



News Release

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Impact on business performance in 2020 due to COVID-19 currently not predictable

Henkel withdraws forecast for fiscal 2020

Düsseldorf – As the dynamic development of the COVID-19 pandemic impacts the global economy, a reliable and realistic evaluation of the future business performance of Henkel is currently not possible. As a consequence, the Management Board of Henkel AG & Co. KGaA has decided today that the forecast for fiscal 2020 published in the Annual Report 2019 will no longer be upheld.

Across all business units and functions, Henkel is responding to the crisis triggered by the COVID-19 pandemic with specific measures. Nevertheless, it is currently not possible to predict with sufficient reliability over what period and to what extent Henkel will face further impacts in fiscal 2020, and to what extent these can be offset by countermeasures.

As soon as it is possible to make a sufficiently reliable evaluation of the future business performance in 2020, Henkel will publish a corresponding forecast.

“The world is going through a very challenging period. First and foremost, people and communities in almost every country are affected by the spread of the coronavirus. But also businesses and economies worldwide are facing major challenges. In this difficult situation, the health and safety of our employees, customers and business partners have highest priority for us. We have taken early action and measures to protect them while ensuring business continuity under these unprecedented conditions,” said Henkel CEO Carsten Knobel.

“As the COVID-19 pandemic has worldwide reach and its further development is impossible to predict, we currently cannot make reliable projections for our business performance in 2020. But with our committed global team, their resilience and capabilities, as well as our strong balance sheet we are confident to master the crisis in the best way possible and to emerge stronger from this crisis,” Knobel added.

First quarter performance impacted by COVID-19

The development of Henkel in the first quarter of 2020 is already impacted by the effects of the COVID-19 pandemic. Based on preliminary results, Henkel expects overall organic sales growth for the Group of -0.9 percent in the first quarter of 2020.

For the Adhesive Technologies business unit, Henkel expects organic sales growth of -4.1 percent for the first quarter. In this business, demand declined particularly in the automotive industry. Thanks to strong demand for Laundry & Home Care products, Henkel expects that the business unit has achieved organic sales growth of 5.5 percent in the first quarter. Beauty Care is expected to report a decline in organic sales of -3.9 percent. While the hair salon business was significantly impacted by the closure of hairdressing stores ordered by many authorities, the organic sales growth of the retail business compared to the previous year was stable.

Henkel will publish its financial results for the first quarter of 2020 on May 11, 2020.

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 2019, Henkel reported sales of more than 20 billion euros and adjusted operating profit of more than 3.2 billion euros. Henkel employs more than 52,000 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.

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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