



## News Release

December 12, 2019

### Henkel announces outlook for fiscal year 2020

2019 overall in line with market expectations and guidance

Düsseldorf – “We expect Henkel to continue to face a challenging market environment in fiscal 2020 that is difficult to predict, particularly with regard to industrial demand. Nevertheless, we will consistently pursue our growth investments in order to sustainably strengthen the business in the long-term at a higher level than in fiscal 2019,” said Hans Van Bylen, CEO of Henkel.

This has been decided by the Management Board of Henkel AG & Co. KGaA in its meeting today. Furthermore, the Management Board approved the planning as well as the outlook for fiscal 2020.

Accordingly, for the business units Beauty Care and Laundry & Home Care, the company expects good organic sales growth, while growth in the Adhesive Technologies business unit will presumably be impacted by the uncertainty in industrial demand.

Overall, Henkel expects on Group level **organic sales growth for 2020** of 0 to 2 percent. For the current fiscal year 2019, Henkel from today's perspective expects the organic sales development to be approximately stable.

In view of an uncertain industrial environment and investments in marketing and advertising as well as digitalization and IT expected to increase versus 2019, Henkel expects earnings to be negatively impacted in the fiscal year 2020.

Thus the **adjusted\* EBIT margin for 2020** is expected to reach around 15 percent compared to an expected level of approximately 16.2 percent in 2019.

From today's perspective, Henkel expects **adjusted\* earnings per preferred share (EPS) in 2020** to decrease by a mid to high single-digit percentage at constant exchange rates compared to an expected figure of around 5.45 euros in fiscal 2019.

On the development for fiscal 2019, which is coming to an end, Hans Van Bylen said: "Despite the further weakening of economic dynamics in the course of the year, our expectations for 2019 are overall in line with the expectations of the capital market as well as our guidance for fiscal 2019."

#### About Henkel

Henkel operates globally with a well-balanced and diversified portfolio. The company holds leading positions with its three business units in both industrial and consumer businesses thanks to strong brands, innovations and technologies. Henkel Adhesive Technologies is the global leader in the adhesives market – across all industry segments worldwide. In its Laundry & Home Care and Beauty Care businesses, Henkel holds leading positions in many markets and categories around the world. Founded in 1876, Henkel looks back on more than 140 years of success. In 2018, Henkel reported sales of around 20 billion euros and adjusted operating profit of around 3.5 billion euros. Henkel employs around 53,000 people globally – a passionate and highly diverse team, united by a strong company culture, a common purpose to create sustainable value, and shared values. As a recognized leader in sustainability, Henkel holds top positions in many international indices and rankings. Henkel's preferred shares are listed in the German stock index DAX. For more information, please visit [www.henkel.com](http://www.henkel.com).

\* Adjusted for one-time charges/gains and restructuring expenses.

This information contains forward-looking statements which are based on current estimates and assumptions made by the corporate management of Henkel AG & Co. KGaA. Statements with respect to the future are characterized by the use of words such as “expect”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, and similar terms. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and results actually achieved by Henkel AG & Co. 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.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Henkel's net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

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