strong OSG, Laundry solid Home Care double digit
- Emerging Markets OSG double digit
- Mature Markets slightly below PY quarter

Return

- Adj. EBIT Margin showing excellent increase
- ROCE further increased

Laundry & Home Care

Key activities

Persil Lavender Freshness



- Persil performance & long-lasting fresh lavender scent
- Further strengthen position in Germany and E. Europe

Somat/Pril Gel Caps



- In-depth cleaning and exceptional shine
- Launched in Italy, European roll-out in 2014

Homemat Compact Alpha



- Combines efficiency of mat & convenience of liquid
- Further strengthen insecticide position in South-Korea

Beauty Care

Key developments



Sales

- Solid OSG
- Retail solid, Hair Salon slightly below PY quarter
- Emerging Markets OSG double digit
- Mature Markets slightly below PY quarter

Return

- Adj. EBIT Margin showing solid increase
- ROCE further increased

Beauty Care

Key activities

Syoss Oleo Intense



- Coloration with unique, non-dripping oil-in-cream formula
- Global roll-out

Syoss Supreme Selection



- Cellular Hair Restore for supreme hair quality
- Global roll-out

Diadermine Lift+ Skin Perfection



- Skin perfecting oils for face & body, intensive lifting effect
- Further strengthen skin care position in Europe

Adhesive Technologies

Key developments



Sales

- Solid OSG
- Emerging Markets with strong OSG
- Mature Markets with solid OSG

Return

- Adj. EBIT Margin showing excellent increase
- ROCE further increased

Adhesive Technologies

Key activities

Dragon plant opening



- World's largest adhesives factory opened in China
- Multi-technology site with broad set of solutions

Ceresit Impactum



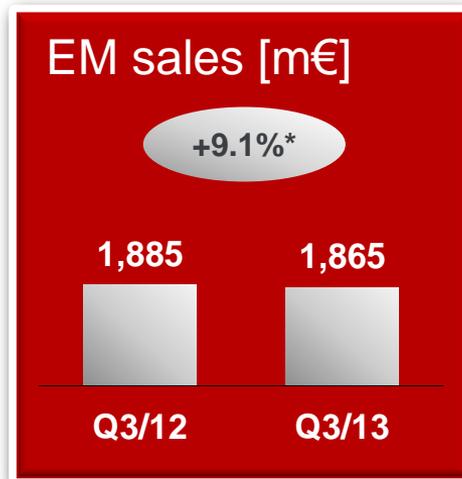
- New thermal insulation composite system
- Portfolio expansion in Eastern Europe

Alliance with Nordson



- Innovative solution for increased efficiency and energy savings
- Global roll-out

Progress towards Henkel's financial targets 2016



* Organic sales growth

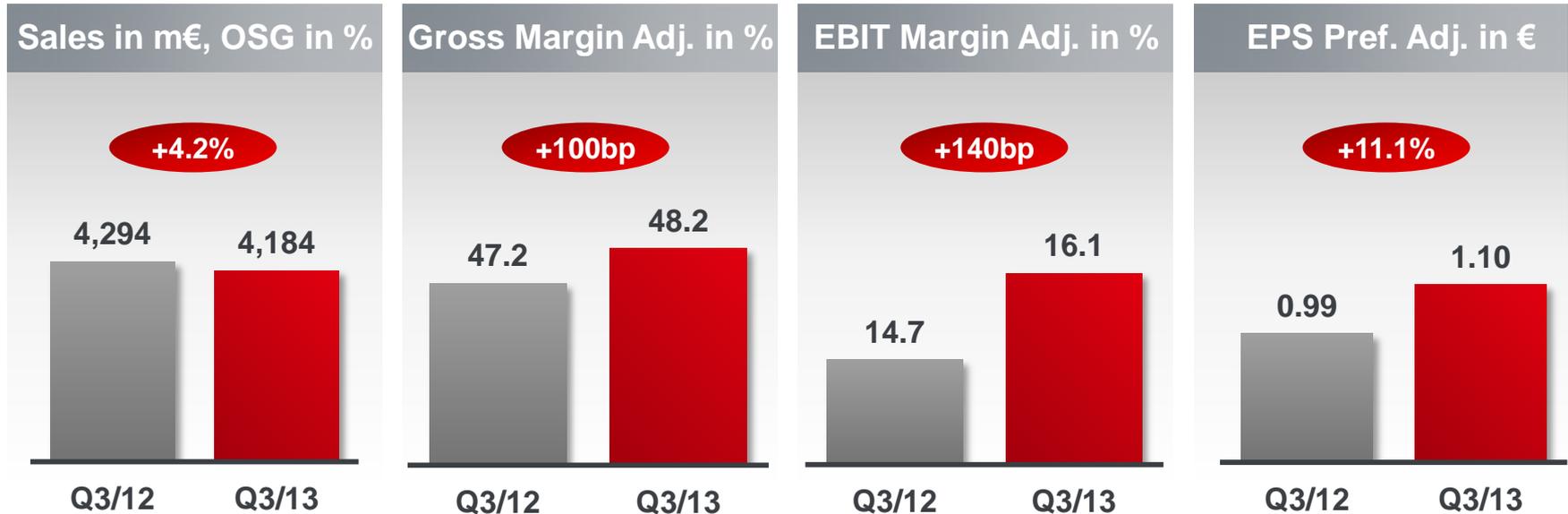
Agenda

1 Key Developments Q3 2013

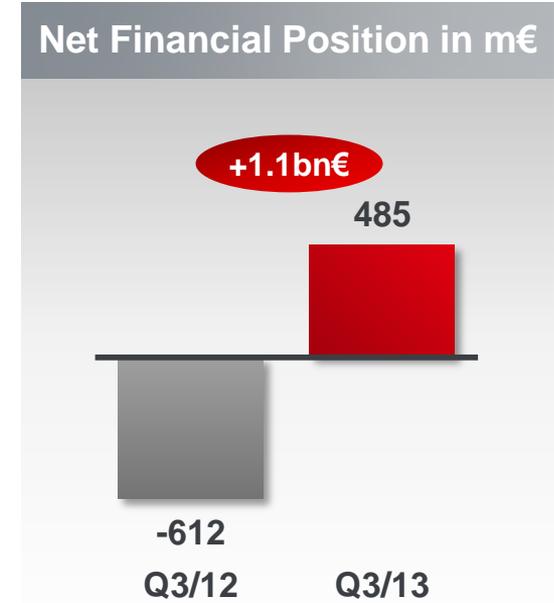
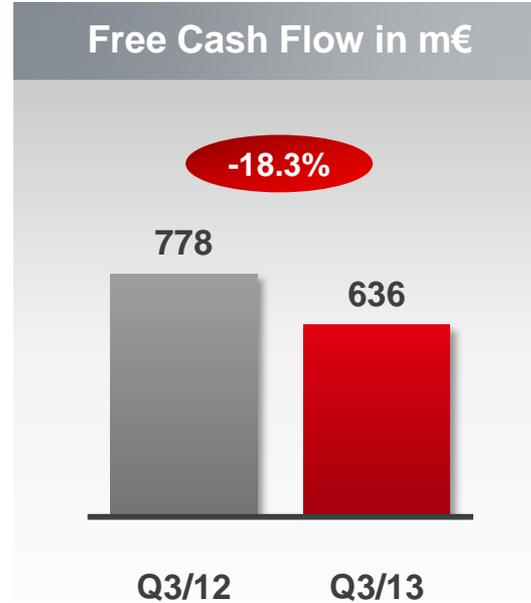
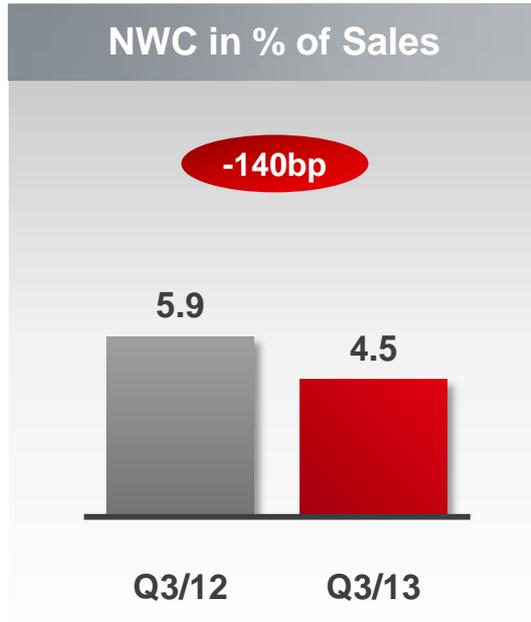
2 **Financials Q3 2013**

