



Commented Slides / Earnings Conference Call Q3 2015 November 11, 2015

Participants – Henkel representatives

Kasper Rorsted; Henkel; CEO
Carsten Knobel; Henkel; CFO
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Participants – Active in Q&A session

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Operator:

Good morning, and welcome to the Henkel conference call. With us today are Kasper Rorsted, CEO; Carsten Knobel, CFO; and the investor relations team. Today's conference call is being recorded and the webcast is available at www.henkel.com/ir. At this time, I'd like to turn the call over to Mr. Kasper Rorsted. Please go ahead, sir.

Kasper Rorsted: Good morning, ladies and gentlemen, and welcome to our conference call.

First, I would like to focus on the key developments in the third quarter 2015 and our progress in margin protection. Then Carsten will provide you with the third-quarter financials in greater detail. After that, I'll close the presentation with a brief summary and the update of our fiscal year guidance for the year 2015, and finally we'll be happy to take your questions.

I would like to begin by reminding everyone that the presentation, which contains the usual formal disclaimer to forward-looking statements within the meaning of relevant US legislation, can be accessed via our website at henkel.com/ir. The presentation and discussion are conducted subject to the disclaimer. We will not read the disclaimer, but propose we take it as read into the records for the purpose of this call.

Agenda

1. Key developments Q3 2015

2. Financials Q3 2015

3. Summary & Outlook FY 2015

Now let's get started with the key developments of the third quarter 2015.

Q3 2015: Strong performance in a challenging environment

OSG +3.2%	Adj. EBIT margin 16.9%	Adj. EPS growth +11.1%
OSG in EM +6.5%	NWC in % of sales 6.0%	Net financial pos. € -336m

We achieved an OSG of 3.2% and an adjusted EBIT margin of 16.9%, an all-time high and a great step in the right direction. Our adjusted EPS came in at 11.1%, and we saw continued strong sales growth in the emerging markets of 6.5% despite some of the challenges we were speaking about in China. Net working capital came in at 6.0% and our net financial position at minus EUR336m.

Delivering profitable growth in both HPC and Adhesives

- Very strong nominal sales increase, organic sales growth solid
- Emerging Markets with continued strong organic sales growth
- North America with third consecutive quarter of organic growth, driving positive performance in Mature Markets
- Adjusted EBIT margin at all-time high, improvement driven by all business units
- Excellent performance of Laundry & Home Care
- Continued double-digit growth in adjusted EPS



Overall, we saw very strong nominal sales growth and a solid organic sales growth. The emerging markets with continued strong organic sales growth, with a mixed picture. Russia with a clear double-digit growth, 14% for the first nine months. We saw double-digit growth also in Latin America and we saw a mixed picture in China, with a slight decline in our industrial business but continued double-digit growth in our fast-moving consumer goods business, and we saw a flat Brazil. I would like to stress that the emerging markets continued overall strong organic sales growth.

I'm also happy to report that after a challenging 2014 in North America, we've now seen three quarters of organic growth, which has helped driving the performance or the positive performance that we're seeing in the mature markets.

As I said before, the adjusted EBIT margin at an all-time high, and we saw all three business groups drive an improvement compared to previous year. We saw an excellent performance of our Laundry and Home care business, top and bottom line, and as you'll see later on, we're also upgrading the fiscal year 2015 OSG guidance for Laundry and Home care business. And we continued the double-digit growth in our adjusted EPS for the year.

Challenging environment persists

- Ongoing difficult geo-political situation, social tensions in some countries
- Moderate global GDP growth
- Adhesive Technologies top line impacted by Chinese economic slow-down
 - Organic sales growth solid, but below level of prior-year quarter (down 40bp)
 - Sequential improvement versus Q2 2015 (up 60bp)



Now let me get to the point where we saw a number of challenges. We continued to see a difficult geopolitical situation, particularly in the Middle East. We saw some tensions not only in the Middle East but in some of the European countries coming from some of the changes, and that is of course impacting our topline while we still have a very attractive topline in the Middle East.

We're seeing a moderate global GDP growth. And when it comes to our Adhesives business, we are seeing the topline being impacted by the Chinese economic slowdown. Let me try to be specific here.

We see from the Adhesives side a solid growth, but it's below prior year quarter, so down 40 basis points. But compared to the second quarter, it's up 60 basis points. So, while we're seeing an increased slowdown in China, we are able to compensate the overall topline for Adhesives, which is why you're seeing the increase of the 60 basis points in the sequential development.

Laundry & Home Care

Strong OSG & excellent margin improvement in Q3 2015



Long-term overview



Sales

- Strong OSG
- Laundry solid, Home Care very strong
- Mature Markets positive
 - North America solid
- Emerging Markets double digit
 - Russia & Mexico double digit

Return

- Adj. EBIT margin showing excellent increase
- ROCE below level of previous year (acquisitions)

Let me now go to the different business groups. Let me start with Laundry and Home care, where we saw a strong OSG and an excellent margin improvement in the third quarter. We saw Laundry being solid and Home care being very strong, the mature markets positive and North America solid. We saw the emerging markets being double-digit and Russia and Mexico being double-digit.

It was the highest growth we've seen since the first quarter of 2014, and we're also seeing a record high in our adjusted EBIT margin. On the return side, as I said, adjusted EBIT margin showing excellent increase, an all-time high. ROCE is below level of previous year, which is acquisition related.

Laundry & Home Care

Strengthening innovation leadership across categories

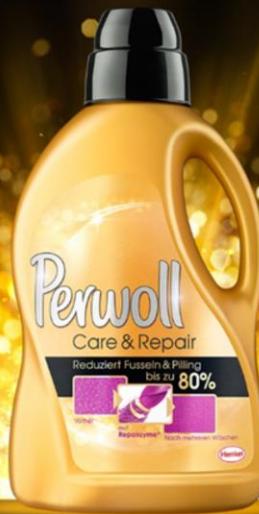
Bref Duo-Aktiv	Somat Gold Gel	Perwoll Care & Repair
		
<ul style="list-style-type: none">• Duo-chamber toilet cleaner with improved formula & new design• Double hygiene thanks to liquid cleaner and a fresh fragrance	<ul style="list-style-type: none">• Automatic dishwashing gel with best cleaning performance in category• Removes tough grease & protects machine's filter from grease build-up	<ul style="list-style-type: none">• 1st fiber-repair detergent able to reduce fuzzing & pilling by up to 80%• Effectively prevents new fuzzing & pilling of fibers

We continue to focus on a strong innovation pipeline that helps not only drive the continued expansion in our topline, but also the expansion in our EBIT.

Perwoll Care & Repair

The first **repair** detergent by Perwoll.

It reduces fuzzing and pilling up to **80%**.



And I'd like to highlight Perwoll Care & Repair, in an area where we're number one in the specialized detergents. It's a product we've announced and implemented in 20 countries so far, and it will be further implemented in another five this year. So it's clear that the strength of innovation pipeline is helping drive the top and the bottom line.

Beauty Care

Solid OSG & very strong margin improvement in Q3 2015



Long-term overview



Sales

- Solid OSG
- Retail solid, Hair Salon positive
- Mature Markets negative
 - North America strong
- Emerging Markets very strong
 - Russia & China double digit

Return

- Adj. EBIT margin showing very strong increase
- ROCE above level of previous year

Now let me move to our Beauty care business, where we saw solid OSG and very strong margin improvements in Q3. We saw retail being solid and hair salon being positive. The mature markets were negative, but we saw a very good growth in North America, also due to the implementation or introduction of our Schwarzkopf brand. The emerging markets continued to be very strong, Russia and China double-digit.

