



## Investor Relations News

Düsseldorf, February 27, 2008

Program "Global Excellence" to strengthen competitiveness

# Henkel initiates measures to increase long-term profitability

Against the background of changing market conditions, especially with regard to ever stronger competition and increasing cost pressure, caused among others by markedly rising raw material prices, the Management Board of Henkel KGaA has decided the basics of an efficiency enhancement program.

"With this step, we are responding early and responsibly to the ever faster changes in our markets", says Ulrich Lehner, Chairman of the Management Board of Henkel KGaA. "This way, we prepare for oncoming developments and ensure the future viability of our company from a position of strength. "

The program, which will be initiated on a worldwide level, is to define projects in all business sectors, regions and functions with the aim to sustainably strengthen both Henkel's profitability and long-term competitiveness. The initiative, with a volume of about 500 million euros, is designed to generate annual savings of around 150 million euros from 2011. Based on experience from similar programs carried through in the past, these measures could result in the reduction of about 3,000 jobs.



“We are fully aware of the particular responsibility entailed especially with this part of the considerations”, says Lehner. “The program is not about mere reduction of costs, but about an investment in processes and structures with future viability to which we are committed due to our corporate responsibility. As in the past, and in accordance with our tradition and values, the possible job reduction will be carried out in a socially responsible manner.”

Henkel will finalize the details of the program, following the development of single project ideas and the subsequent discussion with both the works councils and the employees likely to be affected.

For more than 130 years, Henkel has been a leader with brands and technologies that make people's lives easier, better and more beautiful. Henkel operates in three business areas – Home Care, Personal Care, and Adhesives Technologies – and ranks among the Fortune Global 500 companies. In fiscal 2007, Henkel generated sales of 13.074 billion euros and operating profit of 1,344 million euros. Our 53,000 employees worldwide are dedicated to fulfilling our corporate claim, "A Brand like a Friend," and ensuring that people in more than 125 countries can trust in brands and technologies from Henkel.

This information contains forward-looking statements which are based on the current estimates and assumptions made by the corporate management of Henkel KGaA. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate, etc. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by Henkel KGaA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside Henkel's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. Henkel neither plans nor undertakes to update any forward-looking statements.

Contact:

Oliver Luckenbach  
☎ +49-2 11-7 97 16 31  
Fax: +49-2 11-7 98 28 63  
oliver.luckenbach@henkel.com

Sabine Katterbach  
☎ +49-2 11-7 97 36 09  
Fax: +49-2 11-7 98 136 09  
sabine.katterbach@henkel.com

Tim Lange  
☎ +49-2 11-7 97 15 10  
Fax: +49-2 11-7 98 115 10  
tim.lange@henkel.com

Andrea Haschke  
☎ +49-2 11-7 97 21 66  
Fax: +49-2 11-7 98 121 66  
andrea.haschke@henkel.com

Maria Dominguez Parra  
☎ +49-2 11-7 97 72 78  
Fax: +49-2 11-7 98 172 78  
maria.dominguezparra@henkel.com

Ines Göldner  
☎ +49-2 11-7 97 39 37  
Fax: +49-2 11-7 98 127 77  
ines.goeldner@henkel.com