3 Summary & Outlook FY 2013

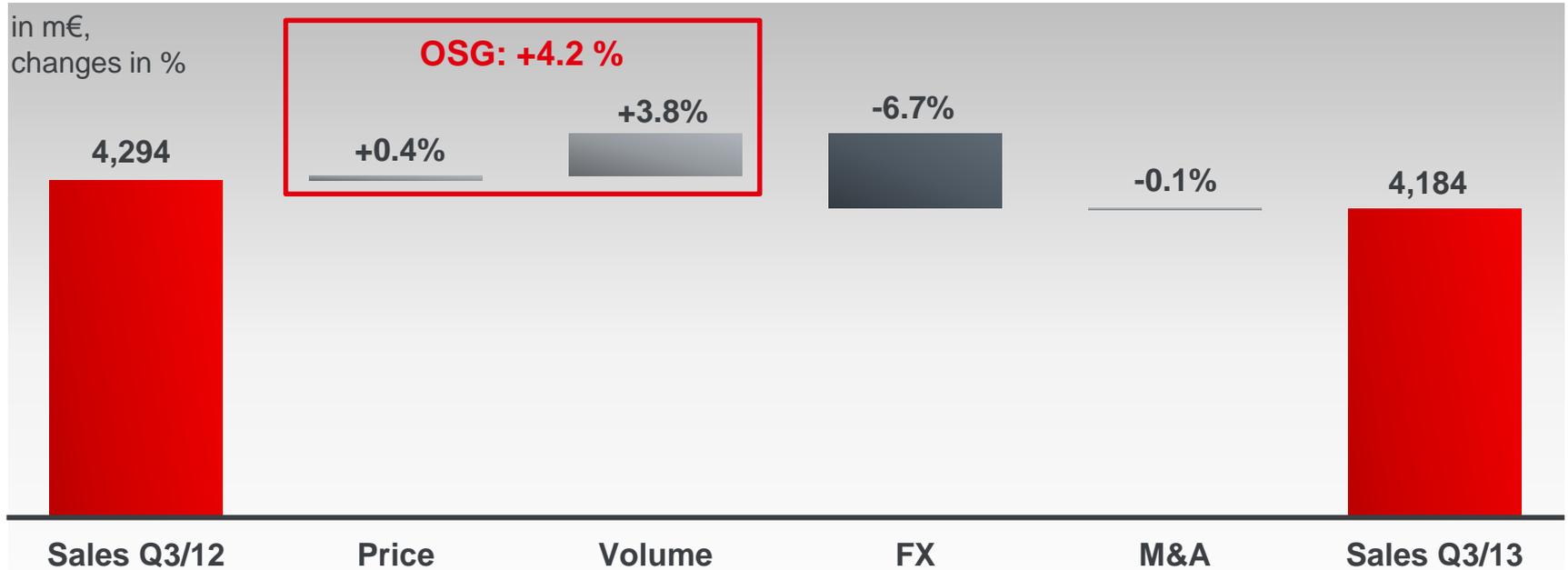
Key financials Q3 2013 (1/2)



Key financials Q3 2013 (2/2)



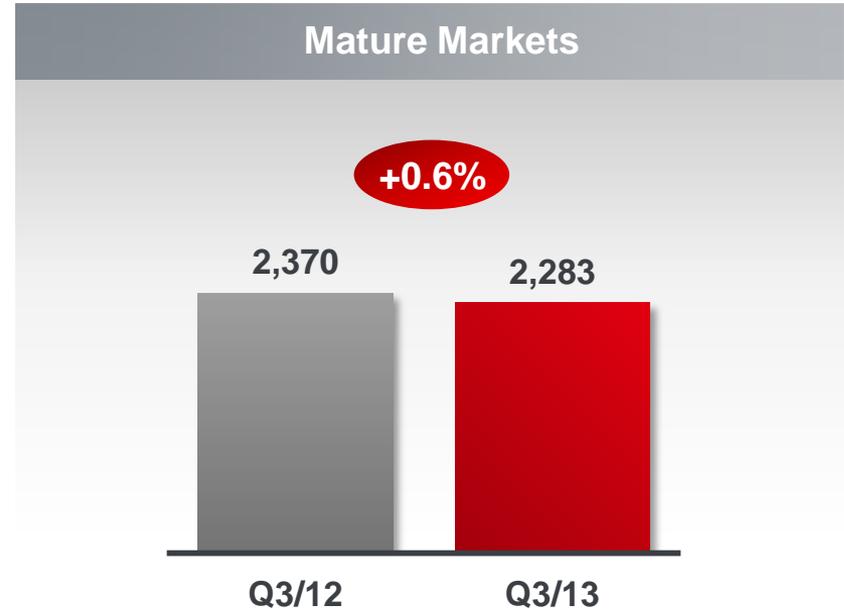
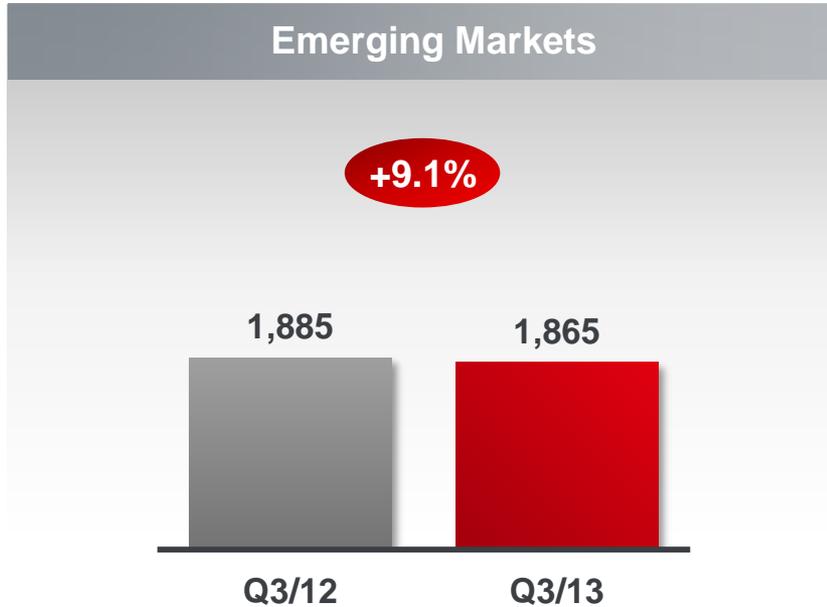
Sales growth



