Q1 | 2011

Quarterly financial report January through March

Excellence is our Passion

Henkel: Financial highlights

in million euros	Q1/2010	Q1/2011	Change[1]
Sales	3,512	3,823	8.9 %
Operating profit (EBIT)	422	430	1.9 %
Laundry & Home Care	151	100	–33.8 %
Cosmetics/Toiletries	100	112	12.6 %
Adhesive Technologies	185	244	31.6 %
Return on sales (EBIT) in %	12.0	11.2	–0.8 pp
Earnings before tax	368	393	6.8 %
Net income	266	290	9.0 %
– Attributable to non-controlling interests	–7	–5	–28.6 %
– Attributable to shareholders of Henkel AG & Co. KGaA	259	285	10.0 %
Earnings per ordinary share in euros	0.59	0.65	10.2 %
Earnings per preferred share in euros	0.60	0.66	10.0 %
Return on capital employed (ROCE) in %	15.0	15.3	0.3 pp
Capital expenditures on property, plant and equipment	54	68	25.9 %
Research and development expenses	95	103	8.4 %
Number of employees (as of March 31)	48,426	48,188	–0.5 %

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded. pp = percentage points

Adjusted[1] earnings figures

in million euros	Q1/2010	Q1/2011	Change[2]
Adjusted operating profit (EBIT)	421	473	12.1 %
Adjusted return on sales (EBIT) in %	12.0	12.4	0.4 pp
Adjusted earnings before tax	367	436	18.8 %
Adjusted net income	265	319	20.4 %
– Attributable to non-controlling interests	–7	–5	–28.6 %
– Attributable to shareholders of Henkel AG & Co. KGaA	258	314	21.7 %
Adjusted earnings per preferred share in euros	0.60	0.73	21.7 %

[1] Adjusted for one-time charges/gains and restructuring charges. pp = percentage points
[2] Calculated on the basis of units of 1,000 euros; figures commercially rounded.

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+ 7.2 %

organic sales growth.

+ 1.6 %
Laundry & Home Care.

+ 5.7 %
Cosmetics/Toiletries.

+ 11.5 %
Adhesive Technologies.

473 million euros

adjusted[1] operating profit (EBIT): plus 12.1 percent.

12.4 %

adjusted[1] return on sales (EBIT): plus 0.4 percentage points.

0.73 euros

adjusted[1] earnings per preferred share: plus 21.7 percent.

Key facts

Laundry & Home Care posts positive sales performance; earnings burdened by higher raw material prices.

Cosmetics/Toiletries continues very strong sales development combined with appreciable margin increase.

Adhesive Technologies with further substantial sales growth and significant increase in earnings.

Net working capital improves 0.6 percentage points to 7.9 percent of sales.

Net debt reduced to 2.1 billion euros.

[1] Adjusted for one-time charges (0 million euros)/one-time gains (0 million euros) and restructuring charges (43 million euros).

You will find our annual reports, our quarterly reports, the latest data on Henkel's shares and bonds, and also news, financial reports and presentations relating to the company on our Investor Relations website:

www.henkel.com/ir

Major events

Effective January 1, 2011, Jan-Dirk Auris and Bruno Piacenza joined the Henkel Management Board, Jan-Dirk Auris assuming responsibility for the Adhesive Technologies business sector from Thomas Geitner as of that date. On March 1, 2011, Bruno Piacenza likewise took over the helm of the Laundry & Home Care business sector from Dr. Friedrich Stara, who retired at the end of February 2011.

For the fourth year running, Henkel has been included in the list of the "World's Most Ethical Companies." Published by the US Ethisphere Institute, this ranking identifies globally active corporations exhibiting exemplary ethical corporate governance.

For the second year in a row, the CRF institute – one of the leading research organizations in the field of employer certification – recognized Henkel with its "Top Employer Germany 2011" award.

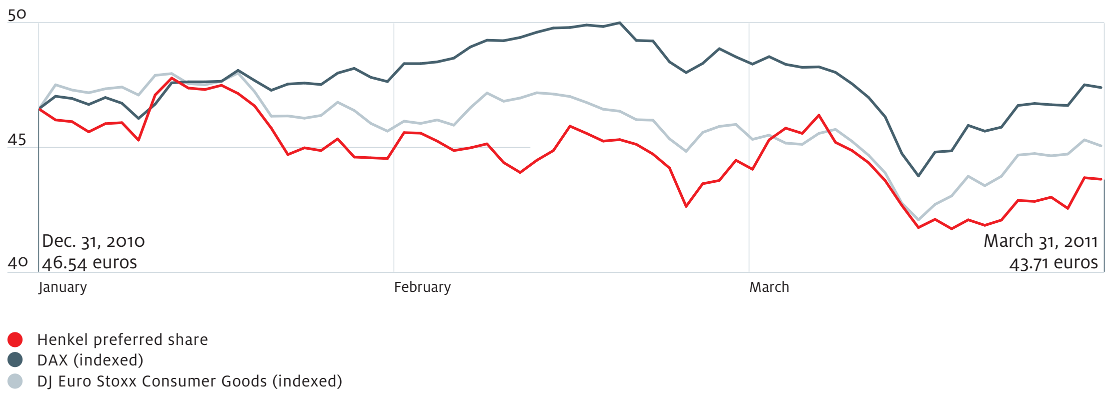
Preferred share performance

The stock markets registered a mixed pattern of share price fluctuations during the first quarter of 2011. While the DAX gained 1.8 percent over this period, the Dow Jones Euro Stoxx Consumer Goods Index decreased by –3.2 percent. Against this market background, the price of the Henkel preferred share eased back –6.1 percent, from 46.54 euros to 43.71 euros. This meant that our stock underperformed with respect both to the DAX and to shares in the consumer goods segment.

Shareholders who have held Henkel preferred shares since their issuance in 1985 and who re-invested the dividends received (without tax deduction) in further shares, will, by the end of the first quarter of 2011, have enjoyed an average annual return of 10.7 percent before tax.

Performance of Henkel preferred share versus market, first quarter 2011

in euros



Key data on Henkel shares, first quarter

in euros	Q1/2010	Q1/2011
Earnings per share		
Ordinary share	0.59	**0.65**
Preferred share	0.60	**0.66**
Share price at period end[1]		
Ordinary share	34.31	**36.87**
Preferred share	39.86	**43.71**
High for the period[1]		
Ordinary share	34.31	**40.22**
Preferred share	40.21	**47.77**
Low for the period[1]		
Ordinary share	30.31	**34.95**
Preferred share	35.21	**41.72**
Market capitalization[1] **in bn euros**	**16.0**	**17.4**
Ordinary shares in bn euros	8.9	**9.6**
Preferred shares in bn euros	7.1	**7.8**

[1] Closing share prices, Xetra trading system.

Report first quarter 2011

Business performance first quarter 2011

Key financials[1)]

in million euros	Q1/2010	Q1/2011	+/–
Sales	3,512	**3,823**	8.9 %
Operating profit (EBIT)	422	**430**	1.9 %
Adjusted[2)] operating profit (EBIT)	421	**473**	12.1 %
Return on sales (EBIT)	12.0 %	**11.2 %**	–0.8 pp
Adjusted[2)] return on sales (EBIT)	12.0 %	**12.4 %**	0.4 pp
Net income – Attributable to shareholders of Henkel AG & Co. KGaA	259	**285**	10.0 %
Adjusted[2)] net income – Attributable to shareholders of Henkel AG & Co. KGaA	258	**314**	21.7 %
Earnings per preferred share in euros	0.60	**0.66**	10.0 %
Adjusted[2)] earnings per preferred share in euros	0.60	**0.73**	21.7 %

pp = percentage points
1) Calculated on the basis of units of 1,000 euros; figures commercially rounded.
2) Adjusted for one-time charges/gains and restructuring charges.

Results of operations

Operating within a largely positive market environment, we increased sales by a strong 8.9 percent to 3,823 million euros in the first quarter of 2011. Adjusted for foreign exchange, sales grew by 6.8 percent. With growth of 7.2 percent, organic sales – i.e. sales adjusted for foreign exchange and acquisitions/divestments – once again increased considerably compared to the prior-year quarter.

Sales development[1)]

in percent	Q1/2011
Change versus previous year	8.9
Foreign exchange	2.1
After adjusting for foreign exchange	6.8
Acquisitions/divestments	–0.4
Organic	7.2
of which price	–0.2
of which volume	7.4

1) Calculated on the basis of units of 1,000 euros.

All three business sectors contributed to this gratifying development: Laundry & Home Care registered positive growth of 1.6 percent on the back of strong volume expansion; with organic sales growth of 5.7 percent, the Cosmetics/Toiletries business sector outstripped a very strong prior-year quarter and significantly exceeded growth in the relevant markets; and with an 11.5 percent rise achieved through a mix of price and volume increases, Adhesive Technologies improved significantly on an already strong prior-year quarter. We were able to further expand global market share in all three business sectors.

The first quarter of 2011 saw no major changes in our sales markets, nor were there any significant shifts in our competitive positions from those described in our AR Annual Report 2010 (starting on page 66).

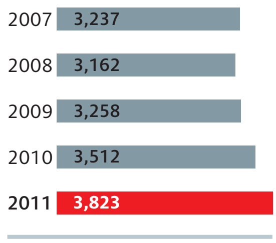
Price and volume effects

in percent	Organic sales growth	of which price	of which volume
Laundry & Home Care	1.6	–3.2	4.8
Cosmetics/Toiletries	5.7	–2.3	8.0
Adhesive Technologies	11.5	2.6	8.9
Henkel Group	7.2	–0.2	7.4

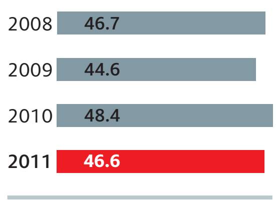
In the following, we discuss our operating expense items adjusted for one-time charges/gains and restructuring charges. The reconciliation statement and the allocation of the restructuring charges between the various items of the income statement can be found on Q1 page 24.