We saw the EBIT margin showing very strong increase and ROCE above the level of previous year. So, overall, a good quarter for our Beauty care business.

Beauty Care

Strengthening innovation leadership across categories

BC Bonacure Color Freeze



- 1st color locking hair therapy for zero fade with pH 4.5 technology
- For 90% stronger hair, perfect light reflection and no visible color loss

Dial Miracle Oil



- 1st restoring Dial Body Wash infused with caring marula oil
- Micro Oil Technology leaves skin feeling clean, soft and smooth

Schwarzkopf Men



- 1st Schwarzkopf Hair Care range 100% engineered for Men
- Unique formula with innovative triple effect for hair, roots and scalp

Also in this area, our innovation pipeline helps drive the topline but also the expansion of our bottom line.

Schwarzkopf
Professional HairCare for you.

NEW SCHWARZKOPF MEN DEEP EFFECT 3.
FOR MEN WHO ALWAYS STAY CLEAN.

SCHWARZKOPFMEN.DE THE SHAMPOO STRICTLY FOR MEN.

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And let me highlight Schwarzkopf for Men, a new product we've brought into the market and already introduced in Germany, in Russia and in China.

Adhesive Technologies

Solid OSG & solid margin improvement in Q3 2015



Long-term overview



Sales

- Solid OSG
- Consumer & Craftsmen, Transport & Metal, General Industry solid
- Mature Markets positive
 - North America positive
- Emerging Markets solid
 - China negative
 - Russia & Mexico double digit

Return

- Adj. EBIT margin showing solid increase
- ROCE below level of previous year (acquisitions)

Now let me move on to the Adhesives business. We saw a solid OSG. We saw consumer and craftsmen, transportation and metal and general industry being solid. The mature markets were positive and North America was positive. We saw the emerging markets being solid, with China being negative, but we saw Russia and Mexico double-digit.

Overall, the adjusted EBIT margin is showing solid increase. So it's the first quarter in 2015 that we're above the previous year, so our strategy and profit protection is now starting to work. ROCE is below the level of previous year, due to acquisitions.

Adhesive Technologies

Fostering innovation leadership with tailor-made solutions & top brands

Speed & Flexibility



- 1st all-purpose glue facilitating all kinds of household repairs in 60 sec.
- Bonds faster & allows repositioning after application

Enhanced Food Safety



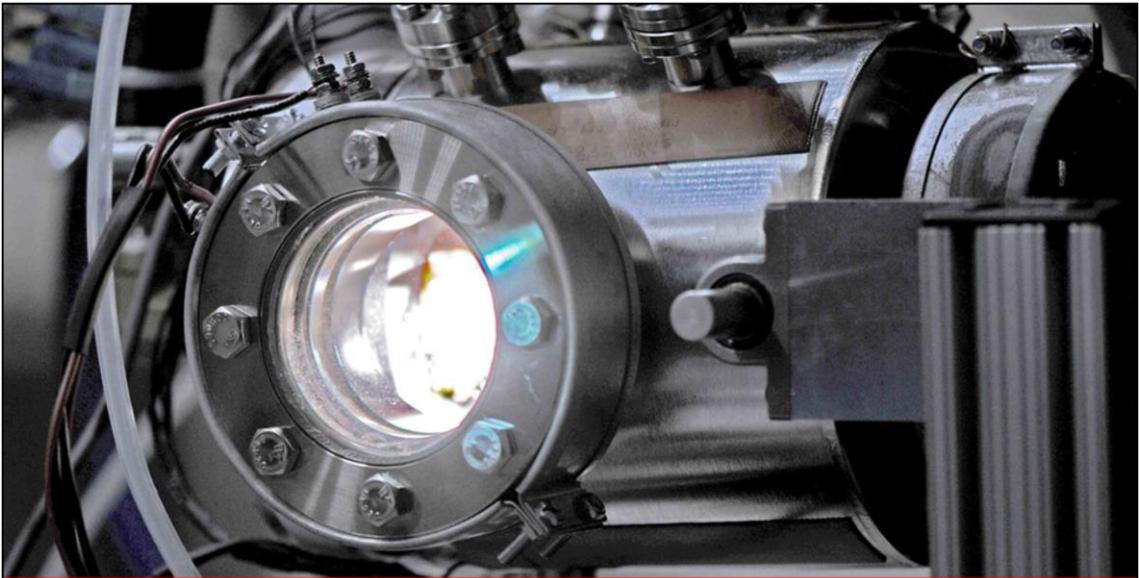
- New low migration adhesive for enhanced food safety
- Applicable for folding cartons, sealed bags and corrugated paper

Cooperation with DropWise



- Development of unique hydrophobic coating technology
- Improved heat transfer for highly efficient and sustainable solutions

On the innovation side, let me just mention an investment that we've done with DropWise Technologies, which is a US based company that's focusing on developing of unique hydrophobic coating technologies. And we invested in this company because we believe it will give us a competitive edge moving forward. So not only do we focus on innovation internally, but of course we also invest in other companies that can help us make a jump in new technologies, in order to make certain that we continue to be the leader in Adhesives technologies globally.



Now I'll hand over to Carsten, who will take you through the third-quarter financials in greater detail.

Agenda

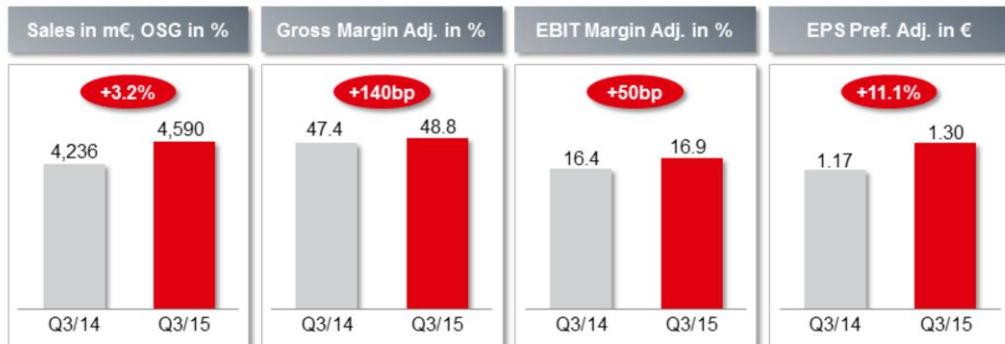
1. Key developments Q3 2015

2. **Financials Q3 2015**

3. Summary & Outlook FY 2015

Carsten Knobel: Thank you very much, Kasper. Good morning to everyone. Also a warm welcome from my side. And as stated, I will now guide you through the financial details of our quarter-three results.

Delivering on profitable growth using all levers



Let me start with our KPIs. Overall, we delivered on our profitable growth path using all levers. And starting now with our topline performance, sales came in at EUR4,590m. This is a nominal increase of 8.4%.