- Strong FX headwind: mainly US Dollar and Emerging Market currencies

Sales growth by region

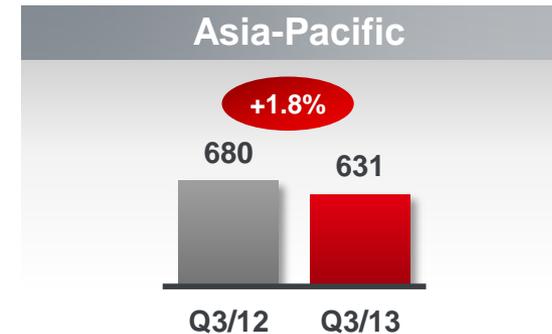
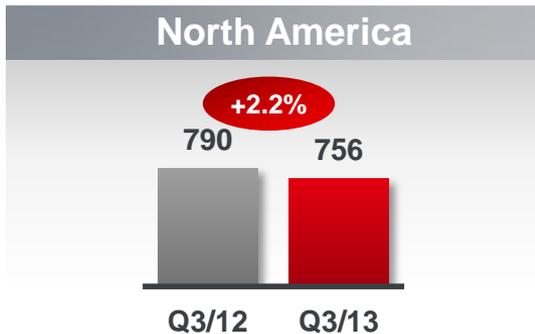
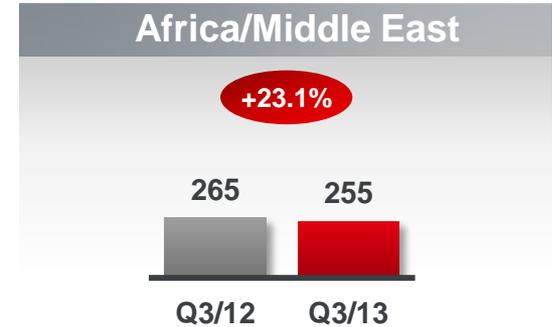
in m€, OSG in %



- Emerging Markets very strong with a sales share of 45%

Sales growth by region

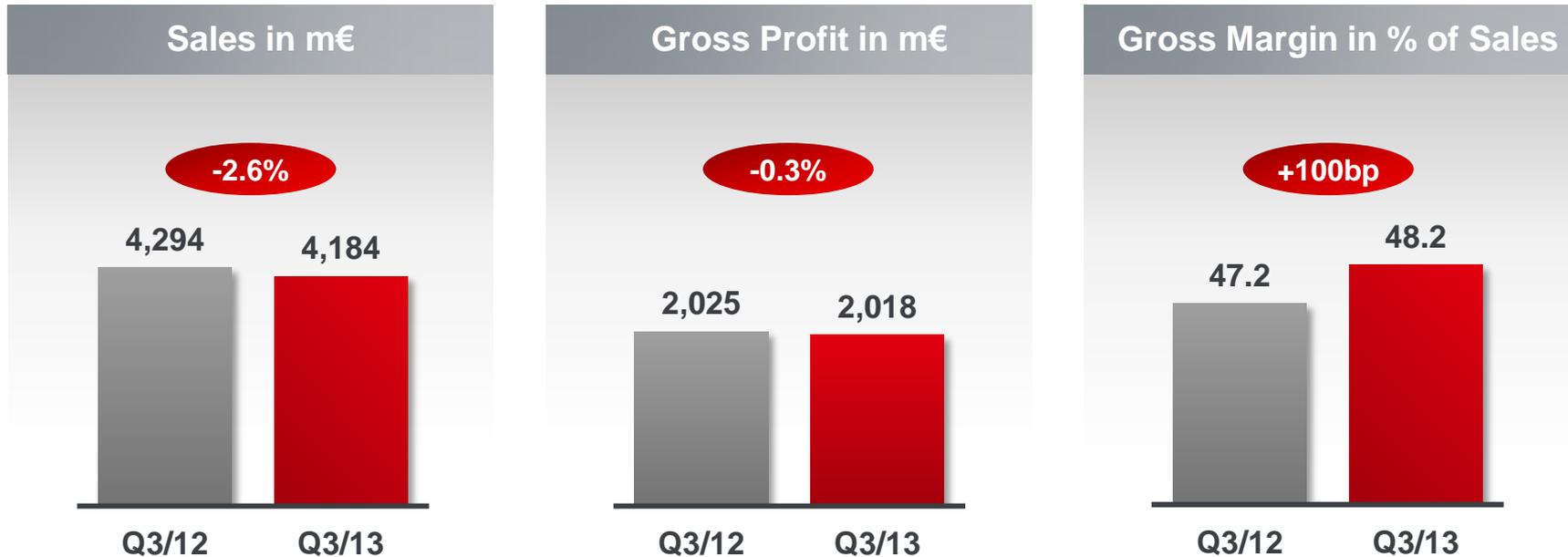
in m€, OSG in %



- BRIC very strong, Emerging Markets in Asia strong
- Southern Europe and Japan with continued weakness

Income statement adjusted

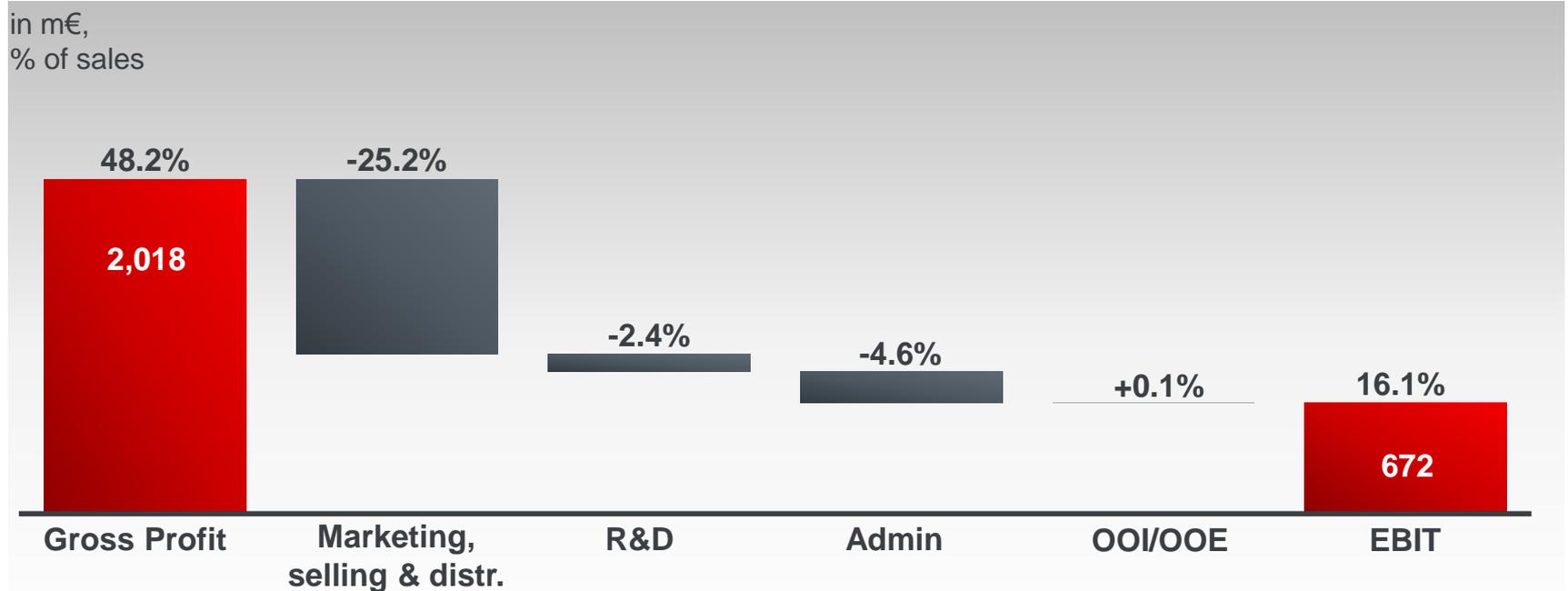
Sales to gross profit



- Gross margin enhanced by slight decline in prices for total direct materials, cost savings and portfolio optimization