Due primarily to raw material price rises, the cost of sales increased compared to the prior-year figure by 12.8 percent to 2,044 million euros. Gross profit rose to 1,779 million euros; however, gross margin decreased by 1.8 percentage points to 46.6 percent. Despite our strict focus on driving efficiency improvements and the increase in sales volumes achieved, we were unable to fully offset the impact of rising prices for raw materials and packaging.

First quarter sales
in million euros



First quarter adjusted gross margin
in percent of sales



Condensed income statement from sales to adjusted operating profit

in million euros	Q1/2010	%	Q1/2011	%	Change
Sales	**3,512**	**100.0**	**3,823**	**100.0**	**8.9%**
Cost of sales	–1,812	–51.6	–2,044	–53.4	12.8%
Gross profit	**1,700**	**48.4**	**1,779**	**46.6**	**4.6%**
Marketing, selling and distribution expenses	–1,005	–28.6	–1,055	–27.6	5.0%
Research and development expenses	–93	–2.6	–100	–2.6	7.5%
Administrative expenses	–179	–5.1	–178	–4.7	–0.6%
Other operating income/charges	–2	–0.1	27	0.7	>100%
Adjusted operating profit (EBIT)	**421**	**12.0**	**473**	**12.4**	**12.1%**

1) Calculated on the basis of units of 1,000 euros; figures commercially rounded.

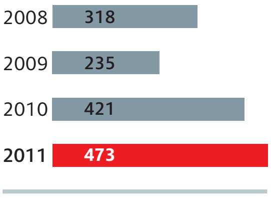
Marketing, selling and distribution expenses increased by 5.0 percent to 1,055 million euros. We spent a total of 100 million euros on research and development, keeping the R&D ratio as a proportion of sales constant at 2.6 percent. As a result of expansion of our shared service centers, administrative expenses decreased by 0.6 percent, with their proportion of sales decreasing substantially.

The balance of other operating income and charges increased from –2 million euros to 27 million euros. Higher amounts resulting from the release of provisions, and higher gains from the disposal of non-current assets resulted in an overall improvement of 14 million euros.

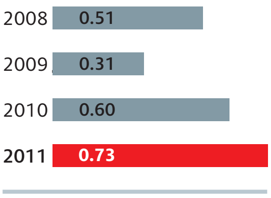
Adjusted operating profit (EBIT) rose by 12.1 percent, from 421 million euros to 473 million euros, with the business sectors Adhesive Technologies and Cosmetics/Toiletries making appreciable contributions. The Group's return on sales rose from 12.0 percent to 12.4 percent. The most pronounced improvement in EBIT margin was realized by the Cosmetics/Toiletries business sector, with an increase from 12.9 percent to 13.8 percent thanks to excellent sales performance coupled with ongoing strict cost management. Adhesive Technologies was also able to substantially improve its return on sales, from 12.2 percent to 13.1 percent, resulting both from increases in its selling prices and further efficiency savings. Due to increasing material prices and lower selling prices, we registered a decrease in margin of 0.6 percentage points to 12.4 percent in the Laundry & Home Care business sector.

Our financial result improved from –54 million euros to –37 million euros due to our lower net debt and an increased balance arising from our currency hedging activities. The tax rate amounted to 26.2 percent. Net income for the quarter increased by 9.0 percent, from 266 million euros to 290 million euros. After deducting income of 5 million euros attributable to non-controlling interests, net income for the quarter was 285 million euros (prior-year quarter: 259 million euros). Adjusted net income for the quarter after non-controlling interests was 314 million euros compared to 258 million euros in the prior-year quarter. Earnings per preferred share rose from 0.60 euros to 0.66 euros. After adjustment, EPS came in at 0.73 euros compared to 0.60 euros in the prior-year quarter.

First quarter adjusted EBIT
in million euros



First quarter adjusted earnings per preferred share
in euros



Comparison between actual and forecast business performance

In our report for fiscal 2010, we published guidance for 2011 stating that we expected to again outperform our relevant markets in terms of organic sales growth, and that we anticipated this figure to be within the range of 3 to 5 percent. We forecasted an increase in adjusted return on sales (EBIT) to around 13 percent and also a rise in adjusted earnings per preferred share of about 10 percent.

Based on the gratifying sales performance achieved in the first quarter of 2011, we now expect organic growth for fiscal 2011 to be at the upper end of the range of 3 to 5 percent previously indicated. We confirm our forecast for adjusted return on sales (EBIT) of around 13 percent and an increase in adjusted earnings per preferred share of about 10 percent.

Comparison of forecast versus results

	Forecast 2011	Results Q1/2011
Organic sales growth	Outperforming relevant market developments	Laundry & Home Care: +1.6 percent (relevant market: −1.1 percent) Cosmetics/Toiletries: +5.7 percent (relevant market: −1.3 percent) Adhesive Technologies: +11.5 percent (relevant market: +3.0 percent)
Adjusted return on sales (EBIT)	Increase to around 13 percent	Increase to 12.4 percent
Adjusted earnings per preferred share	Increase of around 10 percent	Increase of 21.7 percent

Regional performance

Henkel: Key figures by region[1], first quarter 2011

in million euros Regions	Western Europe	Eastern Europe	Africa/ Middle East	North America	Latin America	Asia-Pacific	Corporate[2]	Henkel Group
Sales January – March 2011	**1,433**	**656**	**222**	**676**	**253**	**536**	**46**	**3,823**
Sales January – March 2010	1,353	574	212	645	216	462	50	**3,512**
Change from previous year	6.0%	14.3%	4.6%	4.7%	17.1%	16.2%	–	**8.9%**
After adjusting for foreign exchange	5.2%	13.4%	4.9%	3.2%	10.1%	9.2%	–	**6.8%**
Organic	5.1%	13.2%	4.9%	3.6%	10.1%	10.8%	–	**7.2%**
Proportion of Henkel sales January – March 2011	**37%**	**17%**	**6%**	**18%**	**7%**	**14%**	**1%**	**100%**
Proportion of Henkel sales January – March 2010	39%	16%	6%	18%	6%	13%	2%	**100%**
EBIT January – March 2011	**216**	**70**	**17**	**65**	**23**	**66**	**27**	**430**
EBIT January – March 2010	202	42	20	82	24	66	–15	**422**
Change from previous year	7.0%	64.7%	–15.6%	–20.5%	–6.8%	–0.1%	–	**1.9%**
After adjusting for foreign exchange	6.1%	62.4%	–15.8%	–21.9%	–15.3%	–7.6%	–	**0.2%**
Return on sales (EBIT) January – March 2011	**15.1%**	**10.7%**	**7.7%**	**9.6%**	**9.0%**	**12.3%**	**–**	**11.2%**
Return on sales (EBIT) January – March 2010	14.9%	7.4%	9.5%	12.7%	11.3%	14.3%	–	**12.0%**

[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Corporate = sales and services not assigned to the individual regions and business sectors.

In the **Western Europe** region, sales improved organically by 5.1 percent compared to the first quarter of 2010, with all our business sectors contributing.

Adjusted for foreign exchange, operating profit in the region rose by 6.1 percent, with the improvements in earnings achieved by the business sectors Adhesive Technologies and Cosmetics/Toiletries more than offsetting the decline at Laundry & Home Care. We increased our return on sales in the region by 0.2 percentage points to 15.1 percent.

Organic sales in the **Eastern Europe** region increased by 13.2 percent, with the business sectors Adhesive Technologies and Cosmetics/Toiletries posting double-digit growth rates.

Adjusted for foreign exchange, operating profit in the region improved by 62.4 percent, with all three business sectors contributing. Return on sales rose from 7.4 percent in the prior-year quarter to 10.7 percent this time.

In the **Africa/Middle East** region we generated organic growth of 4.9 percent, driven particularly by the Adhesive Technologies and Cosmetics/Toiletries business sectors.

Due to declining developments in all three business sectors, however, the region's operating profit adjusted for foreign exchange decreased by a total of 15.8 percent. Return on sales fell from 9.5 percent to 7.7 percent. Sales and earnings attributable to Africa/Middle East were also affected by the recent political unrest in some countries in that region.

Organic sales of the **North America** region grew by 3.6 percent compared to the prior-year quarter. Sales of the business sectors Adhesive Technologies and Cosmetics/Toiletries were particularly encouraging, while the revenues recorded by Laundry & Home Care showed a decline.

After adjusting for foreign exchange, operating profit in the region decreased by 21.9 percent, with all three business sectors registering a decline. Return on sales eased from 12.7 percent in the prior-year quarter to 9.6 percent.

We increased organic sales of the **Latin America** region by 10.1 percent, with improvements in all three business sectors.

Adjusted for foreign exchange, operating profit decreased by 15.3 percent. The improvement in earnings in the Adhesive Technologies business sector was not sufficient to offset the decline in profitability encountered in our consumer goods businesses. The return on sales attributable to the region decreased by 2.3 percentage points to 9.0 percent.

At 10.8 percent, the **Asia-Pacific** region again posted double-digit growth in organic sales, with Adhesive Technologies in particular generating a gratifying rise in revenues.

After adjusting for foreign exchange, operating profit exhibited a slight decline of 7.6 percent. The improvement in the results of the Adhesive Technologies business sector was not quite enough to compensate for the decline in earnings in our consumer goods businesses. Consequently, return on sales decreased by 2.0 percentage points, although still remaining high at 12.3 percent.

In our **growth regions** of Eastern Europe, Africa/Middle East, Latin America and Asia (excluding Japan), sales increased by 14.8 percent to 1,537 million euros, representing 40 percent of total Group sales (first quarter 2010: 38 percent). Maintaining the recent series of double-digit improvements, organic growth was 12.4 percent up on the prior-year quarter, thanks in particular to the results of Adhesive Technologies and Cosmetics/Toiletries.

