

**Statement by Henkel CEO, Kasper Rorsted**  
**Q2-Conference-Call**  
**August 8, 2013, 10.30 a.m.**

Ladies and Gentlemen:

Welcome to today's telephone conference.

This morning we published our press release and quarterly report in respect of our Q2 business performance from April through June.

So I would like to just briefly highlight some of the key aspects before I talk about our outlook for the current year. After that, our CFO, Carsten Knobel, and I will be happy to answer your questions.

Ladies and Gentlemen,

World economic development continued to be impacted by serious economic and political uncertainties throughout the second quarter.

That also applies to Western Europe, and particularly to the countries of Southern Europe. It was here that the negative consequences were most apparent, with private consumption and also major industries being negatively impacted. The ongoing unrest in the Middle East also caused further market uncertainty.

Globally, both private consumption and industrial production experienced no more than moderate growth.

Given this continued challenging market environment, we are very glad to report that we delivered a strong second quarter.

We significantly improved both our sales and our earnings, with all of our business sectors contributing.

The detailed financials read as follows:

Second quarter sales of the Henkel Group showed a year-on-year increase of 1.9 percent, rising to almost 4.3 billion euros. As in the first quarter, foreign exchange effects had a negative impact with the Japanese Yen, the US Dollar and the Russian Ruble being the main drivers. Excluding the impact of foreign exchange and without acquisitions and divestments, we achieved a solid organic growth rate of 4.0 percent.

Laundry & Home Care recorded strong organic sales growth of 5.8 percent. In Beauty Care, the growth rate was a solid 2.8 percent. And with a solid organic sales increase of 3.6 percent, the Adhesive Technologies business sector also returned to its growth path.

The organic sales growth was supported by all regions. However, our emerging markets in particular once again made a significant contribution, with an organic growth of a very strong 8.9 percent year-on-year. The sales increase in the Africa/Middle East region hit double digits, while Latin America and the emerging Asian markets – led by China and India with double-digit growth rates – also made a major contribution.

As a result, the share of sales in the emerging markets achieved the 45 percent mark for the first time. That is two percentage points more than in the same period last year.

However, we were also able to post positive organic sales growth in the mature markets, despite the difficult economic situation in many countries in Southern Europe. Our solid overall performance in Germany helped us here. Germany is thus a major pillar supporting our success and will remain so going forward.

We did not only improve our top line, we also once again significantly increased our earnings.

Operating profit adjusted for one-time effects and restructuring charges increased by 8.2 percent to 660 million euros.

Adjusted return on sales rose to 15.4 percent, representing a very strong increase of 0.9 percentage points compared to the prior-year quarter. And all our business sectors contributed to this improved profitability.

Adjusted net earnings for the quarter rose by 12 percent to 475 million euros.

Adjusted earnings per preferred share reached 1 euro 7 cents, which was above our target growth rate of 10 percent for the full year.

The ratio of net working capital to sales decreased by 1.8 percentage points to 5.2 percent.

And, at minus 130 million euros, our net financial position for the first half of the year remained at nearly the same level as at year-end 2012, despite the higher dividend payout of about 420 million euros.

Moreover, we also redeemed our one billion euros senior bond, which matured in June.

Ladies and Gentlemen,

As you know, we are constantly working on improving and simplifying our processes and structures, with greater standardization and digitalization playing a particularly important role.

In recent years we have succeeded in establishing a global shared services organization. At the same time, we have adapted our IT capabilities more effectively to our business processes.

While both units are becoming increasingly complementary, we have now transferred them to a new, joint organizational unit as "Integrated Business Solutions."

The pooled process management expertise and technological know-how will serve to increase the quality of our processes and create greater transparency.

Ladies and Gentlemen,

I would now like to come to our guidance for the current fiscal year.

We expect the global market environment to remain challenging.

We do not anticipate any rapid improvement in the economic situation in Western and Southern Europe. The situation in the Middle East is likely to remain unstable, with future developments difficult to predict.

We also expect further headwind from foreign exchange effects. As in the first six months, these are also likely to remain adverse going forward.

Consequently, we will be further adapting our processes in order to simplify and accelerate them. In this respect, we are keeping all options open to be able to respond quickly and flexibly to changing economic conditions.

However, we feel we are well equipped overall. We are convinced that we will be able to continue generating profitable growth on the basis of our strong competitive position and our innovative capabilities.

We are confident of achieving our 2013 targets and confirm our previous guidance for the current fiscal year.

We expect to generate organic sales growth of between 3 and 5 percent and we are confident that each business sector will grow within this range.

We expect to increase adjusted return on sales to about 14.5 percent. And we assume that all three business sectors will contribute to the increase over the prior year.

We further expect an increase in adjusted earnings per preferred share of about 10 percent.

Ladies and Gentlemen,

Many thanks for your kind attention.

Carsten Knobel and I are now ready for your questions.

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