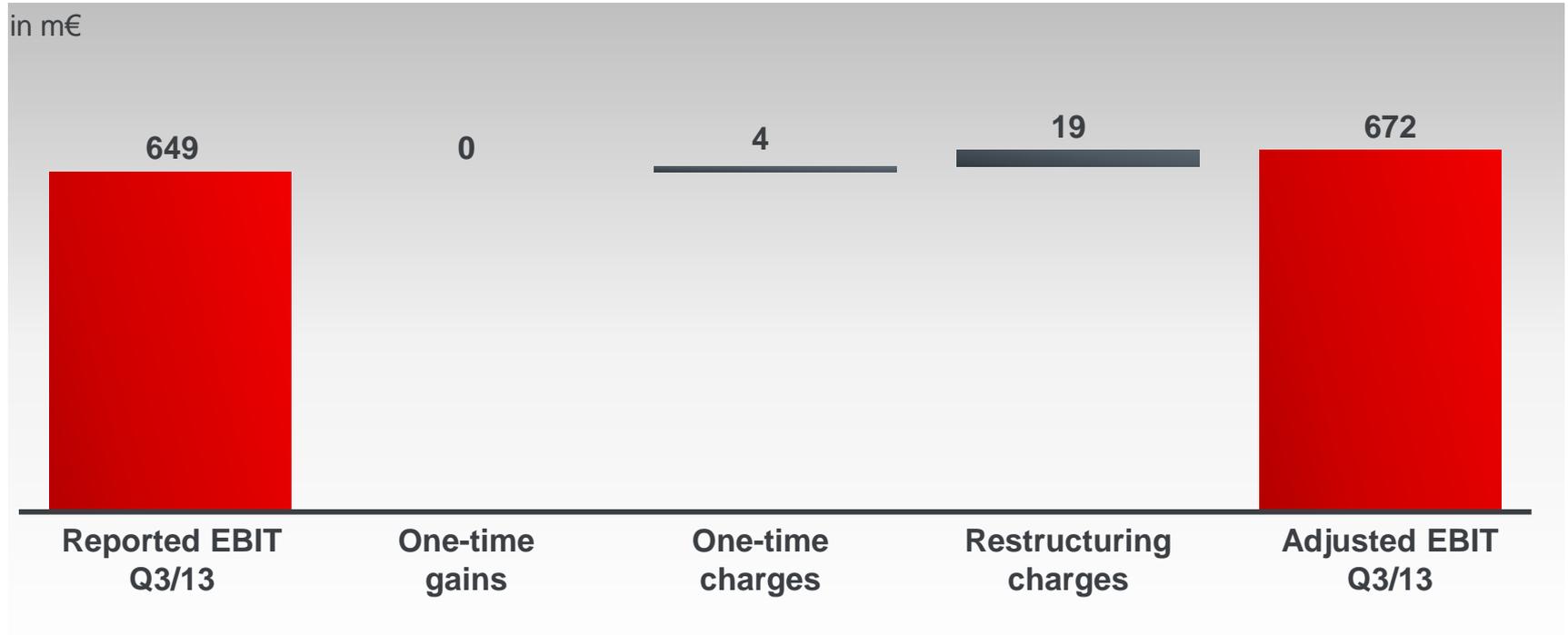
Income statement adjusted

Gross profit to EBIT

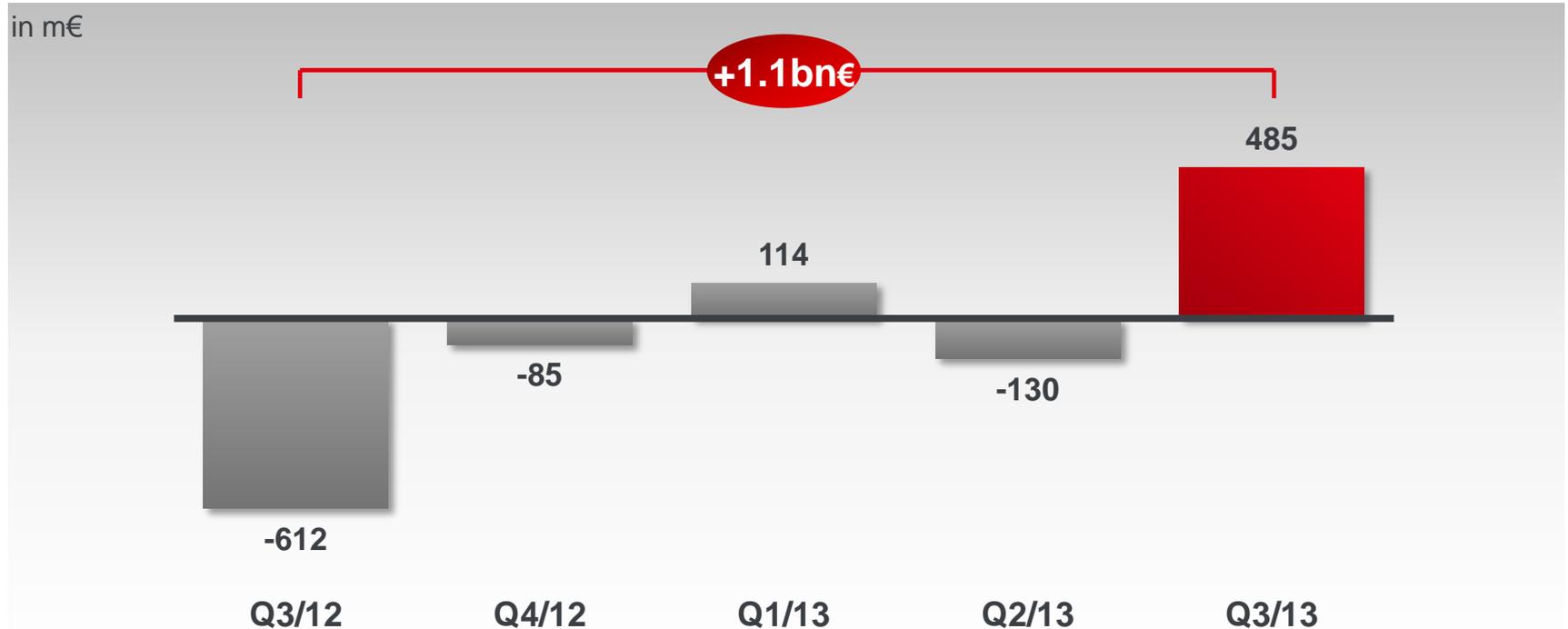


- Marketing selling & distribution expenses slightly decreased
- Higher admin expenses due to investments in regional hubs in Emerging Markets