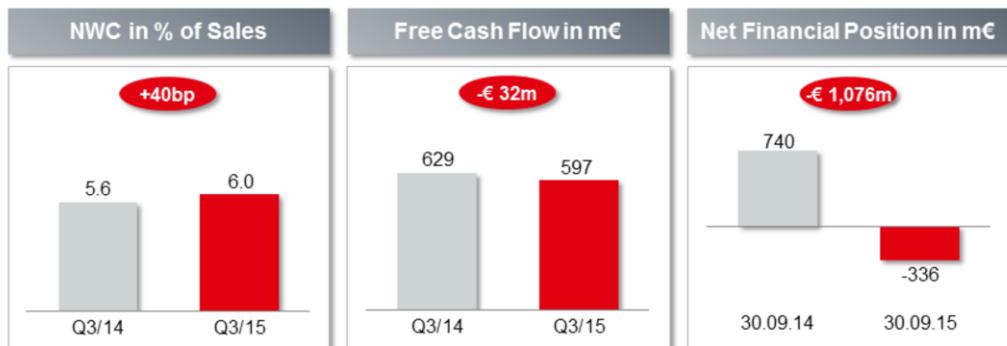
We have positive FX effects amounting to roughly 2.3%, sequentially decreasing compared to the first half year. Acquisitions contributed to a similar extent as in the last two quarters, with a magnitude of 2.9%. This leads us then to an organic development with a solid performance of 3.2% in the third quarter.

Looking into our gross margin development, our adjusted gross margin development, we have seen a number now of 48.8% in the third quarter. This is an improvement of 140 basis points compared to Q3 2014.

Adjusted EBIT development, a strong improvement of 50 basis points now to, as Kasper already mentioned, a record level of 16.9% from the 16.4% of the comparable number of last year. And finally, our adjusted EPS per preferred share increased double-digit to a level of EUR1.30, or in relative terms plus 11.1%.

So, overall, a strong performance and another quarter of profitable growth.

Focus on disciplined cash management



Looking to our cash KPIs and also here a focus, as you are knowing from the last quarters, on a very disciplined cash management. Starting with our net working capital development, we came in at 6.0%. This is at a similar operating level than the prior year quarter. We are up 40 basis points, and the acquisition impact of the recent acquisitions we have done is also 40 basis points.

Looking at our free cash flow, free cash flow came in at EUR597m. This is very close to the level of the prior year quarter and a very strong number. With this, we are delivering consistently a strong cash flow.

Our net financial position reached minus EUR336m. This is a decrease of EUR1,076m compared to September 30, 2014.

Please keep in mind that we have spent since Q3 2014 roughly EUR1.7bn for acquisitions. We have had a dividend payment of roughly EUR600m and also capital expenditures of EUR600m. If you add these three numbers and compare that with the decrease of EUR1bn, you see that there is a number of roughly EUR2bn in between, and this is definitely related to our strong operating cash flow, which came in at EUR2.2bn in that quarter.

OSG with balanced P / V, on top significant contribution from M&A



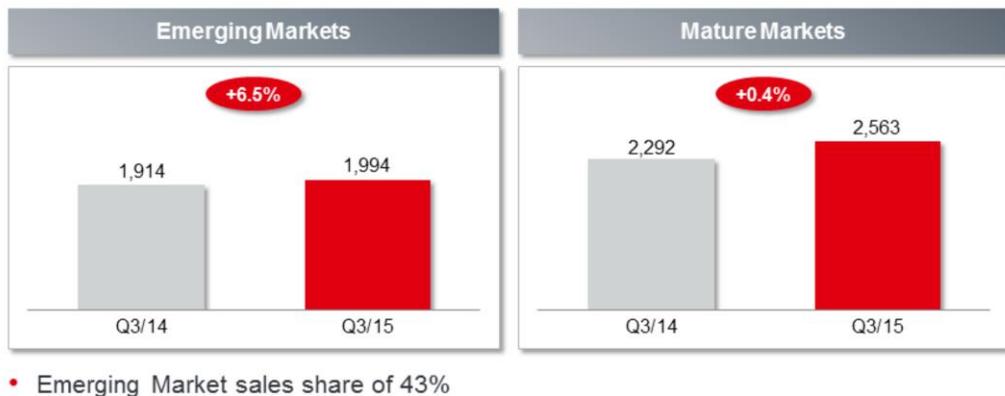
Looking now into the details of our topline performance and starting with the OSG, as you know, we have 3.2%. This is composed in a very balanced way between price and volume. Price is up 190 basis points; volume is up 130 basis points.

Our FX impact is a tailwind of 2.3%. And as I said, it's sequentially reducing since the beginning of the year because in the first half year we have recorded a 6.6% tailwind of FX.

M&A at a level impacting plus 2.9%, and this is due to our acquisitions which we recently did: Bergquist in North America, Spotless in Western Europe, the Xtreme brand in Mexico for our Beauty care business and the Novamelt in the Adhesives part in Germany. Which leads us to EUR4,590m of sales, and this is, as I stated before, a nominal increase of 8.4%.

Emerging Markets strong, Mature Markets positive

in m€, OSG in %



With that, let me move to our development in the regions, and the first look on our emerging markets and mature markets development. Emerging markets, as Kasper has already pointed out, came in with a strong development, a plus 6.5%, and with that for sure a major contributor to our overall organic net sales development.

Looking into the mature markets, we see on the one side a double-digit nominal increase, 11.8%, to be precise, to a level now of EUR2.563bn. This is majority driven by FX and the acquisitions we did, but also an organic development of 0.4%.

The emerging market sales share in total reaches a level of 43% compared to the level of roughly 45% of last year. The impact, or the reduction, is majority driven by the decreasing emerging market currencies.

So, as you can see, or as you will see in a minute, this is a broad based growth across the regions. And to give you some more details, we go to the next chart and we start with Western Europe.

Broad-based growth across regions

in m€, OSG in %



- Mature markets with mixed dynamics, impacted by uneven performance in Western Europe
- Emerging markets: double-digit organic sales growth in Russia, Mexico & Turkey; Brazil positive

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Western Europe could not reach the level of the prior year period. We had good developments, positive developments in the UK, in France, but also in Southern Europe. The negative development is mainly caused by the development in Germany, and this is due to very effective, intense promotional intensity and severe competition, and the severe competition is especially among the retailers in the HPC sector.

Now, coming to Eastern Europe, Eastern Europe showed a 9.7% positive organic net sales development, and this is mainly driven by a double-digit development in Russia and the Ukraine, but also a double-digit development in Turkey.

With that, moving to Africa/Middle East. Africa/Middle East, a strong development, 5.9% in organic terms, and this despite the geopolitical instability and the deteriorated economic environment.

Coming now to North America, North America recorded a solid organic net sales growth, 3.2%. You've heard it before. It's now for three consecutive quarters in a row that we show a positive organic development. This is supported by all three business divisions.

Looking first to our Adhesives division, we have seen a continued competitive environment in packaging, but the development in Adhesives was especially helped by a double-digit development in our transport sector, especially in the automotive segment.

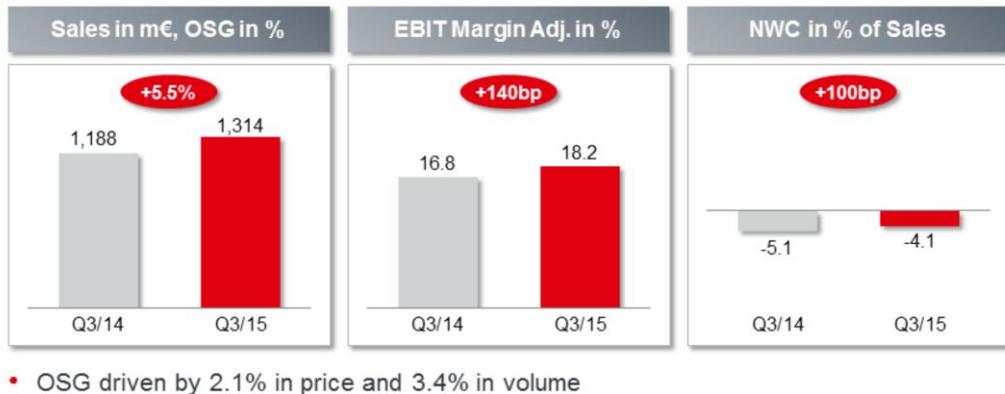
Looking in our HPC sector, both businesses, Beauty and Laundry, showed a positive, respectively a strong, organic sales development in the quarter, and this is especially due to the fact that we continue to execute on the one side our turnaround plan, but also driven by our innovation offensive. And this also has led, in both divisions, to an increase in market shares.