Sales by region, first quarter*)
in million euros

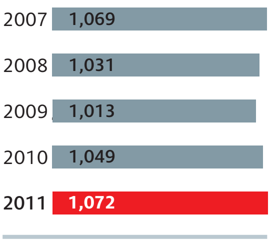
*) Excluding Corporate.

EBIT by region, first quarter*)
in million euros

*) Excluding Corporate.

Laundry & Home Care

Sales first quarter
in million euros



Key financials[1]

in million euros	Q1/2010	Q1/2011	+/–
Sales	1,049	**1,072**	2.2 %
Proportion of Henkel sales	30 %	**28 %**	
Operating profit (EBIT)	151	**100**	–33.8 %
Adjusted[2] operating profit (EBIT)	136	**133**	–2.4 %
Return on sales (EBIT)	14.4 %	**9.4 %**	–5.0 pp
Adjusted[2] return on sales (EBIT)	13.0 %	**12.4 %**	–0.6 pp
Return on capital employed (ROCE)	24.5 %	**17.0 %**	–7.5 pp

pp = percentage points
[1] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2] Adjusted for one-time charges/gains and restructuring charges.

Sales development[1]

in percent	Q1/2011
Change versus previous year	2.2
Foreign exchange	0.7
After adjusting for foreign exchange	1.5
Acquisitions/divestments	–0.1
Organic	1.6
of which price	–3.2
of which volume	4.8

[1] Calculated on the basis of units of 1,000 euros.

Despite persistently strong competition and a decline in our relevant markets, we posted an increase in sales of 2.2 percent in the **Laundry & Home Care** business sector in the first quarter of 2011. Thanks to strong volume expansion of 4.8 percent, organic sales growth – adjusted for acquisitions/divestments and foreign exchange – came in at 1.6 percent. The decrease of 3.2 percent in selling prices was due to a still relatively high price level in the comparative quarter of the previous year, with the marked downward trend only setting in as the year progressed.

Regional development was very mixed. Eastern Europe's growth rate again increased significantly, supported primarily by strong growth in Russia and Turkey. Latin America likewise contributed to the positive developments achieved, due especially to the launch of Persil in Mexico. Our growth region Africa/Middle East was unable to deliver the double-digit growth rates of last year due to political unrest in some of the countries of importance to us. However, the situation improved substantially toward the end of the quarter. In North America, sales declined due to a further contraction in the markets and persistently heavy competitive pressures. By contrast, Western Europe registered a significant improvement in sales, driven in particular by very strong growth in Germany and France. As a result, our market shares in Western Europe were further expanded, as was our global share of the markets relevant to us.

Innovation

Silan Aromatherapy

New fabric softener series in Eastern Europe formulated for an exceptional wellness experience: the four exotic variants Tahiti Relax, Bali Sensation, Hawaii Secrets and Tropical Energy are characterized by their particularly attractive fragrances and a wonderful softness of the laundry. The fragrance compound is encapsulated to ensure extra-long-lasting freshness.

For further information relating to our product innovations, please take a look at our "Innovation Letter" on our Investor Relations website: www.henkel.com/ir

Adjusted operating profit (EBIT) and, at 12.4 percent, adjusted return on sales both came in below the level of the first quarter in 2010. The twin effects of increasing material prices and a decline in selling prices meant that we were unable to match the margin of the prior-year period. The difference between operating profit and adjusted operating profit is due to restructuring charges incurred as a result of measures introduced to optimize our production site network. Return on capital employed (ROCE) was likewise impacted by the increased restructuring charges and came in at 17.0 percent. However, based on the adjusted EBIT figure, ROCE showed a slight increase. We were able to once again substantially improve net working capital as a ratio of sales relative to the prior-year period.

In the *Laundry* business, the strongest growth momentum was generated by our heavy-duty detergents, with sales of our core Persil brand expanding significantly. The launch of Persil in Mexico and the successful development of the brand in South Korea also contributed to this success. Additional positive developments emanated from our innovative Persil Gold with its brilliance formula for radiant cleanliness and brighter colors, which was launched in Europe's German-speaking countries. The positive trend with respect to our fabric softeners continued, boosted in particular by the launch of Purex Crystals in the USA.

In the *Home Care* business, our machine-dishwashing products, and in particular Somat 9, continued to exhibit dynamic growth, with benefits also accruing from the successful launch of the Somat brand onto the Spanish market around the middle of last year. We likewise generated positive growth momentum through a relaunch of Bref/WC Frisch Duo-Aktiv, a WC product offering more active ingredients and more freshness. Our hand-dishwashing category profited from the results generated by innovative Pril Hygiene. Sales performance of this segment was, however, adversely affected by declining revenues in the air freshener category in the North American market, due to the entry of new competitors.

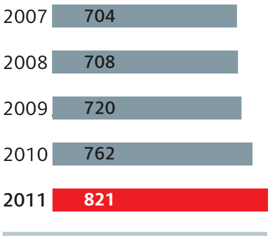
Outlook

In spite of the persistently difficult trading conditions prevailing, we intend to further expand our world market position in 2011. We expect our relevant markets to enter into a period of stagnation and should therefore once again outperform them in terms of organic growth. With price increases and our continued effort to enhance efficiency and reduce cost, we expect – despite constantly rising material prices – to achieve a further improvement in adjusted return on sales versus the prior-year figure (2010: 13.0 percent).

Top brands

Cosmetics/Toiletries

Sales first quarter
in million euros



Key financials[1)]

in million euros	Q1/2010	Q1/2011	+/–
Sales	762	**821**	7.7 %
Proportion of Henkel sales	22 %	**22 %**	
Operating profit (EBIT)	100	**112**	12.6 %
Adjusted[2)] operating profit (EBIT)	98	**113**	15.1 %
Return on sales (EBIT)	13.1 %	**13.7 %**	0.6 pp
Adjusted[2)] return on sales (EBIT)	12.9 %	**13.8 %**	0.9 pp
Return on capital employed (ROCE)	19.6 %	**22.6 %**	3.0 pp

pp = percentage points
[1)] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2)] Adjusted for one-time charges/gains and restructuring charges.

Sales development[1)]

in percent	Q1/2011
Change versus previous year	7.7
Foreign exchange	2.0
After adjusting for foreign exchange	5.7
Acquisitions/divestments	–
Organic	5.7
of which price	–2.3
of which volume	8.0

[1)] Calculated on the basis of units of 1,000 euros.

Cosmetics/Toiletries made a very strong start to 2011 with a first quarter in which the business sector significantly outstripped the already very high figures of the prior-year period. Posting organic growth of 5.7 percent, we once again expanded appreciably faster than the markets of relevance to us, enabling us to gain further market shares. We also achieved substantial volume increases through our ongoing innovation offensive. Heavy pricing competition, mix effects and intense promotional activities had an adverse effect on selling price levels.

Notably, all our regions and businesses contributed to this growth. We again achieved double-digit percentage rates of expansion in Eastern Europe, Latin America and the emerging markets of Asia. In addition, we made a very good start to the year in the regions of Western Europe and North America, significantly increasing sales with successful product launches, and gaining further market shares.

We increased adjusted operating profit (EBIT) by 15.1 percent and improved our adjusted return on sales by 0.9 percentage points to 13.8 percent, a new high for a first quarter. This is all the more gratifying, given the steep rise in raw material and packaging costs incurred in the first quarter. Our very good performance was achieved through excellent sales development and another strong gross margin combined with our ongoing strict cost management approach. At the same time, we were also able to step up our marketing investments compared to the prior-year quarter. As a result of the rise in operating profit and a substantial reduction in net working capital, return on capital employed (ROCE)

Innovation

Got2b Powderful

Edgy styling brand Got2b has set a further growth-imparting boost with the launch of Got2b Powderful. This innovative styling powder immediately generates volume or mattifying structure effects, depending on the product variant. Thanks to the revolutionary powder consistency, the product neither weighs down the hair nor leaves residues.

For further information relating to our product innovations, please take a look at our “Innovation Letter” on our Investor Relations website: www.henkel.com/ir improved by 3.0 percentage points to a new high of 22.6 percent.

The *Hair Cosmetics* segment again turned in an exceptionally good performance in this quarter, generating strong sales increases and expanding its market shares in all categories to new record levels. In the Hair Care business, launches of the Schauma Superfrucht ("Superfruit") nutritional care line and also the new anti-frizz care treatment Gliss Kur Satin Relax generated positive momentum. With our new line Syoss Men, we introduced the highly successful hair care brand Syoss into the attractive and growing segment of men's cosmetics. We also intensified the international Syoss roll-out. In the Styling business, the relaunch of Taft Power, the advent of the new subline Taft Powerful Age and also the introduction of Got2b Powderful contributed to the positive performance achieved. In the Colorants business, the focus was on the roll-out of the first foam-based colorant Perfect Mousse, the successful expansion of the Syoss Color line and the relaunch of the care range Palette Deluxe.

We also expanded sales in the *Body Care* business. In North America, the Dial brand was extended into the body lotion segment with the launch of our new NutriSkin line of lotions. Further penetration was achieved with the launch of the men's line Right Guard Total Defense 5 with its innovative 5-in-1 system. Overall, we were able to make market share gains across our entire product portfolio in North America. In Western and Eastern Europe, we expanded our care segment in relation to deodorants and body wash products with the launch of the Fa NutriSkin series. In addition, the European Right Guard line was extended to offer a new dimension in deodorant protection with Xtreme Dry.

The *Skin Care* business generated a significant increase in sales, with the market launch in France of the new subline BioExpertise Anti-Wrinkle from Diadermine providing much of the focus. BioExpertise is a certified anti-wrinkle line for the mass market which combines strong product performance with extensive use of natural ingredients.

In the *Oral Care* business, the emphasis was on the expansion of the successful Theramed series through the inclusion of the innovation White-Booster as a two-in-one product, tube and mouthwash.