Reported to Adjusted EBIT



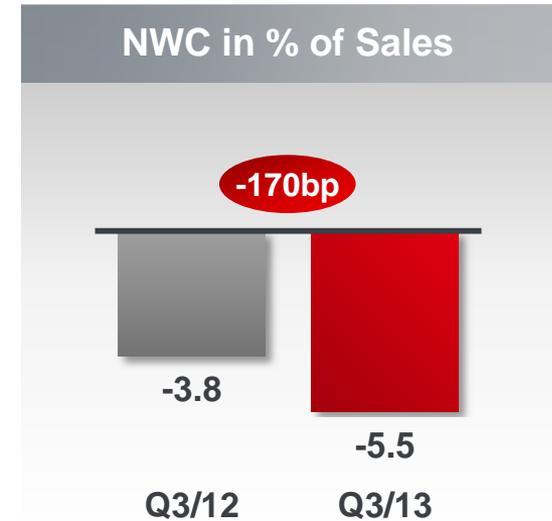
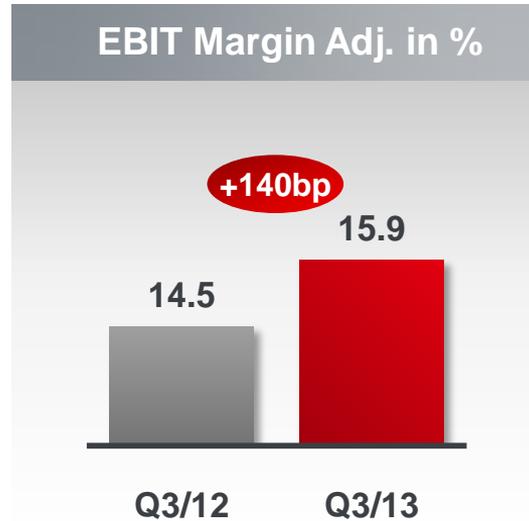
Development of net financial position



- Net financial position significantly improved

Laundry & Home Care

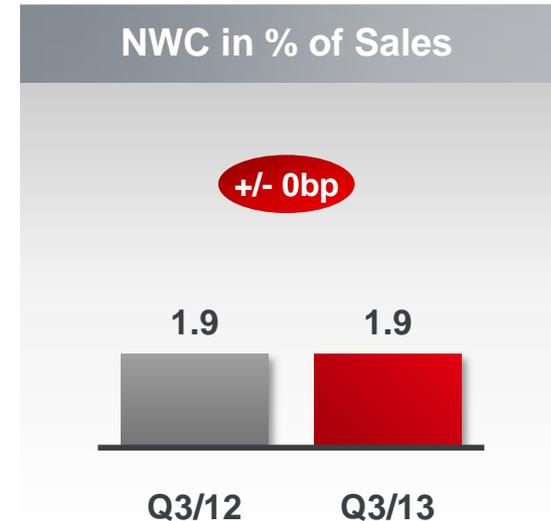
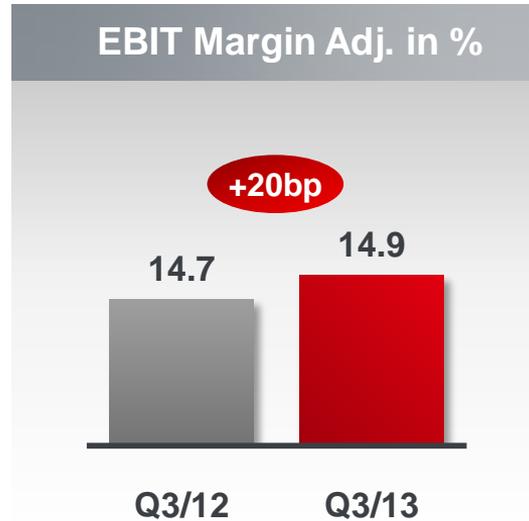
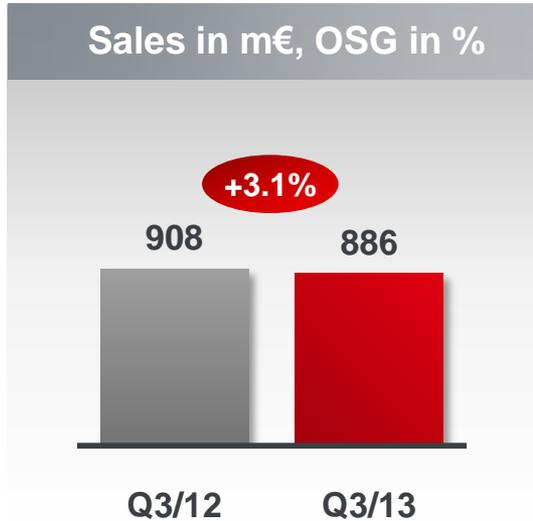
Key figures



- OSG driven by 5.5% in volume
- Excellent EBIT margin increase driven by gross margin and efficiency gains

Beauty Care

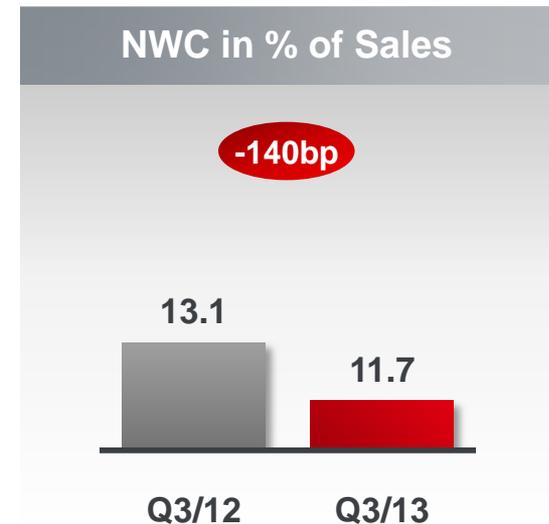
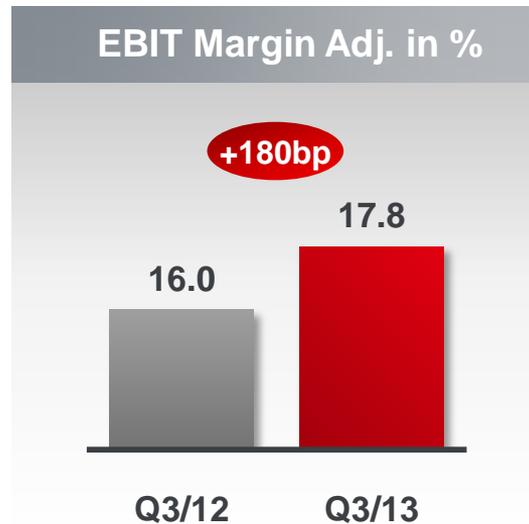
Key figures



- OSG driven by 0.5% in price and 2.6% in volume
- Solid EBIT Margin increase driven by gross margin and efficiency gains

Adhesive Technologies

Key figures



- OSG driven by 0.6% in price and 3.6% in volume
- Excellent EBIT margin increase driven by gross margin, portfolio mix, efficiency gains

