

Press Release

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Henkel Indonesia: a strong pillar for Henkel's growth in emerging markets

Jakarta – Henkel Indonesia is a strong pillar for the Group's successful growth in the emerging markets. The company is further strengthening its market position through investments in new technologies, capacities and people development programs; innovation projects with customers; and expansion in relevant markets. These initiatives are geared toward achieving Henkel's global strategic priorities: **Outperform, Globalize, Simplify and Inspire.**

"To contribute toward Henkel's financial targets for the emerging markets in 2016, we have been strengthening our manufacturing, innovation and people capabilities in Indonesia. These efforts have given us a solid foundation to enable our continuing business growth," said Allan Yong, President of Henkel Indonesia.

In 2013, Henkel Indonesia once again grew double-digit to reach a record high in net sales. This positive development was contributed by both the Adhesive Technologies and Beauty Care business sectors. For the adhesive business, the Transport and Metal as well as the General Industry segments delivered especially high growth. In the Beauty Care hair business, the top performing brands were Freshlight hair color range and SYOSS hair care range. Beauty Care Professional further expanded its market reach by partnering a local distributor.

In the first quarter, Henkel Indonesia added investments in both business and operations through capital expenditure. For example, in the first quarter, the company installed new equipment and technologies as well as added capacities at its Tangerang and Pasuruan plants. This resulted in higher adhesive production output to serve the growth in customer demand. Allan said, "Henkel is the world market leader in adhesives, sealants and functional coatings. In Indonesia, we have a leading position in the packaging adhesives market. Our goal is to extend our leadership position into the other market segments through our broad range of solutions, local manufacturing and strong customer and technical support teams."

In addition, many innovation projects with customers and value chain partners are underway. For example, the innovative Bonderite metal surface treatment technology offers Indonesia automakers the ability to achieve superior corrosion protection as well as reduce total costs and environmental impact. For Beauty Care Indonesia, the objective is to gain market share and grow profitably, through the innovation leadership of its internationally successful product brands, such as Schwarzkopf and SYOSS.

— Henkel Indonesia has also accelerated its efforts in talent and leadership development. A variety of mentoring and leadership development programs, such as AGILE (Accelerated Growth In Leadership Effectiveness program), help prepare high potential employees for bigger roles and senior positions. Meanwhile, the management trainee program are targeted at grooming new graduates into future leaders for the company.

— Henkel operates worldwide with leading brands and technologies in three business areas: Laundry & Home Care, Beauty Care and Adhesive Technologies. Founded in 1876, Henkel holds globally leading market positions both in the consumer and industrial businesses with well-known brands such as Persil, Schwarzkopf and Loctite. Henkel employs about 47,000 people and reported sales of 16.4 billion euros and adjusted operating profit of 2.5 billion euros in fiscal 2013. Henkel's preferred shares are listed in the German stock index DAX.

Photos are available on the internet at <http://www.henkel.com> in the Press & Media Relations section.

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