In the *Hair Salon* business, Schwarzkopf Professional had a very successful first quarter, continuing the positive sales growth trend of previous periods and emanating in particular from the launch of further innovations. In the important Colorants segment, the relaunch of Igora Vibrance contributed to the positive business performance achieved, while in the Hair Care segment, the relaunch of Bonacure Rescue and also that of BlondMe Light added further growth momentum.

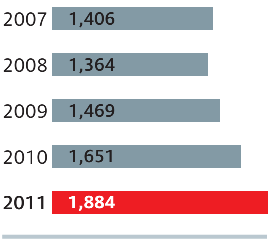
Outlook

We expect market conditions to remain difficult in 2011. Nevertheless, we intend to once again expand our worldwide market position and - in terms of organic sales growth - to outperform our relevant markets, which we expect to enter into a phase of stagnation. With our ongoing activities aligned to improving our cost structure, we expect – despite constantly rising material prices – to achieve an improvement in adjusted return on sales versus the prior-year figure (2010: 13.3 percent).

Top brands

Adhesive Technologies

Sales first quarter
in million euros



Key financials[1)]

in million euros	Q1/2010	Q1/2011	+/–
Sales	1,651	**1,884**	14.1%
Proportion of Henkel sales	47%	**49%**	
Operating profit (EBIT)	185	**244**	31.6%
Adjusted[2)] operating profit (EBIT)	201	**247**	22.6%
Return on sales (EBIT)	11.2%	**13.0%**	1.8pp
Adjusted[2)] return on sales (EBIT)	12.2%	**13.1%**	0.9pp
Return on capital employed (ROCE)	10.9%	**14.2%**	3.3pp

pp = percentage points
[1)] Calculated on the basis of units of 1,000 euros; figures commercially rounded.
[2)] Adjusted for one-time charges/gains and restructuring charges.

Sales development[1)]

in percent	Q1/2011
Change versus previous year	**14.1**
Foreign exchange	3.0
After adjusting for foreign exchange	**11.1**
Acquisitions/divestments	–0.4
Organic	**11.5**
of which price	2.6
of which volume	8.9

[1)] Calculated on the basis of units of 1,000 euros.

The **Adhesive Technologies** business sector continued to drive dynamic growth through the first quarter of 2011. Sales increased by 14.1 percent while the organic growth rate – adjusted for acquisitions/divestments and foreign exchange – amounted to 11.5 percent. This significant increase, outperforming the market, was attributable to substantial volume expansion combined with selling price increases.

All our regions and businesses contributed to this positive performance. Once again, the emerging markets added particular momentum, with Eastern Europe, Africa/Middle East and Asia (excluding Japan) registering the highest rates of increase. However, we also considerably expanded our sales in the mature markets.

Adjusted operating profit (EBIT) once again underwent a disproportionate improvement compared to the prior-year quarter, rising by 22.6 percent to 247 million euros. Adjusted return on sales therefore also increased compared to the previous year, by 0.9 percentage points to 13.1 percent. This performance is all the more remarkable given that the ever persistent rise in raw material and packaging prices was particularly steep in this quarter. A substantial increase in efficiency resulting from the performance enhancement measures introduced in the recent past, together with the price rises mentioned, nevertheless enabled us to more than offset these cost increases. Return on capital employed (ROCE) rose by over 3 percentage points to 14.2 percent. Net working capital as a ratio of sales was once again further reduced compared to the prior-year quarter.

Innovation

Pattex Power PU Foam Universal

The new Pattex PU foam offers exceptional economy and, thanks to its effective adhesive properties, is both easy and safe to use. Its improved insulation performance also promotes energy efficiency. And, with its low toxic content, it is the first PU foam to satisfy recent European legislation, enabling it to be purchased freely over the counter in retail stores.

For further information relating to our product innovations, please take a look at our "Innovation Letter" on our Investor Relations website: www.henkel.com/ir

The *Adhesives for Consumers, Craftsmen and Building* business continued to develop well in all our regions, with sales growth coming both from our craftsman and consumer products and from our activities aligned to the construction industry. Substantial revenue increases were registered in Eastern Europe, Africa/Middle East and Asia (excluding Japan).

Further encouraging developments were also reported by our *Transport and Metal* business. We were able to once again achieve significant increases in sales in these sectors compared to the prior-year quarter, particularly in Eastern Europe and Africa/Middle East, with the regions of Western Europe, Latin America and Asia-Pacific also generating double-digit growth rates.

The *General Industry* segment performed disproportionately well, achieving the strongest growth in revenue of the entire business sector in the period under review. All our regions contributed to this success, with some posting substantial double-digit sales increases.

We also succeeded in increasing sales in the *Packaging, Consumer Goods and Construction Adhesives* business, the highest growth rates being achieved in Africa/Middle East, Asia-Pacific and Western Europe.

The *Electronics* segment likewise developed positively compared to the prior-year quarter, with all our regions contributing to sales growth.

Outlook

We expect all the markets of relevance to us to show growth rates of 3 to 5 percent, which are below those of 2010. We expect the prices of raw materials and packaging to continue to rise, in some cases substantially. As in 2010, we may again encounter supply shortages due to the limited capacities of certain producers. Following a very successful 2010, our aim is to continue generating profitable growth in 2011. We intend to once again outperform our relevant markets in terms of organic sales growth. As a result of the substantial improvement in our cost structure, we expect adjusted return on sales to exceed that of the previous year (2010: 12.8 percent).

Top brands

Financial report first quarter 2011

Underlying economic conditions

The direction of world economic development in the first quarter of 2011 was again appreciably upward, with global gross domestic product increasing by around 3.5 percent. Posting an increase of 6 percent, manufacturing industry expanded more rapidly than private consumption, which grew by around 3 percent.

This first quarter was characterized by the political turmoil in the Middle East – particularly in Egypt, Tunisia and Libya, which temporarily incapacitated the economic activity of these countries. In Japan, the economic effects of the terrible natural catastrophe suffered by that country, combined with the nuclear reactor problem, are still difficult to predict other than in general terms.

Most of the remaining regions saw a continuation of their economic recovery. Economic growth in the USA accelerated, thanks in part to the new QE stimulus program. Compared to the first quarter of 2010, the rate of expansion was around 3 percent. Western Europe's economic output levels exceeded those of the prior-year period by around 2 percent. Germany was able to maintain its current stand-out position, increasing its GDP by around 4 percent. By contrast, the countries of Southern Europe registered a decline or stagnation in their gross domestic product, with necessary budgetary restructuring and consolidation measures restricting not only governmental spending but also, in particular, private consumption. In Eastern Europe, economic growth accelerated during the first quarter to around 3.5 percent. The once again rapidly expanding Russian economy also benefited from the higher raw material prices. Latin America's surge continued with economic growth coming in at a good 4 percent. The emerging markets of Asia generated a plus of around 7 percent, with China contributing a significant portion. Now the second largest economy in the world, it posted growth of around 9 percent.

Despite the financial difficulties being suffered by some Southern European countries, the euro continued to develop positively with respect to the US dollar, ending the quarter at 1.42 US dollars following 1.34 at the end of 2010. On March 31, 2010, the euro was worth 1.35 US dollars.

Consumer prices have picked up around the world. This applies particularly to the growth regions, driven in part by the rise in raw material prices.

Unemployment levels have slightly declined. In some countries such as the USA, however, unemployment remains relatively high despite economic growth. Job numbers in Germany, on the other hand, continued to rise, with the unemployment ratio further decreasing.

Sectors of importance for Henkel

The conditions underlying private consumption have slightly improved. Economic recovery has led to a rise in the real incomes of private households, increasing the propensity of many consumers to spend. In the USA, the growth in consumption during the first quarter was around 3 percent. In Europe, especially Western and, even more so, Southern Europe, however, private consumption is generating little or no growth momentum. There, the increase in consumer spending failed in many cases to exceed the 1 percent mark and remained below that in some instances. Even in high-growth Germany, consumption only increased by 1.5 percent. Once again, consumers in the emerging markets significantly increased their spend, although the rise in consumption remained below the overall rate of GDP growth.

The manufacturing industries continued to expand. In the consumer-related segments such as the packaging and food industries, the rate of growth was lower than in the capital goods sector, the latter benefiting from continuing brisk world trade coupled with increasing domestic demand in certain countries. The main beneficiaries so far have been the electronics industry and the metal processing sector. The production increase in the transport industry was also strong, thanks to the twin benefits of a more conducive investment climate and an increase in the propensity to purchase high-quality vehicles.

The rate of recovery in the worldwide construction industry remained tentative. In the USA, building output declined once again, and in Western Europe it failed to move beyond the stagnation point.

Effects on Henkel

General economic developments during the first three months of 2011 had a positive influence on business performance at Henkel. Robust economic activity in many regions of the world was reflected in our disproportionately strong organic growth of 7.2 percent. This applies particularly to our growth regions, which saw double-digit percentage expansion. However, we also posted growth in Western Europe and North America.

The increase in private consumption together with retail expansion had a positive effect on our consumer businesses. Adhesive Technologies benefited from the rise in industrial output. The increase in sales reported by the segments Electronics, Transport and Metal in particular reflect the recovery experienced in their respective customer industries.

At the same time, the effects of the higher raw material prices were very much felt in all three business sectors.

Results of operations

For a commentary on our results of operations, please refer to the section entitled "Report first quarter 2011" on Q1 page 5.