Agenda

1 Key Developments Q3 2013

2 Financials Q3 2013

3 **Summary & Outlook FY 2013**

Summary Q3 2013

- Overall solid organic sales growth driven by all businesses and regions
- Emerging Markets with very strong organic sales growth
- Adj. EBIT margin very strong, growth driven by all businesses
- Adj. EPS (pref.) growth above 10%



Strong quarter in continued challenging market environment

Outlook 2013

- Global economic environment remains difficult
- FX headwinds persisting
- Continued tough competitive environment
- Sustainable savings from ongoing efficiency initiatives



Confirmed guidance for FY 2013 despite headwinds

Updated guidance FY 2013

	Guidance FY 2013
Organic sales growth <ul style="list-style-type: none">- Laundry & Home Care- Beauty Care- Adhesive Technologies	3 - 5% Each division 3 - 5%
Adjusted EBIT margin <ul style="list-style-type: none">- Laundry & Home Care- Beauty Care- Adhesive Technologies	~ 15.0% (before: ~14.5%) All divisions contributing
Adjusted EPS growth	~ 10%



We will continue to adapt our structures to the market

Upcoming events

- February 20, 2014
FY 2013 Financials
- April 4, 2014
Annual General Meeting
- May 7, 2014
Q1 2014 Financials
- June 4, 2014
Investor & Analyst Day Beauty Care
- August 12, 2014
Q2 2014 Financials
- November 11, 2014
Q3 2014 Financials

Thank You!

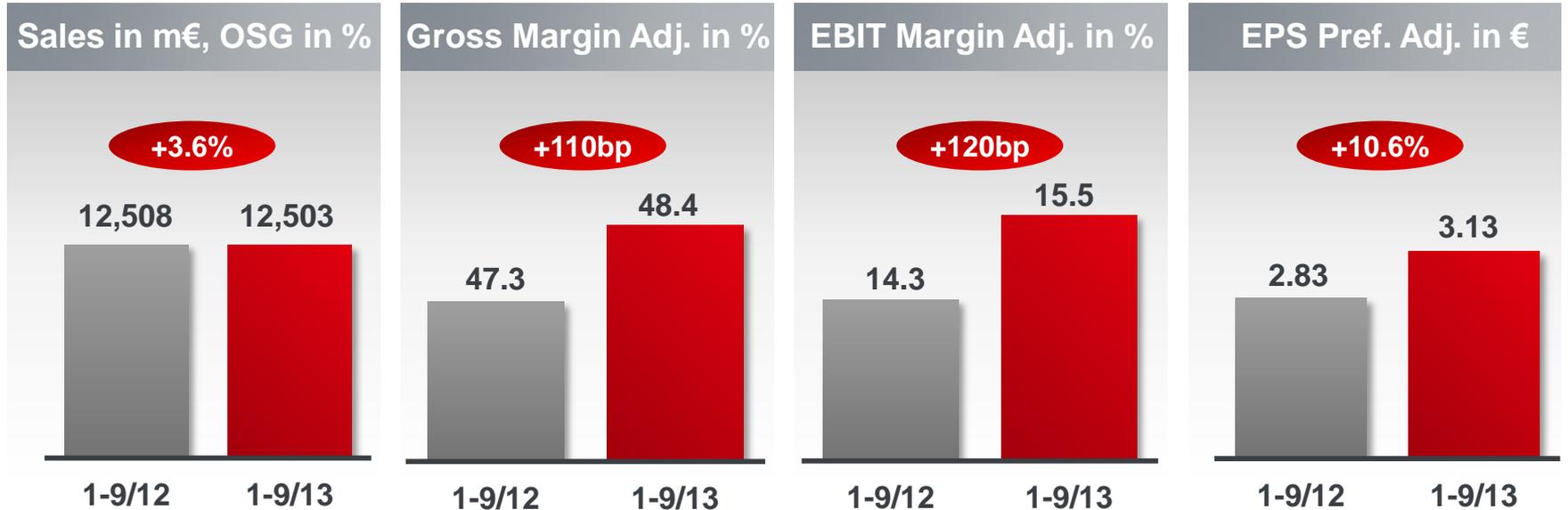


Additional Information

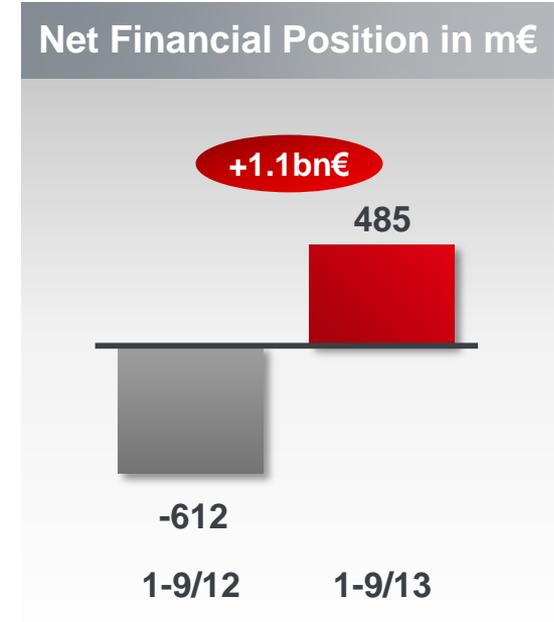
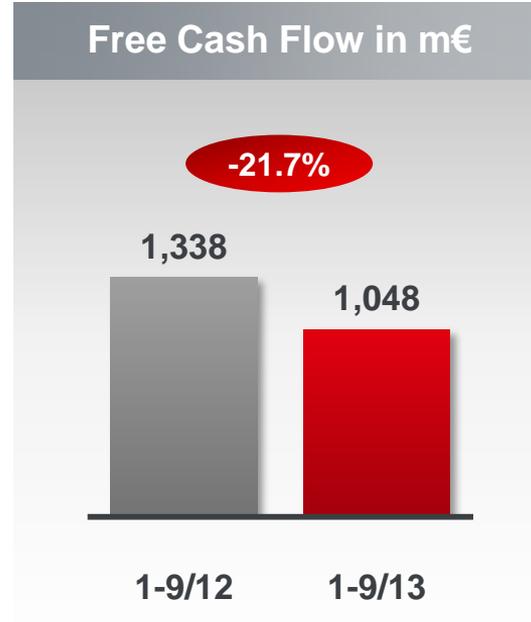
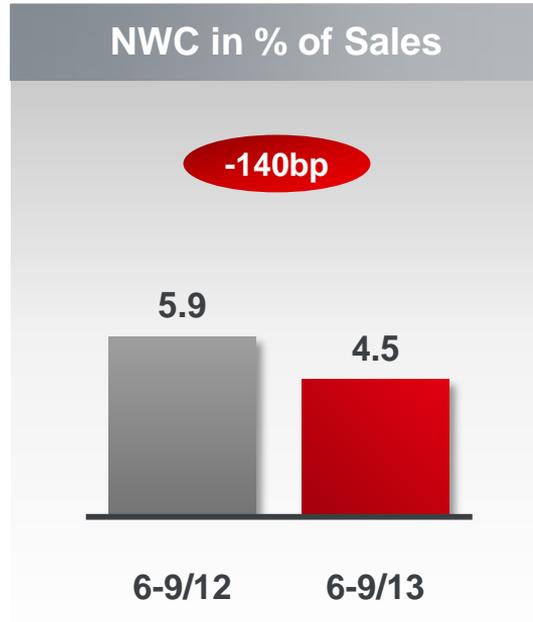
Further FY 2013 Guidance for selected KPIs (updated)