Moving to Latin America, here a very positive development, a double-digit development, plus 10.9%. This is especially driven by a double-digit development in Mexico, but also the Andean region. You have heard it, Brazil, despite the weak economic development, showed a positive organic growth in quarter three.

With that, let me move to the last region, which is the Asia Pacific region, where we have generated a positive organic net sales growth of 0.8%. As already flagged, the economic slowdown in China especially impacted our Adhesives situation. On the other hand, Beauty care continued their strong development with a double-digit OSG in quarter three. On top, Japan, Indonesia and also India showed positive and good developments in the quarter three.

Laundry & Home Care

Strong OSG, excellent adj. EBIT margin increase



With that, let me move now to our three divisions, and we start now with Laundry and Home care first. Laundry and Home care, overall, excellent development regarding all P&L items, but let me start first with our topline development.

On a nominal basis, a double-digit development in topline, supported by a 5.5% organic net sales development, a very balanced composition of the OSG, driven by 2.1% in price and 3.4% in volume. Looking to our business segments, we had a very good development in Laundry and an even better development in our Home care business.

Looking now into the regional setup, the emerging markets again provided a particular momentum to organic net sales growth with a double-digit development. In more detail, Eastern Europe and Asia Pacific grew double-digit, Latin America made a very strong contribution and Middle East/Africa posted a strong development. So, overall, as you see, strong development across all regions in the emerging markets for Laundry and Home care.

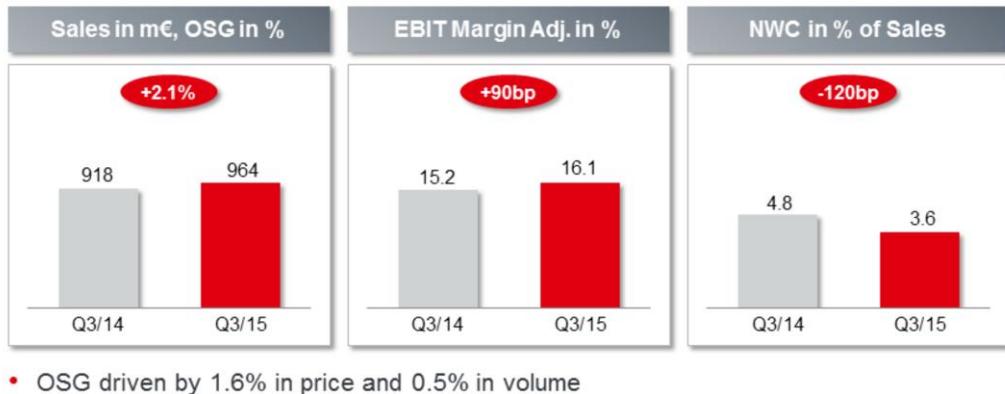
Looking into the mature markets, also here the organic sales development was positive compared to the prior year quarter. We had a flat development in Western Europe and, as already pointed out, a solid growth in North America, especially here driven by our launch of the Persil ProClean, but we have also now started the rollout to the rest of the retailers.

With that, moving to the bottom line development, also here you see an excellent development, 18.2% of adjusted EBIT margin, all-time high for Laundry and Home care, an improvement of 140 basis points.

And also looking to our net working capital development, we reached here in that area a very low level of minus 4.1%. This is an increase of 100 basis points compared to the prior year quarter, but please take into account that the acquisitions we did had an impact of 120 basis points, so you see on a like-for-like or an operative level even an improved situation compared to the year before.

Beauty Care

Solid OSG, very strong adj. EBIT margin increase



Moving now to our Beauty care business. Beauty care business also again showed a solid development overall, good development across the P&L lines. Also here starting with our sales development, organically plus 2.1%, driven by a 160 basis points increase in price and 50 basis points in volume. Looking into the business segments, the retail business showed a solid development, but also hair salon showed again now for a second quarter in a row a positive development.

Region-wise, emerging markets, like in the Laundry and Home care business, with a very strong development. We had double-digit contributions from Latin America, here especially driven by Mexico, but also Brazil, and a very strong growth in Eastern Europe. China, as mentioned now two times, had a double-digit growth in the Beauty care segment and continuing its path we have seen over a couple of years now.

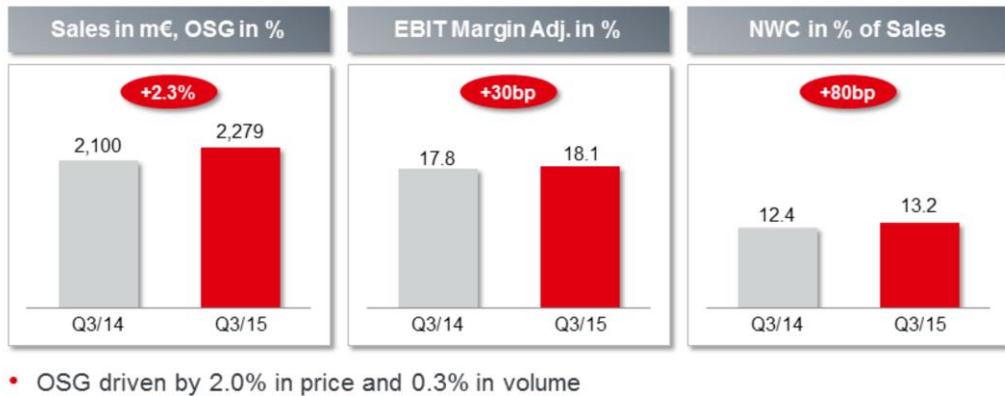
Moving to the mature markets. Mature markets in Beauty care could not reach the level of the prior year quarter. We had a mixed development. A negative development in Western Europe, especially caused by the reason I already explained before which we had in Germany, the very intense promotional activities, but also the fierce competition among the retailers.

But on the other side, a strong development in North America. Same reason as in Laundry, the innovations which we put to the market, especially in body and hair, are paying off, and with that we could also increase market shares, which is a quite good development.

Coming now to the bottom line development, also here you see a very strong development, 90 basis points increase to a level of 16.1%. And also if you look to net working capital, you see an excellent performance. We reach a level of 3.6%. This is an improvement compared to the prior year quarter of 120 basis points.

Adhesive Technologies

Solid OSG, solid increase in adj. EBIT margin



Let me now move to the third division, to our Adhesives technology business. And here we have seen a solid organic net sales growth, 2.3%, predominantly driven by price, 200 basis points, and to a lower extent by volume for 30 basis points.

Looking also here into the segments, we have a very solid development in the areas of consumer Adhesives, in transport and metal and also in the general industry business. We have seen the packaging development showing a positive organic net sales growth, while Electronics was slightly negative.

As you know, the OSG in Electronics is affected by the pass-through of our silver price. I only would like to highlight the fact that without the negative impact of the silver price, also in Electronics the underlying organic net sales growth would have been solid. And please take into account we have a very positive and very good performance in our Bergquist acquisition, which is still calculated in the acquisition effect, so we are also in that area, Electronics, going into the right direction.