Net assets

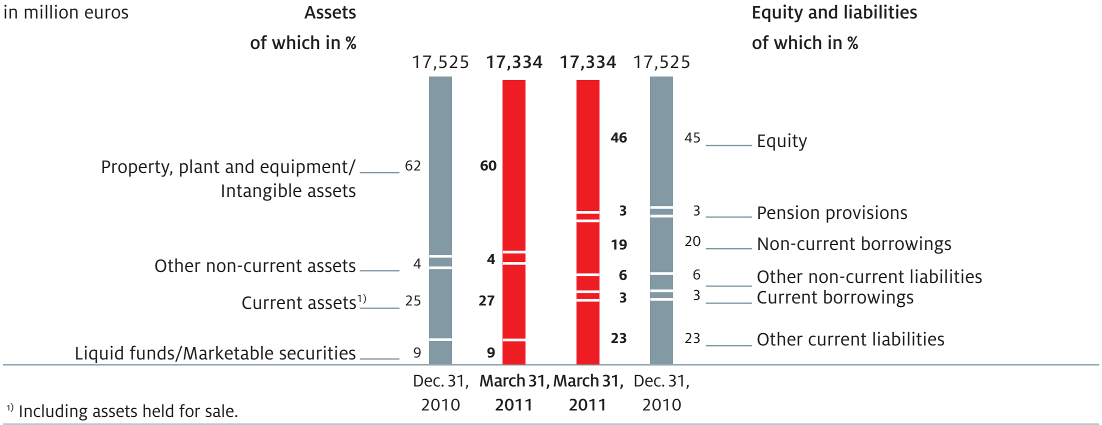
Compared to year-end 2010, our balance sheet total decreased by 0.2 billion euros to 17.3 billion euros. Under **non-current assets**, intangible assets declined in value by 382 million euros due to currency translation effects. The slight decrease in the property, plant and equipment figure resulted from our capital expenditures of 68 million euros being outweighed by depreciation of 78 million euros and a negative foreign exchange impact of 54 million euros. Under **current assets**, which grew from 5.9 billion euros to 6.2 billion euros, the growth in our business volume was reflected in both higher inventories and an increase in trade accounts receivable. Once again, liquid funds increased – by 79 million euros – to almost 1.6 billion euros.

At 7,953 million euros, **equity** including non-controlling interests remained at the level of the end of fiscal 2010. The individual components influencing equity development are shown in the statement of changes in equity on Q1 page 25. The main downside effect emanated from the lower US dollar exchange rate that has prevailed since the beginning of the year. The equity ratio (equity as a percentage of total assets) increased from 45.4 percent to 45.9 percent.

At 4.9 billion euros, **non-current liabilities** were 224 million euros lower than at the end of 2010 due to currency translation factors. Our non-current borrowings continue to be made up from three bonds – two senior bonds with a redemption value of 1.0 billion euros each, and a hybrid bond with a redemption value of 1.3 billion euros. Under **current liabilities**, which remained roughly constant at around 4.5 billion euros, trade accounts payable followed the same pattern as seen with current assets, increasing compared to year-end

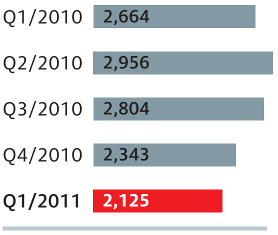
Balance sheet structure

in million euros



[1)] Including assets held for sale.

Net debt
in million euros



2010 by 131 million euros to 2,439 million euros. However, this was countervailed by a further reduction in current borrowings of 56 million euros to 480 million euros.

Net debt[1] as of March 31, 2011 amounted to 2,125 million euros (December 31, 2010: 2,343 million euros), therefore undergoing a further reduction. As a result of the decrease in indebtedness, our operating debt coverage increased during the reporting period to 78 percent, well above our target of 50 percent. The interest coverage ratio also further improved, benefiting from the lower interest expense incurred.

Key financial ratios

	Dec. 31, 2010	March 31, 2011
Interest coverage ratio (EBITDA ÷ Net interest expense including interest element of pension provisions)	12.8	14.4
Operating debt coverage (Net earnings + amortization and depreciation + Interest element of pension provisions ÷ Net borrowings and pension provisions)[1]	71.4 %	77.8 %
Equity ratio (Equity ÷ Total assets)	45.4 %	45.9 %

[1] Hybrid bond included on 50 percent debt basis only.

Financial position

The development of our financial position is indicated in detail in the consolidated cash flow statement on Q1 page 26. At 173 million euros, **cash flow from operating activities** in the first quarter of 2011 was below the high comparative figure of the previous year (386 million euros), having been impacted not only by higher corporation income tax payments but also a higher outflow of funds arising from developments in net working capital. Nevertheless, we succeeded in reducing net working capital to 7.9 percent of sales, 0.6 percentage points lower than in the prior-year quarter.

Cash flow from investing activities benefited from higher proceeds from disposal transactions. These offset investments in property, plant and equipment, despite the increase in such expenditures over the prior-year quarter.

Cash flow from financing activities came in at –27 million euros, a significantly lower negative than in the same period last year (–266 million euros). Our money and financial investment management activities resulted in a cash inflow in the period under review, whereas in the prior-year quarter there was a decrease in liquid funds.

Liquid funds/marketable securities remained at a high level, ending the quarter at 1,594 million euros (December 31, 2010: 1,515 million euros).

Amounting to 75 million euros, **free cash flow** declined compared to the level of the prior-year quarter (272 million euros) due to the decrease in cash flow from operating activities.

Capital expenditures

Investments in property, plant and equipment for continuing operations amounted to 68 million euros compared to 54 million euros in the first quarter of 2010. We spent 2 million euros on intangible assets (previous year: 2 million euros). A large part of these capital expenditures was attributable to the Adhesive Technologies and Laundry & Home Care business sectors, and related primarily to enhancing our production structures, improving process flow with respect to packaging, and optimizing logistics. In regional terms, our investment activity focused largely on Western Europe/Eastern Europe together with North America. Around two-thirds of the sum was devoted to expansion investments and rationalization measures.

Capital expenditures first quarter 2011

in million euros	Continuing operations	Acquisitions	Total
Intangible assets	2	41	43
Property, plant and equipment	68	–	68
Total	70	41	111

[1] Borrowings less liquid funds minus any positive or plus any negative fair values of hedging contracts covering those borrowings, providing that the underlying borrowings are themselves subject to mark-to-market accounting.

Acquisitions and divestments

In the first quarter of 2011, we paid 4 million euros to increase our share in the joint venture Purbond AG, Switzerland, to 100 percent. We also sold a non-core operation involving the production of the bleach activator TAED in Ireland for 4 million euros.

Neither the acquisitions and divestments made nor other measures and activities undertaken have resulted in changes in our business and organizational structures. For a detailed description of our organization and business activities, please refer to the information provided in our AR Annual Report 2010, page 26.

It remains our priority in fiscal 2011 to regain our target ratings "A flat" (Standard & Poor's) and "A2" (Moody's). Any acquisitions made will therefore be limited in scope such that they do not inhibit the achievement of this primary objective.

Employees

As of March 31, 2011, we had 48,188 employees (March 31, 2010: 48,426). The decrease is due both to the synergies arising from the integration of the National Starch businesses and to our restrictive hiring policy.

Research and development

Henkel Group expenditures on research and development in the first quarter of 2011 amounted to 103 million euros (adjusted for restructuring charges: 100 million euros), compared to 95 million euros (adjusted: 93 million euros) in the first quarter of 2010. In relation to sales, R&D expenditures remained constant at 2.7 percent (adjusted: 2.6 percent) versus the prior-year period.

The development of innovative products is of key importance to our business model. The research and development strategy described in our AR Annual Report 2010 (starting on page 59) has remained unchanged.

Outlook

Underlying economic conditions

We expect global domestic product to increase by a good 3 percent over the year as a whole, following 4 percent in 2010. The emerging markets are likely to experience a disproportionate rise in 2011 of 5.5 percent, while GDP of the industrialized countries is expected to expand by about 2 percent.

We expect economic output in North America to rise by around 3 percent. The growth figure anticipated for Western Europe is about 2 percent. While Germany in particular, and also parts of Scandinavia are experiencing brisk, export-led economic activity and a revival of their domestic demand, Southern Europe is suffering from the necessary financial consolidation measures that have been introduced. The emerging economies of Asia are again likely to expand significantly with growth of around 7 percent, while in Japan the gross domestic product is expected to decrease. We anticipate that Latin America will experience economic growth of some 4.5 percent; and for Eastern Europe and Africa/Middle East we expect a rate of around 4 percent in each case.

The global unemployment level is likely to decrease this year from 7.9 to 7.5 percent, with most regions benefiting. Only in Western Europe do we anticipate stagnating unemployment levels. In Germany, a further decrease is anticipated, from 7.4 percent to a very low 6.7 percent.

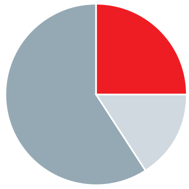
Inflation is expected to further increase. Around the world, prices are likely to rise by around 4 percent. With figures of around 6.5 percent, price inflation is significantly stronger in the growth regions than in the industrialized countries where the rates are closer to 2.5 percent. The increase is primarily due to higher raw material and food prices.

We expect 2011 to bring a global rise in private consumption of around 3 percent. In the industrialized economies, the increase will be about 2 percent, the underlying trading conditions having improved with a steady increase in demand, decreasing unemployment levels and a rise in real private incomes. We expect the USA to show an increase in consumption of almost 3 percent. The rise in consumer spending in Western Europe is likely to be significantly more sluggish. Consumers in the emerging markets will spend about 5 percent more this year than in 2010.

Employees by region

- 34 % Western Europe
- 18 % Eastern Europe
- 11 % Africa/Middle East
- 11 % North America
- 8 % Latin America
- 18 % Asia-Pacific

R&D expenditures by business sector



- 25 % Laundry & Home Care
- 15 % Cosmetics/Toiletries
- 60 % Adhesive Technologies

Industrial output is expected to grow worldwide by around 7 percent, with the emerging economies again expanding disproportionately fast.

For the transport industry, we expect an increase of 9 percent, and rises of 8 and 7 percent respectively for the electronics/electrical engineering and metal processing industries. Paper and printing, food and semi-luxuries and also the packaging industry will be less expansive, experiencing growth rates in each case of between 3 and 4 percent.

The good 9 percent increase anticipated for the transport sector is expected to be made up of a 6 percent rise in the USA against growth of 9 to 10 percent in Western Europe, Asia and Latin America, with the rate of expansion in Eastern Europe likely to be even higher at 15 percent.