	Guidance FY 2013
Price increase total direct materials	flat (before: moderate increase)
Restructuring charges	~125 m€
CAPEX on PPE	~450 m€ (before: ~500 m€)

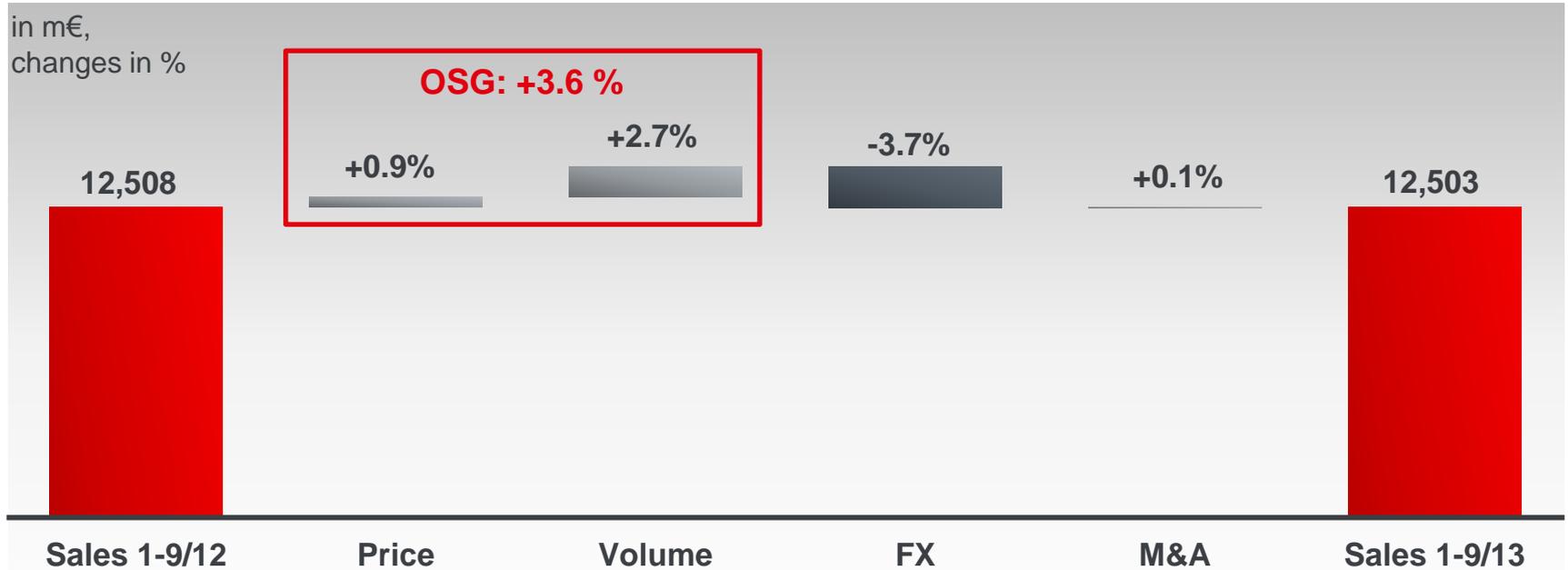
Key financials YTD 1-9 2013 (1/2)



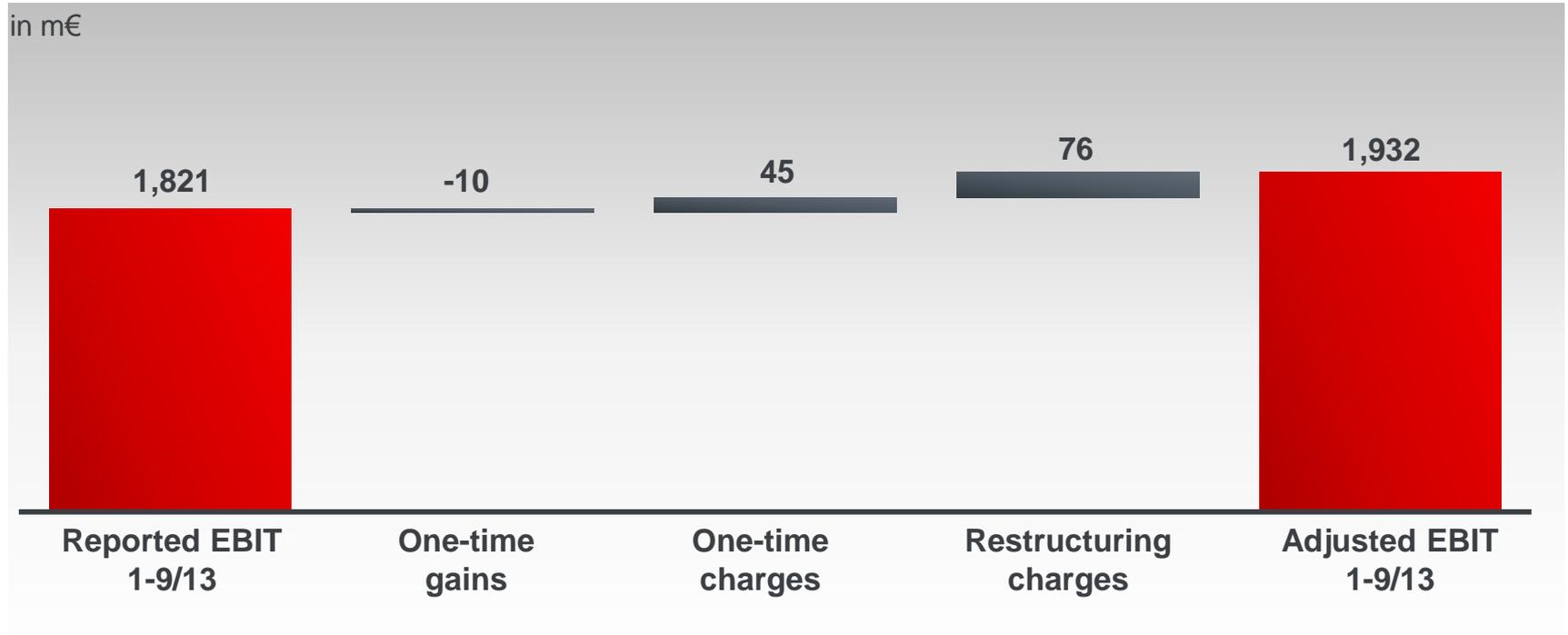
Key financials YTD 1-9 2013 (2/2)