With that, let me move to the regional perspective. Emerging markets showed a solid organic net sales growth. Eastern Europe was strong. We had a double-digit contribution also here from Russia, from Ukraine and from Turkey.

China was negative, as pointed out by Kasper. We had a general industry which was positive, but we have seen for sure, the ongoing difficult economic environment especially in the transport and metal business, which moved into negative territory. This was affected by the current weakness in the automotive segment.

Latin America recorded a double-digit development in the emerging markets for Adhesives, and here the major contributor was Mexico. Our Brazil business in Adhesives was flat, despite a negative economic development.

Mature markets overall positive in Adhesives. We have seen a flat Western European business and, as already pointed out, North American business which was positive.

Looking to the bottom line of Adhesives, we now see, after two quarters in which we had a reduction compared to the prior year quarter in Q1 and Q2, an increase of 30 basis points to 18.1% , which is also here a good development. This is helped by favorable input costs, for sure, but as you know, we have disclosed to you during quarter two that we are implementing measures to adapt our structures. We also started already on that, and that has also a first impact but we will continue to do that over the next couple of quarters in order to further drive the situation we are striving for.

With that, let me come to our net working capital development, 13.2%. This is up 80 basis points, but the majority of the impact is also here related to the acquisitions we did.

Gross margin improvement driven by input costs and savings

Income statement adjusted



With that, I would leave the three divisions and now come to our income statement adjusted. First of all, looking from sales to our gross margin. As already pointed out, sales came in with a very strong nominal sales growth of 8.4%, leading to EUR4,590m. The gross profit increased by a double-digit number, plus 11.6%, to a level of EUR2,239m.

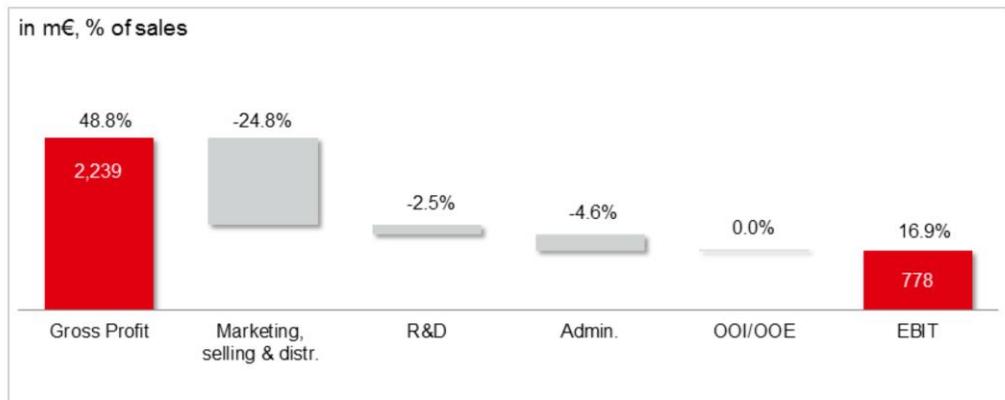
What are the reasons behind? In majority, three to mention: first of all the execution of saving measures or cost reduction measures; secondly, our continuous improvement in our production and supply efficiency setup; and thirdly, also lower prices for our total direct materials, which had a positive impact. So, especially with the material cost impact, we could compensate certain effects of the transactional FX impacts which we have already disclosed to you all at the end of last year, especially in Russia and the Ukraine.

With that, we reach the 48.8% in gross margin, which is above the average of the first half year, so this is completely in line with what we already communicated to you, that what we would like to see is impact in gross margin more in the second half than in the first half, which leads to a 140 basis points increase.

Also in this situation, we decided to adapt slightly our guidance. For the full year, regarding direct material prices, we changed from stable prices to slight decline in prices.

Further increase in adj. EBIT margin while integrating acquisitions

Income statement adjusted

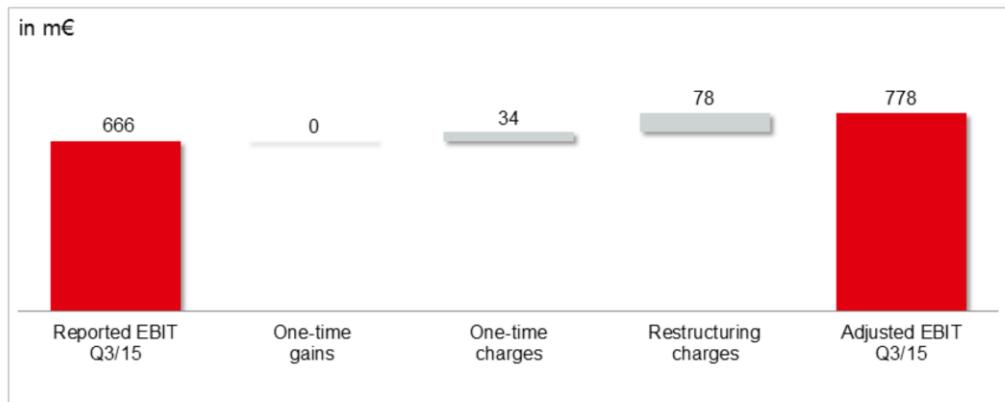


With that, let me further move in the income statement adjusted now from the gross profit to EBIT. We have seen marketing, selling, distribution expenses at a level of 24.8%. This is an increase of 40 basis points, mainly affected by acquisitions which we did and the FX environment.

R&D reached a level of 2.5%. This is slightly higher than the comparable number of Q3 2014. And the admin expenses reached a level of 4.6%, 30 basis points up compared to the prior year quarter. Also here, similar reason like in the marketing, selling and distribution setup, higher impact because of our acquisitions and the FX impact.

No impact of OOI/OOE, which leads to the already mentioned EBIT of EUR778m or 16.9%, all-time high for a third quarter at Henkel.

Continuous adaptation of our structures to the market

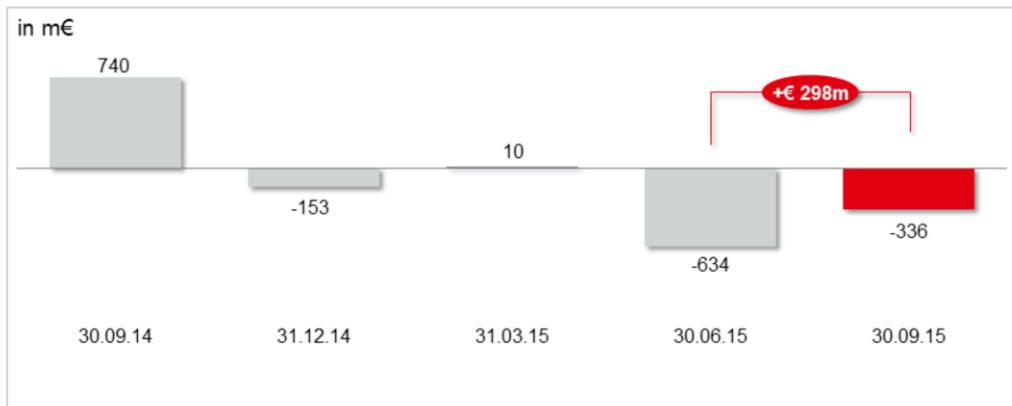


Moving now to our bridge, as you're already used to, from reported to adjusted EBIT. Here, we have the point that we had no one-time gains in the quarter. We had one-time charges of EUR34m. This is related to two reasons. The one reason is our investment in the one global supply chain setup with roughly EUR26m, and EUR8m are related mainly to the incidental costs for the acquisition of the Colgate-Palmolive detergent business in Australia, New Zealand.