Output in the electronics/electrical engineering segment will increase by a good 8 percent, with North America taking the lead.

In the metal industry, the expected 7 percent increase in global output is likely to be relatively equally distributed between the regions, albeit with Asia generating the highest growth rates and North America and Western Europe at the bottom end of the scale.

The consumer-related sectors of food, semi-luxury products and packaging will undergo very sluggish expansion in the industrialized countries. Thanks to strong growth in the emerging markets of Asia, however, we expect a global increase of 3 to 4 percent.

We anticipate that Western Europe's construction industry will grow slightly, while the building sector in North America is again likely to contract to some degree due to the still prevailing structural problems.

Opportunities and risks

We have identified major potential in the emerging economies where there are above-average growth opportunities from which we expect to benefit. The regions concerned include, in particular, Asia, Eastern Europe and Africa/Middle East, with Latin America also on the list.

We likewise see opportunities in our research and development activities. We are constantly developing new and innovative products and problem solutions capable of providing our customers with added value. We have a well filled and balanced pipeline of medium and long-term innovation projects which we intend to bring onto the market in this and coming years in all three of our business sectors.

We see further progress arising from our strict focus on cost. The process we have implemented involves constantly examining and analyzing the prevailing status quo. From the ensuing results, we derive measures and solutions that enable us to reduce costs, adapt capacity and streamline our portfolio by removing marginal activities and disposing of smaller brands as appropriate. We expect the planned further expansion of our shared service centers to make a major contribution to reducing costs.

Opportunities are also likely to emanate from the resolute pursuit and implementation of our three strategic priorities. These are described in detail under the heading "Strategy and financial targets for 2012" in our AR Annual Report 2010, pages 40 to 43.

We see risks for our consumer businesses arising particularly from a deteriorating consumer climate – as would ensue, for example, in the event of a hefty rise in unemployment. We also expect the intensity of competition to remain challenging, manifesting itself in persistent promotional pressure and high advertising expenditure levels.

Risks for our Adhesive Technologies business sector lie in the possibility that the current market recovery will falter, leading to the failure of individual customers and suppliers.

For all three business sectors, further increases in raw material and packaging prices, in some cases substantial, also represent a risk, as do supply shortages with respect to certain raw materials, particularly those required by the Adhesive Technologies business sector. In addition, the effects on the global supply chain of the political turmoil in North Africa and also the environmental and nuclear power plant catastrophes in Japan remain serious imponderables.

At the time of preparing this report, no risks in relation to future developments have been identified that might jeopardize the continuing existence of the company or of the Group as a going concern.

Further specific opportunities and risks are discussed in the sections dealing with the individual business sectors in our AR Annual Report 2010 in the sections on pages 66 through 77.

Outlook for the Henkel Group 2011

Following this solid first quarter, we are confident of again outperforming our relevant markets in terms of organic sales growth – i.e. sales adjusted for acquisitions/divestments and foreign exchange. We now expect an increase in organic sales at the upper end of (previously "within") the range of 3 to 5 percent.

We confirm our forecast for an adjusted[1)] return on sales (EBIT) of around 13 percent (2010: 12.3 percent) and for an increase in adjusted[1)] earnings per preferred share of around 10 percent (2010: 2.82 euros).

We base this guidance on anticipated increases of our selling prices and the ongoing adaptation of our structures to the constantly changing market conditions. Through these activities and the maintenance of our strict cost discipline, we intend to more than offset the effects of further rising raw material costs on our earnings.

We also expect the following developments to materialize in 2011:

- An increase in the overall cost of raw materials, packaging, contract manufacturing and traded goods in the low teens percentage range (previously: high single-digit percentage range)
- A research and development ratio of around 2.6 percent
- Restructuring charges amounting to around 160 million euros (previously: 100 to 120 million euros)
- A financial result of about minus 160 million euros
- A tax rate of around 26 percent
- Investments in property, plant and equipment of around 400 million euros.

Sales and profits forecast 2012

With our focus firmly fixed on pursuing the three strategic priorities formulated in 2008 and the progress that we have made in their achievement, we have laid a solid foundation for the generation of future profitable growth.

With world economic growth in 2011 likely to be a good 3 percent, we expect a similar rate of expansion in 2012.

On that basis, we will again be aiming in 2012 at achieving an organic sales growth rate of between 3 and 5 percent, therefore outperforming the markets of relevance to us. Due to the measures aimed at achieving our full business potential – both implemented and still outstanding – we are very confident of reaching our 2012 targets of 14 percent in adjusted[1)] return on sales (EBIT) and an increase of more than 10 percent in adjusted[1)] earnings per preferred share (EPS).

Financial targets for 2012

Annual organic sales growth (average):
3–5 percent

Adjusted[1)] return on sales (EBIT):
14 percent

Annual growth in adjusted[1)] earnings per preferred share (average):
>10 percent

Subsequent events

After March 31, 2011, there were no notifiable events likely to materially affect the net assets, financial position or results of operations of the Group.

On April 13, 2011, the European Commission imposed fines on a number of international laundry detergent manufacturers in the wake of investigations by various antitrust authorities in Europe, all related to events in the past. Antitrust violations were found to have occurred in several countries in Western Europe. Due to its extensive cooperation with the EU Commission, Henkel was granted full immunity from fines.

Expected development of the markets of relevance to Henkel

Business sector	2011
Laundry & Home Care	0 %
Cosmetics/Toiletries	0 %
Adhesive Technologies	3–5 %

[1)] Adjusted for one-time charges/gains and restructuring charges.

Consolidated balance sheet

Assets

in million euros	March 31, 2010	%	Dec. 31, 2010	%	March 31, 2011	%
Intangible assets	8,658	50.7	8,641	49.3	8,259	47.6
Property, plant and equipment	2,290	13.4	2,215	12.6	2,134	12.3
Non-current financial assets	323	1.8	328	1.9	236	1.4
Non-current income tax refund claims	2	–	3	–	2	–
Other non-current assets	15	0.1	30	0.2	109	0.6
Deferred taxes	375	2.2	358	2.0	327	1.9
Non-current assets	**11,663**	**68.2**	**11,575**	**66.0**	**11,067**	**63.8**
Inventories	1,378	8.1	1,460	8.3	1,558	9.0
Trade accounts receivable	1,972	11.5	1,893	10.8	2,092	12.1
Other current financial assets	404	2.5	708	4.0	597	3.4
Other current assets	297	1.7	210	1.2	248	1.4
Current income tax refund claims	142	0.8	133	0.8	148	0.9
Liquid funds/Marketable securities	1,202	7.0	1,515	8.7	1,594	9.2
Current assets	**4,395**	**31.6**	**5,919**	**33.8**	**6,237**	**36.0**
Assets held for sale	**34**	**0.2**	**31**	**0.2**	**30**	**0.2**
Total assets	**17,092**	**100.0**	**17,525**	**100.0**	**17,334**	**100.0**

Equity and liabilities

in million euros	March 31, 2010	%	Dec. 31, 2010	%	March 31, 2011	%
Issued capital	438	2.6	438	2.5	438	2.5
Capital reserve	652	3.8	652	3.7	652	3.8
Treasury shares	–105	–0.6	–99	–0.5	–97	–0.6
Retained earnings	7,247	42.4	7,926	45.2	8,265	47.7
Other components of equity	–1,129	–6.6	–1,058	–6.0	–1,390	–8.0
Equity attributable to shareholders of Henkel AG & Co. KGaA	**7,103**	**41.6**	**7,859**	**44.9**	**7,868**	**45.4**
Non-controlling interests	68	0.4	91	0.5	85	0.5
Equity	**7,171**	**42.0**	**7,950**	**45.4**	**7,953**	**45.9**
Pension obligations	924	5.4	594	3.4	545	3.1
Non-current income tax provisions	160	0.9	119	0.7	118	0.7
Other non-current provisions	240	1.4	302	1.7	323	1.9
Non-current borrowings	3,491	20.4	3,570	20.4	3,396	19.6
Non-current financial liabilities	135	0.9	128	0.7	111	0.6
Other non-current liabilities	19	0.1	17	0.1	16	0.1
Deferred taxes	431	2.5	416	2.4	413	2.4
Non-current liabilities	**5,400**	**31.6**	**5,146**	**29.4**	**4,922**	**28.4**
Current income tax provisions	237	1.4	327	1.9	353	2.0
Other current provisions	985	5.8	867	4.9	812	4.7
Current borrowings	604	3.5	536	3.1	480	2.8
Trade accounts payable	2,160	12.6	2,308	13.1	2,439	14.0
Current financial liabilities	211	1.2	175	1.0	150	0.9
Other current liabilities	306	1.8	205	1.1	218	1.3
Current income tax liabilities	18	0.1	11	0.1	7	–
Current liabilities	**4,521**	**26.4**	**4,429**	**25.2**	**4,459**	**25.7**
Total equity and liabilities	**17,092**	**100.0**	**17,525**	**100.0**	**17,334**	**100.0**

Consolidated statement of income

in million euros	Q1/2010	%	Q1/2011	%	Change
Sales	3,512	100.0	3,823	100.0	8.9%
Cost of sales[1)]	–1,829	–52.1	–2,073	–54.2	13.3%
Gross profit	1,683	47.9	1,750	45.8	4.0%
Marketing, selling and distribution expenses[1)]	–1,011	–28.8	–1,057	–27.7	4.5%
Research and development expenses[1)]	–95	–2.7	–103	–2.7	8.4%
Administrative expenses[1)]	–185	–5.3	–187	–4.9	1.1%
Other operating income	42	1.2	46	1.2	9.5%
Other operating charges	–12	–0.3	–19	–0.5	58.3%
Operating profit (EBIT)	422	12.0	430	11.2	1.9%
Interest income	26	0.8	14	0.4	–12.5%
Interest expense	–80	–2.3	–51	–1.3	–27.1%
Interest result	–54	–1.5	–37	–0.9	–31.5%
Investment result	–	–	–	–	–
Financial result	–54	–1.5	–37	–0.9	–31.5%
Income before tax	368	10.5	393	10.3	6.8%
Income tax expense	–102	–2.9	–103	–2.7	1.0%
Net income	266	7.6	290	7.6	9.0%
– Attributable to non-controlling interests	–7	–0.2	–5	–0.1	–28.6%
– Attributable to shareholders of Henkel AG & Co. KGaA	259	7.4	285	7.5	10.0%

[1)] Restructuring charges, first quarter 2011: 43 million euros (2010: 31 million euros), of which: cost of sales 29 million euros (2010: 17 million euros); marketing, selling and distribution expenses 3 million euros (2010: 6 million euros); research and development expenses 2 million euros (2010: 2 million euros); administrative expenses 9 million euros (2010: 6 million euros).