Sales growth – Henkel

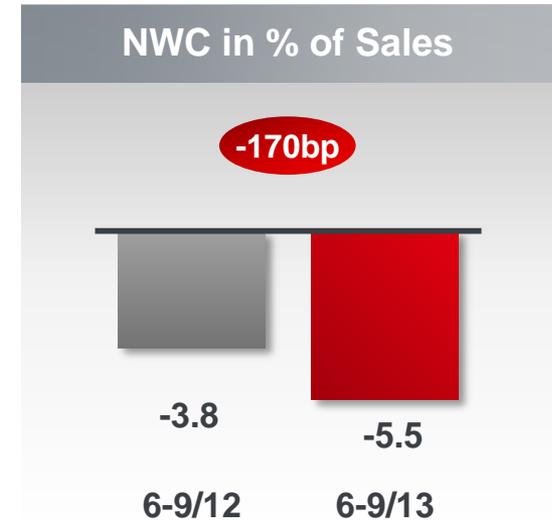
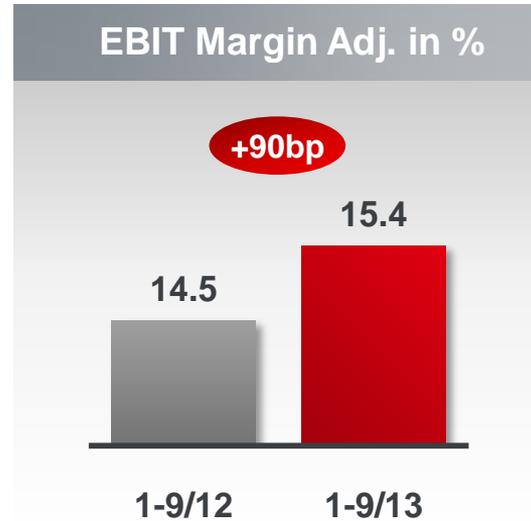


Reported to Adjusted EBIT



Laundry & Home Care

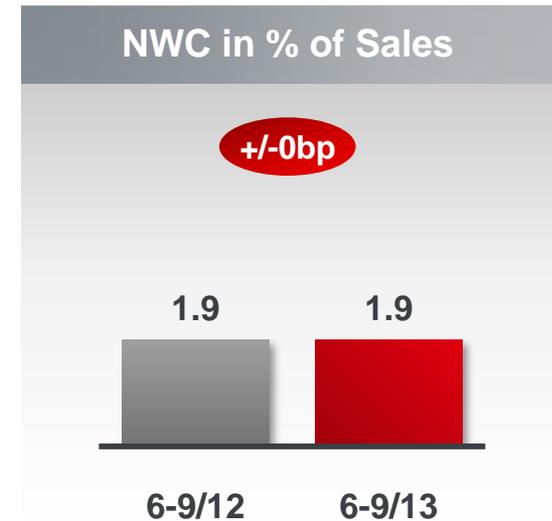
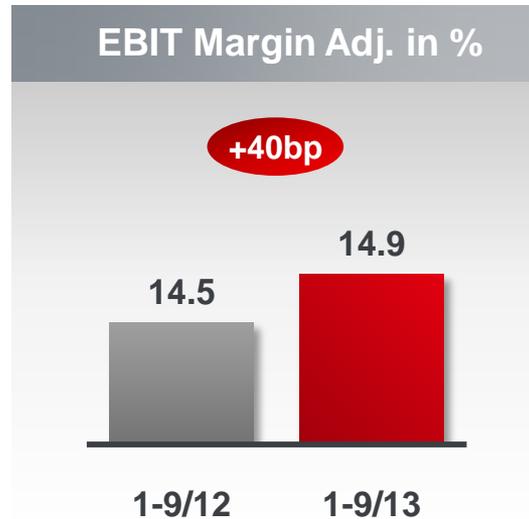
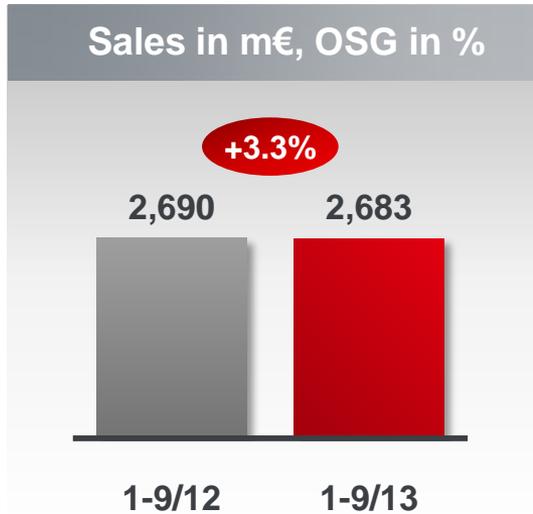
Key figures



- OSG driven by 1.3% in price and 5.1% in volume

Beauty Care

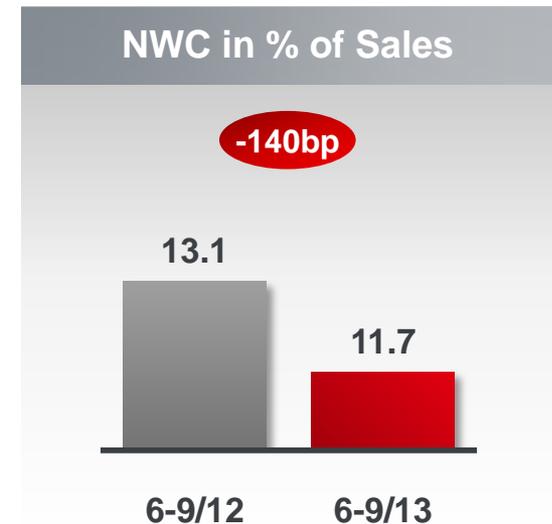
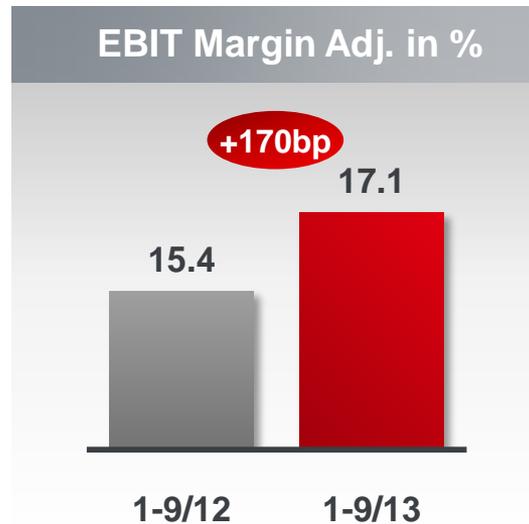
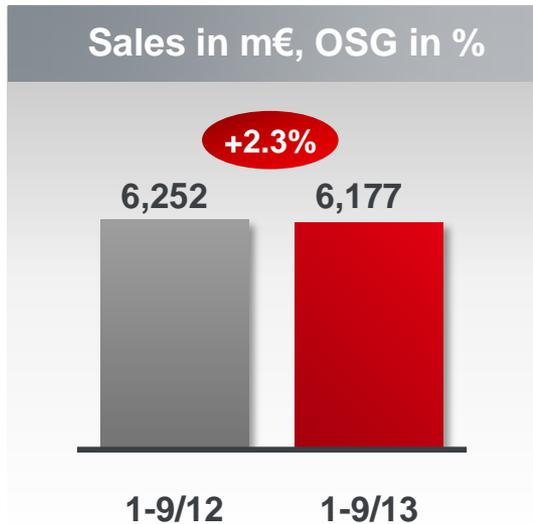
Key figures



- OSG driven by 0.6% in price and 2.7% in volume

Adhesive Technologies

Key figures



- OSG driven by 0.8% in price and 1.5% in volume

Reporting changes

As of Q1 2013 onwards

IAS 19 revised:

- Retrospective application of amendments to IAS 19 'Employee benefits'
- New regulation replaces 'expected return on plan assets' (EROPA) with an identical actuarial rate for both, pension obligations and plan assets

Net working capital definition:

- Adaptation of net working capital definition
- Enhanced transparency on customer and supplier figures
- Definition now also including other customer and supplier related payables and receivables
- Previous year figures calculated on a comparable basis