Moving to the biggest impact, the restructuring charges in quarter three, which is at a level of EUR78m. This is our continuous way of adapting our structures to the market conditions. You have already heard Kasper and myself talking about the measures we are taking in Adhesives technology. The majority of the EUR78m is related to that. And as we indicated, we expect finalization of these activities in the course of Q2 2016.

That leads us to an adjusted EBIT of EUR778m and an increase of 12.3%. Please also let me allude to the point that we also here have concretized our guidance when it comes to the restructuring amount. We have first said EUR150m to EUR200m; that was the guidance at the beginning of the year. Now, we assume that we will have roughly EUR200m of restructuring charges for the full year 2015.

Improvement of net financial position



Finally, let me comment on the improvement of our net financial position. You see we reached minus EUR336m. I already alluded to the bridge from September 30 of last year. If you also compare that to the mid of this year, to June 30, you see also here an improvement of roughly EUR300m.

One side remark. On October 16, we had announced the redemption of our hybrid bond at the principal amount of EUR1.3bn plus the accrued interest on November 25. To be very clear on that item, this task or this measure has no impact on our firepower. That means our financial headroom remains on the level of EUR4.5bn to EUR5bn.

We have even taken the step to align this recalling of the hybrid bond with the rating agencies. They have no concerns with companies who are calling hybrids without replacing them in cases the company has received a rating upgrade since the issue of the hybrid. And this is the case for Henkel, because after we had issued the hybrid, we got an upgrade. Therefore, there is no issue, no impact on our potential headroom when it comes to taking the integration as a part of our strategy of M&A.

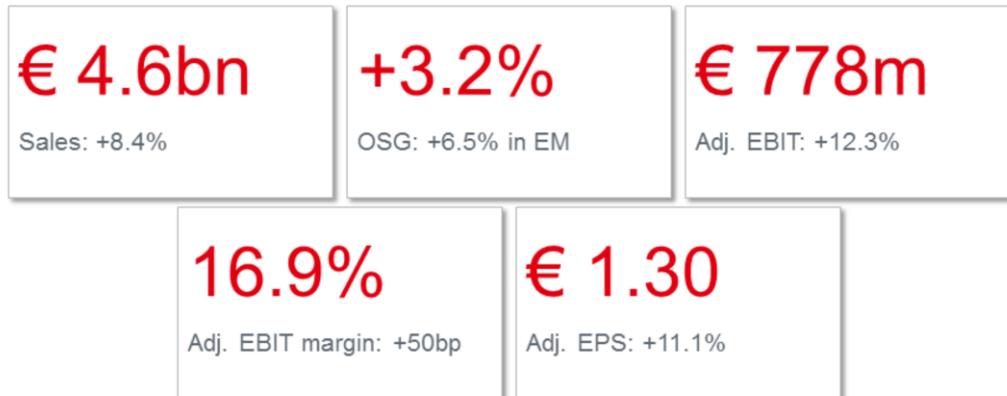
With that, I would like to hand back to Kasper.

Agenda

1. Key developments Q3 2015
2. Financials Q3 2015
- 3. Summary & Outlook FY 2015**

Kasper Rorsted: Thank you very much, Carsten. Let me just summarize the quarter.

Highlights Q3 2015

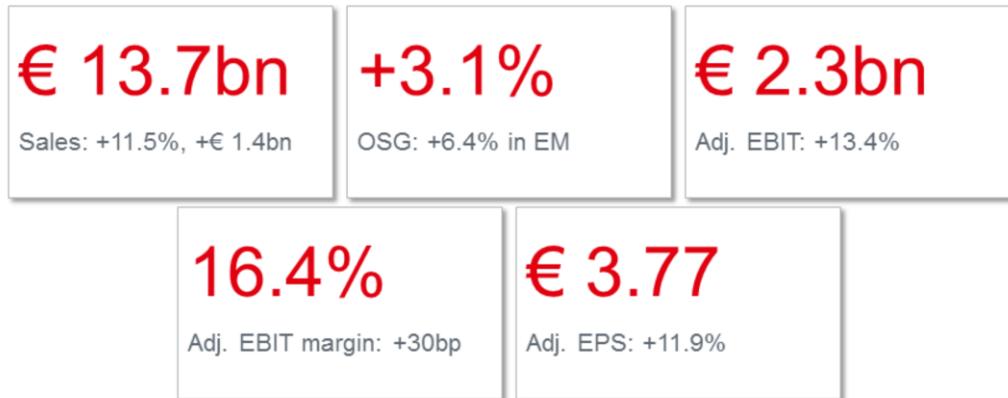


We saw sales of EUR4.6bn, up 8.4%; organic sales growth of 3.2%. I think more important, organic sales growth in the emerging markets of 6.5%, which is very similar to the same level of last year.

So what you've seen is, despite the slowdown in China, which is our third largest market globally, we've been able to compensate the slowdown in China with strong organic sales growth in other emerging markets. The emerging markets will continue to be the growth driver for Henkel.

We saw the adjusted EBIT go up by 12.3%, the margin at an all-time high at 16.9%, up 50 basis points, and adjusted EPS at EUR1.30, up 11.1%.

Highlights 1-9 2015



As the year is coming closer to an end, let me just give you a wrap-up of one to nine. Revenue of EUR13.7bn, up 11.5% versus last year. Growth of 3.1% in organic sales growth, so 6.4% in the emerging markets. Adjusted EBIT of EUR2.3b, up 13.4% compared to prior year. Adjusted EBIT margin at 16.4%, up 30 basis points compared to last year. And EPS at EUR3.77, up almost 12 points, or more precisely 11.9%.

Delivering profitable growth

- Significant increase in nominal sales, solid organic sales growth
- Strong top line performance in Emerging Markets
- North America with three consecutive quarters of organic growth, driving positive performance in Mature Markets
- Adjusted EBIT margin at all-time high
- Delivering double-digit adjusted EPS growth for three consecutive quarters

Overall, we're focused on continuing to deliver profitable growth. We're seeing a significant increase in the nominal sales, which I just articulated, and solid organic sales growth.

We saw strong topline performance in the emerging markets, very consistent to last year. North America, which was our problem child last year, we've now seen three consecutive quarters of organic growth, which is driving the performance in the mature markets.

The adjusted EBIT margin hit an all-time high, and we delivered double-digit adjusted EPS growth now for all three quarters of 2015.

Updated guidance FY 2015

	Guidance FY 2015 – old	Guidance FY 2015 – updated	Change
Organic Sales Growth	3 – 5%	~3%	↓
• Laundry & Home Care	3 – 5%	4 – 5%	↑
• Beauty Care	~2%	~2%	→
• Adhesive Technologies	3 – 5%	2 – 3%	↓
Emerging Markets sales share	At prior year level	At prior year level	→
Adjusted EBIT Margin	~16%	~16%	→
• Laundry & Home Care			
• Beauty Care	All Business Units contributing	All Business Units contributing	→
• Adhesive Technologies			
Adjusted EPS Growth	~10%	>10%	↑

› We will continue to adapt our structures to the market

Which leads me to the guidance which we have specified and updated. The organic sales growth, which we in the beginning of the year specified in a range of between 3% and 5%, we're now guiding at approximately 3%.