Earnings per share (basic)

in euros	Q1/2010	%	Q1/2011	%	Change
Ordinary shares	0.59		0.65		10.2%
Non-voting preferred shares	0.60		0.66		10.0%

Earnings per share (diluted)

in euros	Q1/2010	%	Q1/2011	%	Change
Ordinary shares	0.59		0.65		10.2%
Non-voting preferred shares	0.60		0.66		10.0%

Additional voluntary information

in million euros		Q1/2010	Q1/2011
EBIT (as reported)		422	430
One-time gains		–32	–
One-time charges		–	–
Restructuring charges[1)]		31	43
Adjusted EBIT		421	473
Adjusted return on sales	*in %*	*12.0*	*12.4*
Adjusted financial result		–54	–37
Adjusted net income – Attributable to shareholders of Henkel AG & Co. KGaA		258	314
Adjusted earnings per preferred share	in euros	0.60	0.73

[1)] First quarter 2011: 43 million euros (2010: 30 million euros) arising from ordinary operating activities, and 0 million euros (2010: 1 million euros) arising from integration of the National Starch businesses.

Statement of comprehensive income

in million euros	Q1/2010	Q1/2011
Net income	266	290
Exchange differences on translation of foreign operations	408	–345
Financial instruments	–9	6
Actuarial gains/losses	–34	53
Other comprehensive income (net of taxes)	365	–286
Total comprehensive income for the period	631	4
– Attributable to non-controlling interests	11	–2
– Attributable to shareholders of Henkel AG & Co. KGaA	620	6

Statement of changes in equity

in million euros	Issued capital					Other components				
	Ordinary shares	Preferred shares	Capital reserve	Treasury shares	Retained earnings	Translation differences	Financial instru-ments	Shareholders of Henkel AG & Co. KGaA	Non-control-ling interests	Total
At January 1, 2010	260	178	652	–109	7,017	–1,301	–223	6,474	70	6,544
Net income	–	–	–		259	–	–	259	7	266
Other comprehensive income	–	–	–		–34	404	–9	361	4	365
Total comprehensive income	–	–	–		*225*	*404*	*–9*	*620*	*11*	*631*
Distributions	–	–	–		–	–	–	–	–7	–7
Sale of treasury shares	–	–	–	4	5	–	–	9	–	9
Other changes in equity	–	–	–		–	–	–	–	–6	–6
At March 31, 2010	260	178	652	–105	7,247	–897	–232	7,103	68	7,171
At December 31, 2010/ January 1, 2011	260	178	652	–99	7,926	–776	–282	7,859	91	7,950
Net income	–	–	–	–	285	–	–	285	5	290
Other comprehensive income	–	–	–	–	53	–338	6	–279	–7	–286
Total comprehensive income	–	–	–	–	*338*	*–338*	*6*	*6*	*–2*	*4*
Distributions	–	–	–	–	–	–	–	–	–4	–4
Sale of treasury shares	–	–	–	2	1	–	–	3	–	3
Other changes in equity	–	–	–	–	–	–	–	–	–	–
At March 31, 2011	260	178	652	–97	8,265	–1,114	–276	7,868	85	7,953

Consolidated cash flow statement

in million euros	Q1/2010	Q1/2011
Operating profit (EBIT)	422	430
Income taxes paid	–44	–79
Amortization/depreciation/write-ups of non-current assets (excluding financial assets)	101	103
Net gains/losses on disposal of non-current assets (excluding financial assets)	–4	–8
Change in inventories	–109	–139
Change in trade accounts receivable	–179	–256
Change in other financial assets and other assets	–60	–54
Change in trade accounts payable	211	179
Change in other liabilities and provisions	48	–3
Cash flow from operating activities	386	173
Purchase of intangible assets	–2	–2
Purchase of property, plant and equipment	–54	–68
Purchase of financial assets/acquisitions	–[1]	–3
Proceeds on disposal of subsidiaries and business units	2	4
Proceeds on disposal of other non-current assets	9	20
Cash flow from investing activities/acquisitions	–45	–49
Dividends paid to shareholders of Henkel AG & Co. KGaA	–	–
Dividends paid to non-controlling interests	–7	–4
Interest received	26	13
Interest paid	–76	–52
Dividends and interests paid and received	*–57*	*–43*
Change in borrowings	–66	–9
Allocation to pension funds	–28	–27
Other changes in pension obligations	–17	–9
Other financing transactions	–98[1]	61
Cash flow from financing activities	–266	–27
Net increase in cash and cash equivalents	75	97
Effect of exchange rates on cash and cash equivalents	17	–18
Change in liquid funds/marketable securities	92	79
Liquid funds/marketable securities at January 1	1,110	1,515
Liquid funds/marketable securities at March 31	1,202	1,594

[1] Prior-year figures adjusted following changes in IAS 7 in conjunction with IAS 27.

Additional voluntary information
Reconciliation to free cash flow

in million euros	Q1/2010	Q1/2011
Cash flow from operating activities	386	173
Purchase of intangible assets	–2	–2
Purchase of property, plant and equipment	–54	–68
Proceeds on disposal of other non-current assets	9	20
Net interest paid	–50	–39
Other changes in pensions obligations	–17	–9
Free cash flow	272	75

Group segment report by business sector[1]

First quarter 2011

in million euros	Laundry & Home Care	Cosmetics/ Toiletries	*Adhesives for Consumers and Craftsmen*	*Industrial Adhesives*	Total Adhesive Technologies	Operating business sectors total	Corporate	Henkel Group
Sales January – March 2011	**1,072**	**821**	**444**	**1,439**	**1,884**	**3,777**	**46**	**3,823**
Change from previous year	2.2%	7.7%	10.4%	15.3%	14.1%	**9.1%**	−7.2%	**8.9%**
After adjusting for foreign exchange	1.5%	5.7%	8.5%	12.0%	11.1%	**7.0%**	–	**6.8%**
Organic	1.6%	5.7%	9.9%	12.0%	11.5%	**7.2%**	–	**7.2%**
Proportion of Group sales	28%	22%	11%	38%	49%	**99%**	1%	**100%**
Sales January – March 2010	1,049	762	402	1,249	1,651	**3,462**	50	**3,512**
EBIT January – March 2011	**100**	**112**	**55**	**189**	**244**	**457**	**−27**	**430**
EBIT January – March 2010	151	100	42	143	185	**437**	−15[4]	**422**
Change from previous year	−33.8%	12.6%	29.5%	32.3%	31.6%	**4.6%**	–	**1.9%**
Return on sales (EBIT) January – March 2011	**9.4%**	**13.7%**	**12.3%**	**13.1%**	**13.0%**	**12.1%**	**–**	**11.2%**
Return on sales (EBIT) January – March 2010	14.4%	13.1%	10.5%	11.5%	11.2%	**12.6%**	–	**12.0%**
Adjusted EBIT January – March 2011	**133**	**113**	**56**	**191**	**247**	**493**	**−20**	**473**
Adjusted EBIT January – March 2010	136	98	48	154	201	**436**	−14	**421**
Change from previous year	−2.4%	15.1%	16.9%	24.3%	22.6%	**13.1%**	–	**12.1%**
Return on sales (adjusted EBIT) January – March 2011	**12.4%**	**13.8%**	**12.6%**	**13.3%**	**13.1%**	**13.1%**	**–**	**12.4%**
Return on sales (adjusted EBIT) January – March 2010	13.0%	12.9%	11.9%	12.3%	12.2%	**12.6%**	–	**12.0%**
Capital employed January – March 2011[2]	**2,361**	**1,987**	**973**	**5,906**	**6,878**	**11,226**	**16**	**11,242**
Capital employed January – March 2010[2]	2,472	2,038	965	5,842	6,807	**11,316**	−86	**11,230**
Change from previous year	−4.5%	−2.5%	0.8%	1.1%	1.1%	**−0.8%**	>100%	**0.1%**
Return on capital employed (ROCE) January – March 2011	**17.0%**	**22.6%**	**22.6%**	**12.8%**	**14.2%**	**16.3%**	**–**	**15.3%**
Return on capital employed (ROCE) January – March 2010	24.5%	19.6%	17.6%	9.8%	10.9%	**15.4%**	–	**15.0%**
Amortization/depreciation/write-ups of intangible assets and property, plant and equipment January – March 2011	**32**	**12**	**11**	**45**	**56**	**99**	**4**	**103**
of which impairment losses 2011	**6**	**–**	**–**	**–**	**–**	**–**	**–**	**6**
of which write-ups 2011	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Amortization/depreciation/write-ups of intangible assets and property, plant and equipment January – March 2010	28	10	14	47	61	**97**	4	**101**
of which impairment losses 2010	–	–	1	1	2	**2**	–	**2**
of which write-ups 2010	–	–	–	–	–	**–**	1	**1**
Capital expenditures (excl. financial assets) January – March 2011	**24**	**53**	**8**	**23**	**31**	**108**	**3**	**111**
Capital expenditures (excl. financial assets) January – March 2010	18	8	7	20	27	**53**	3	**56**
Operating assets January – March 2011[3]	**3,752**	**2,796**	**1,384**	**7,063**	**8,447**	**14,995**	**409**	**15,404**
Operating liabilities January – March 2011	**1,233**	**1,012**	**471**	**1,474**	**1,945**	**4,190**	**393**	**4,584**
Net operating assets January – March 2011[3]	**2,519**	**1,784**	**913**	**5,589**	**6,501**	**10,805**	**16**	**10,821**
Operating assets January – March 2010[3]	3,855	2,742	1,365	6,891	8,257	**14,853**	330	**15,183**
Operating liabilities January – March 2010	1,223	905	457	1,302	1,759	**3,888**	416	**4,303**
Net operating assets January – March 2010[3]	2,631	1,837	908	5,589	6,497	**10,966**	−86	**10,880**

[1] Calculated on the basis of units of 1,000 euros.
[2] Including goodwill at cost prior to any accumulated amortization, in accordance with IFRS 3.79 (b).
[3] Including goodwill at net book value.
[4] In 2010, including restructuring charges of 1 million euros disclosed for the last time under Corporate, arising from integration of the National Starch businesses.