We're updating the Laundry and Home care growth that was in the range of 3% to 5% and narrowing the range down to between 4% and 5%, so we're taking that up. Beauty care we see unchanged. And Adhesives, which we were originally guiding at 3% to 5%, we're now guiding at 2% to 3%.

We are seeing no change on the emerging markets sales share or the adjusted margin. What we are seeing, we're seeing an increase in EPS, where before we saw approximately 10% and now we see greater than 10%.

So, what we say here is that we will continue, as we said in the second quarter call and also in previous calls, to ensure that we adapt the structures to the market, i.e., when we see slower growth rates we will be consistent and disciplined in taking cost out to ensure that our business model will work also with different growth dynamics.

Upcoming events

- February 25th, 2016 FY & Q4 2015 results
- April 11th, 2016 Annual General Meeting
- May 19th, 2016 Q1 2016 results
- June 6th – 7th, 2016 Investor & Analyst Day Adhesive Technologies, Heidelberg
- August 11th, 2016 Q2 2016 results
- November 8th, 2016 Q3 2016 results
- November 17th, 2016 Henkel Strategy Presentation, London

Moving forward, we have on February 25 our full fiscal year reporting and also Q4 reporting and the guidance for 2016. We have the AGM in April, our Q1 results in May. And we have our Investor Day, which next year is focusing on Adhesives technologies and will take place in Heidelberg, approximately one hour from Frankfurt. In August and November we have quarterly results, and on November 17, we will be presenting the new long-term strategy for Henkel, and that presentation will take place in London.

Thank you!



 **Henkel** Excellence is our Passion

Now, Carsten and I will be happy to take any questions you might have, and thank you so far.

Q&A Session

Operator: *Christian Faitz, Kepler Cheuvreux.*

Christian Faitz: Yes. Good morning, gentlemen. Congratulations on the great results. I have three questions, if I may. First of all, regarding your altered, changed EPS guidance for fiscal year 2015, if I recall correctly, in August during your H1 report you guided for a double-digit increase in EPS. Now you are guiding for more than 10%. Can you explain the qualitative difference in wording?

Second question would be: can you shed some light on the success of the Persil launch in the US? Where is the rollout now happening beyond Wal-Mart, etc.?

And third question, industrial Adhesives: which customer segments in China suffer the most? Is it construction, electronics or automotive, if you maybe could elucidate that? Thank you very much.

Kasper Rorsted: Good. Thank you. I'll take the first two questions and Carsten will take the third question. We have made no change to our guidance. We've been consistently saying that the guidance was around 10% in the second quarter, which is double-digit, and now we are guiding above. And you can see, one to nine we are growing at 11.9%, which is then also then natural to update guidance above 10%. And we change guidance normally if we change in the third quarter, so no change in that. I don't believe that we said anything different.

On Persil in the US, we've had an exclusive rollout with Wal-Mart. And, as the plan was all the time, we're now rolling that out across a number of retailers, so a national rollout which is taking place starting in the fourth quarter and going into the full year. And without being specific on numbers, Persil specifically, but it's living full up to our expectation. And you can see on our overall market share for our Laundry position in the US that has grown, which we allude to, that the Persil rollout is going according to expectation.

I would like at the same time to say that we now have Persil in more than 50 countries, and in all the countries where we roll out Persil it takes two to three years before we know if we have a sustainable position. And that will be the same in the US. We had the same experience in Korea, where we have a strong position today. We had the same experience in Mexico, where we have a strong position today. And we'll have the same situation in the US, meaning that within two to three years we will know to which extent which market share we can actually be getting.

Carsten, on Adhesives China?

Carsten Knobel: Yes. Christian, to your question on Adhesives, I already alluded to that a little bit during the presentation of Adhesives. So, if you look, we were in total slightly negative in China. We had a quite okay development in our general industry business, and the driver for the negative development was especially in transport and metal, which is related to the weakness in the automotive sector in China. And maybe to add, regarding construction business, we are under-represented in construction.

So, these are the majority impacts. As I said, general industry okay, flat, and the automotive segment negative.

Christian Faltz: Okay. Thank you very much.

Operator: *Iain Simpson, Societe Generale.*

Iain Simpson: Thanks very much. Good morning, everyone. Three questions from me, if I may. Firstly, could you talk a bit about Mexico? I think every division there grew double-digit and it's been strong for a while. What's making the difference? Because I remember a year or two ago that was a bit of a problem area for you and it's now doing pretty well.

Secondly, just thinking about next quarter, fourth quarter 2014 you had a lot of one-off costs, both at the corporate level and in Laundry in the run up to Persil launching in the US. So, you've got a very, very easy margin comp next quarter. Any other similar one-offs we should be thinking of, or do we just drop all of those through?

And then lastly, just a bit of housekeeping, I recall that hybrid bond being quite expensive. What difference does the redeeming make to your interest costs when we think about 2016? Many thanks.

Kasper Rorsted: I'll take the first question regarding Mexico and Carsten will take the two last questions. What we're seeing in Mexico now is that we've reached a critical mass in the size of the country, and thereby we're capable of not only driving higher growth but also driving higher profitability. We've done a number of small acquisitions also in the space of Beauty care in the last two years, which is now giving us a sustainable and strong position of Beauty care.

So, overall, it's critical mass. It's all three business groups having a size where they're better in the country and we have a strong management team, and that's why we start seeing very consistent performance in this area. It's approximately 3% of total sales.

Maybe to give you just a rough number to make sure that you see the balance of our emerging markets, China accounts for approximately 9% and the size of Mexico and Russia is also 9%. So, when you're seeing double-digit growth in Mexico and in Russia, that's actually the same size market as China, and that's what we're starting to see now. So, the critical size in Mexico is now a level whereby we can actually drive much better performance out of it. So, that's why it's so important that we get some of the emerging markets to have a size whereby actually you can get the synergies out of the size.

Carsten, do you want to take two and three?

Carsten Knobel: Yes. Iain, good morning. So, to your first question regarding next quarter, you know we are not guiding on quarters; we are guiding on years. You pointed out the point of last year, where we had a quite lower margin. This was especially impacted by, at that time, the Spotless step up which we have taken regarding inventories, but also at that time preproduction activity for, at that time, the original launches of Persil and Essence Ultime, which happened then in the first quarter of 2015. On the other side, you know the economic development is not very positive these days.

So, that's at that point where we are. As we said, I think we were very clear on the guidance for the full year, where we have either raised or changed the guidance on particular topics. So, I think at that point, nothing to be mentioned more for Q4.

Regarding your hybrid bond question, yes, the hybrid bond at the time when we launched it, as you know, always hybrids are more expensive than other debt instruments. The coupon at that point was 5.375%. On the other side, I hope you also know that we have a very proactive interest rate strategy.

What does it mean? In the meantime, already at the beginning we swapped that coupon, which was quite high, from a fixed to a floating interest rate, and by that we have benefited already in the past and paid less than that. That also leads, for sure, to a smaller reduction than it benefits which you could look forward into 2016, because we already took the measures as soon as possible in order not to give pain to the balance sheet.

Iain Simpson: Thank you very much.

Operator: *Harold Thompson, Deutsche Bank.*

Harold Thompson: Yes. Good morning everyone, and likewise, well done on the results. Just on China, could you just remind us again your China exposure, how it differs between the consumer business and the Adhesives business? So, the 9%, how does that compare at the two divisions?

Beauty, clearly, as you say, you're still winning share in challenging markets, but at the end of the day the growth rate in absolute term remains pretty low but your margins are doing really well. Do you not see scope of maybe investing a bit more in that business? And what is driving the margin increase, i.e., how's the marketing budget doing?