Earnings per share

In calculating earnings per share for the period January through March 2011, we have assumed a proportionate dividend on the basis of the dividends paid by Henkel AG & Co. KGaA for fiscal 2010, as there are no declarations on the distribution of retained earnings during the year.

As of March 31, 2011, the Stock Incentive Plan had exerted no dilutive effect on earnings per share.

Earnings per share

		Q1/2010	Q1/2011
Net income for the three months, attributable to shareholders of Henkel AG & Co. KGaA	in mill. euros	259	285
Number of outstanding ordinary shares		259,795,875	259,795,875
Earnings per ordinary share (basis)	in euros	0.59	0.65
Number of outstanding preferred shares [1]		173,854,183	174,199,021
Earnings per preferred share (basic)	in euros	0.60	0.66
Dilutive effect arising from Stock Incentive Plan		370,302	216,783
Number of potentially outstanding preferred shares [2]		174,224,485	174,415,803
Earnings per ordinary share (diluted)	in euros	0.59	0.65
Earnings per preferred share (diluted)	in euros	0.60	0.66

[1] Weighted average of preferred shares.
[2] Weighted average of preferred shares adjusted for the potential number of shares arising from the Stock Incentive Plan.

Changes in treasury shares

Treasury stock held by the corporation at March 31, 2011 amounted to 3,948,820 preferred shares. This represents 0.90 percent of the capital stock and a proportional nominal value of 3.9 million euros.

As a result of options exercised under the Stock Incentive Plan, treasury shares decreased during the period January through March 2011 by 77,745 preferred shares, representing a proportional nominal value of 0.1 million euros (0.02 percent of issued shares).

Accounting policies

The interim financial report and interim consolidated financial statements of the Henkel Group for the first quarter of the year have been prepared in accordance with section 37x (3) in conjunction with section 37w (2) German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and consequently in compliance with International Accounting Standard (IAS) 34 “Interim Financial Reporting.” The same accounting principles have been applied as for the 2010 consolidated financial statements, with the exception of the accounting pronouncements recently adopted in 2011. These pronouncements do not exert any material influence on the presentation of the quarterly financial report. In order to further ensure a true and fair view of our net assets, financial position and results of operations, additional line items have been included and some line items have been renamed in the consolidated income statement, the statement of comprehensive income, the consolidated balance sheet, the statement of changes in equity and the consolidated cash flow statement.

To simplify interim financial reporting, IAS 34.41 allows certain estimates and assumptions to be made beyond the scope permitted for annual financial statements, on condition that all material financial information is appropriately presented to enable a proper assessment of the net assets, financial position and results of operations of the company. In calculating taxes on income, the interim tax expense is determined on the basis of the estimated effective income tax rate for the current financial year.

The interim report for the first quarter of the year, comprised of condensed consolidated financial statements and an interim Group management report, was duly subjected to an auditor’s review.

Scope of consolidation

In addition to Henkel AG & Co. KGaA as the ultimate parent company, the scope of consolidation as of March 31, 2011 includes eight German and 183 non-German companies in which Henkel AG & Co. KGaA has the power to govern financial and operating policy, based on the concept of control. This is generally the case where Henkel AG & Co. KGaA holds, directly or indirectly, a majority of the voting rights. Companies in which not more than half of the voting rights are held are fully consolidated if Henkel AG & Co. KGaA has the power, directly or indirectly, to govern their financial and operating policies.

Compared to December 31, 2010, two new companies have been included in the scope of consolidation and two companies have left the scope of consolidation. There have been no mergers. The changes in the scope of consolidation have not had any material effect on the main items of the consolidated financial statements.

Acquisitions and divestments

Effective January 1, 2011, we assumed control over Schwarzkopf Inc., Culver City, California, USA. Our share of the voting rights in the company is 100 percent. The purchase price paid was 42 million euros. The provisional difference corresponds to the purchase price paid. Liquid funds assumed of 1 million euros are disclosed in the cash flow statement under purchase of financial assets/acquisitions. Having a direct presence in the US hair salon segment will enable us to better exhaust the potential of this market.

Statement of comprehensive income

Of the components included in other comprehensive income, deferred tax expenses relating to actuarial gains amount to 32 million euros (March 31, 2010: deferred tax income of 36 million euros) and deferred tax expenses from cash flow hedges amount to 3 million euros (March 31, 2010: deferred tax income of 9 million euros).

Assets held for sale

The assets held for sale have remained virtually unchanged since December 31, 2010. Effective January 11, 2011, the assets disclosed under this heading relating to a portion of our building adhesives business in South Korea were transferred to the acquirer.

Contingent liabilities

Effective March 31, 2011, liabilities under guarantee and warranty agreements totaled 19 million euros. On December 31, 2010, these liabilities amounted to 15 million euros.

Operating lease obligations

Operating leases as defined in IAS 17 comprise all forms of rights of use of assets, including rights of use arising from rent and leasehold agreements. Payment obligations under operating lease agreements are shown at the total amounts payable up to the earliest date when they can be terminated. The amounts shown are the nominal values. At March 31, 2011, they were due for payment as follows:

Operating lease obligations

in million euros	Dec. 31, 2010	March 31, 2011
Due in the following year	58	53
Due within 1 to 5 years	127	114
Due after 5 years	36	35
Total	**221**	**202**

Voting rights, related party transactions

Henkel AG & Co. KGaA, Düsseldorf, Germany, has been notified that the share of voting rights of the parties to the Henkel share-pooling agreement at October 21, 2010 represented around 53.21 percent of the voting rights (138,240,804 votes) in Henkel AG & Co. KGaA.

Notes to the Group segment report

There have been no changes in the basis by which the segments are classified or in the presentation of the segment results as compared to the annual financial statements as of December 31, 2010. For definitions of ROCE, operating assets and capital employed, please refer to our AR Annual Report 2010, pages 44 and 129.

Notes to the cash flow statement

The main items of the cash flow statement and the changes thereto are explained on Q1 page 18.

Independent review report

To Henkel AG & Co. KGaA, Düsseldorf:
We have reviewed the condensed interim consolidated financial statements – comprising the consolidated statement of financial position, the consolidated statement of income, the statement of comprehensive income, the statement of changes in equity, the consolidated statement of cash flows and selected notes – and the interim group management report of Henkel AG & Co. KGaA, Düsseldorf, for the period from January 1, 2011 to March 31, 2011 which form part of the quarterly financial report according to section 37x (3) in conjunction with section 37w (2) German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

The preparation of the condensed interim consolidated financial statements in accordance with those International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements (ISRE) 2410. Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report. Based on our review, no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, May 2, 2011

KPMG AG
Wirtschaftsprüfungsgesellschaft

Thomas Sauter German Public Auditor	Michael Gewehr German Public Auditor

Report of the Audit Committee of the Supervisory Board

In the meeting of May 2, 2011, the Audit Committee was presented the interim financial report for the first three months of fiscal 2011 and the report prepared by KPMG AG, Wirtschaftsprüfungsgesellschaft, on its review of the interim financial statements and the interim management report. The Audit Committee also received verbal explanations from the Management Board and KPMG pertaining to the above. The Audit Committee has approved and endorses the interim financial report.

Düsseldorf, May 2, 2011

Chairman of the Audit Committee
Dr. Bernhard Walter

Credits

Published by:
Henkel AG & Co. KGaA
40191 Düsseldorf, Germany
Phone: +49 (0) 2 11 / 7 97-0

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Edited by:
Corporate Communications, Investor Relations,
Corporate Accounting and Reporting
Coordination: Oliver Luckenbach,
Jens Bruno Wilhelm, Wolfgang Zengerling
English translation: Paul Knighton
Design: Kirchhoff Consult AG, Hamburg
Photographs: Xu Jian, Henkel
Produced by: Druckpartner Schotte, Essen/Krefeld

Date of publication of this report:
May 4, 2011

Corporate Communications
Phone: +49 (0) 2 11 / 7 97-26 06
Fax: +49 (0) 2 11 / 7 98-24 84
E-mail: lars.witteck@henkel.com

Investor Relations
Phone: +49 (0) 211 / 7 97-39 37
Fax: +49 (0) 211 / 7 98-28 63
E-mail: oliver.luckenbach@henkel.com

Financial calendar

Publication of report
for the second quarter/half year 2011:
Wednesday, August 10, 2011

Publication of report
for the third quarter/nine months 2011:
Wednesday, November 9, 2011

Publication of report
for fiscal 2011:
Thursday, March 8, 2012

Annual General Meeting
Henkel AG & Co. KGaA 2012:
Monday, April 16, 2012

Up-to-date facts and figures on Henkel also available on the internet:
www.henkel.com

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This document contains forward-looking statements which are based on the current estimates and assumptions made by the executive management of Henkel AG & Co. KGaA. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. 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 AG & Co. KGaA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from such 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 forward-looking statements.

Henkel AG & Co. KGaA
40191 Düsseldorf, Germany
Phone: +49 (0) 211 / 797-0
www.henkel.com