And on the restructuring charges, you've increased the guidance to EUR200m. Is that simply faster implementation of what you had planned, so we should see less restructuring going forward, or is that simply incremental restructuring and just a higher number to get there? Thanks very much.

Kasper Rorsted: Thank you very much, Harold. I'll take the first part and Carsten will take the second part. On the Chinese side, approximately two-thirds of our business in China is our Adhesives business and one-third is our Beauty care business. So, you are seeing the Beauty care business becoming a substantial part of our business.

And we have now reached the position where you say we still have a small market share position. I have to remind you that four years ago we had a zero, five years ago we had a zero market share position, and today China is our third largest market in the world for our Beauty care business. It continues to show double-digit growth. It continues also to be dilutive to overall margins in our Beauty care business.

So, we continue to actively invest in the market that will allow us have double-digit growth. Today, we have Single Day in China, and you've seen Ali Baba has also been out and saying very attractive numbers. This will be a massive day for us sales wise. So, we believe that we have found the right level of now starting to get a margin or positive margin expansion in China, while at the same time being very aggressive in the way we invest in the market.

So, it is still dilutive from a margin standpoint, but we need to get the right balance that we create the right price points, and I think we've done that. And today we have a very solid market share position in China. We have a sustainable position which we didn't have five years ago. But it's clear our aim is to continue to grow far beyond the market, which we are, and gain market share.

But I don't believe we are insufficiently investing. I think that you saw today in my call that we are also introducing now the Schwarzkopf Men product in China, which is one of three countries globally, Germany, Russia and China. So, we are selectively picking countries to ensure that we put the right marketing investment behind.

So, one-third, two-thirds makes the right position. Five years ago it was 99% Adhesives and 1% Beauty care.

Carsten?

Harold Thompson: Can I just ask, on the Beauty business, do you know just because you spoke quite a lot more on China that I thought. How much of your actually Chinese Beauty sales are already going through online?

Kasper Rorsted: A third.

Harold Thompson: A third? Oh, wow. Okay. Thanks.

Kasper Rorsted: So, when you then see that the online market overall is growing much stronger than the brick and mortar, that's where you see we are picking up where the growth engine is coming from.

Harold Thompson: Yes. Thank you.

Carsten Knobel: So, commenting on your A&P question, I think you should understand that I'm not commenting that on detail, but what I can tell you is that, and I said it already, marketing, selling and distribution expenses were up both in absolute but also in percentage of sales terms. One factor of that was, for sure, also the impact of our acquisitions and the currency effect.

And I think our general philosophy is the following, and I think we have shown that in quarter three again. We are looking for a solid organic net sales growth, which we had. We had increasing margins, which we did. And we also commented on that, that we are increasing our market shares. And we believe that this is the right strategy, and by that we come at least to the conclusion that this is an adequate investment into our brands, technologies, and by that into the market.

To your third question, regarding the restructuring, our original assumption beginning of this year when we guided EUR150m to EUR200m, you all know that we have not been overall satisfied with our Adhesives development in the middle of the year, and by that we made the point to adapt our structure, which means additional restructuring. And as I pointed out, we are developing on that quite positively, so we are good on track compared to that what we originally planned.

This is also related then to the fact that we could announce certain restructuring, and in the consequence that we have now specified the guidance to the upper end of that range, to roughly EUR200m. But you also please understand that we will guide for next year in February on 2016, in order to give you a perspective on how the year 2016 will look like.

And as I said, and also Kasper said, our initiatives, the adaptation of the structures in Adhesives will last until the course of Q2. For sure, this then will also have an impact on or you will see also related to that initiatives in Q1 and Q2 2016. Hope that answers.

Harold Thompson: Yes. Thank you.

Carsten Knobel: Welcome.

Operator: *Graham Jones, HSBC.*

Graham Jones: Good morning. My first question relates to Adhesives. It might be an impossible question for you to answer, but the acceleration that you've seen in your performance in Q3 over Q2, is that mirrored by an improvement in the overall market conditions globally, or is that you outperforming the market?

And in relation to that, you commented that input costs in Adhesives were down in Q3, yet your pricing has accelerated. Is that also mirrored by the market conditions in pricing, or is that something that you're pushing in particular or is it a mix or innovation effect? That's on Adhesives.

And then, secondly, on Beauty and particularly in terms of Western Europe, I just wondered whether you could talk a little bit more about how you think you can get the business back to growth. I'm sure you're not sitting there with your fingers crossed, hoping that the retail environment improves. Do you think that the new innovation that you're announcing will be sufficient to return your European Beauty business back to growth?

Kasper Rorsted: On the Adhesives side, the two first questions was no and no. We believe that the market has not improved and we're outgrowing the market, which you can see in the figures, and the same on the pricing. So, we believe we've taken a different route than the market, and I think the reason why we are capable of putting pricing through is very much that we're focusing on high-end technology areas where actually the value to the customer is higher because we're not in the commodity space.

On the European market, what you are seeing is particularly in Germany a change in the retail landscape. Within the retail landscape, you're seeing very, very high competition and you're also seeing overall on the European market a high level of promotions. We've been able to grow our market share during that period of time, which is not reflected in the revenue numbers, but that's simply a current position of the market.

Long term, I'm not so worried about it. Of course, it is a concern in the short term. We are particularly in Germany seeing a very, very aggressive retail market and competitive landscape which is impacting all categories. And we are focused on hair, which is extremely competitive.

So, we're looking upon it and saying, can we grow the market share over in the long period of time, which we are doing, and our assumption is through innovation, and I mentioned the men's product as one. We believe we can also grow the topline. So it is a nuisance in the short term, but in the long term we're actually not so concerned about it.

Graham Jones: Okay. Thank you.

Operator: *Pinar Ergun, Bank of America Merrill Lynch.*

Pinar Ergun: Thank you very much for taking my question. Two questions. First, regarding your decision not to replace the hybrid, I was wondering if this means that buying back your bond is the best use of cash in the near term. It's clear that your financial headroom is unchanged, but has your view on the current availability of potential targets changed?

And then the second question is how much visibility do you have in your businesses on a real-time basis? Do your IT systems allow you to see things as they happen or with a bit of a lag? Reason I'm asking is that clearly Henkel's performing very well in Russia, despite your cautious tone last quarter and even last year. Thanks very much.

Kasper Rorsted: So, let me start with the last question and Carsten will take the first. We don't have real-time performance. There is a slight delay in the way we operate. And I won't give you the actual time, but we believe we have a decent view into the way it works.

Part of the reason why we're putting what we call our one global supply chain in with our global one instance SAP infrastructure horizon is to get the real-time information, which we already now set up and successfully piloted in three countries this summer and we'll get into the next set of countries beginning of next year. That will, within the next couple of years, allow us to have real-time data.

I think that, frankly, whether you have real-time data or non-real-time data in a volatile environment makes very little difference, because in Russia it is very much also to the level of confidence that's in the market. We've been very cautious in Russia, and we actually are seeing, as we said in the beginning of the year, a EUR100m EBIT drop in Russia and Ukraine due to a lot of the currency impacts that we have and also the volume. And whether we had real time or non-real time would not have changed it.

We have been surprised, positively surprised, of our capability to continue to drive strong OSG which is above market, and you can clearly see that, to other competitors. But I don't think we would have changed the way we look upon Russia had we had real-time data.

Carsten?

Carsten Knobel: Yes. Good morning, Pinar. To your question of hybrid and the correlation to our M&A, I think to be very clear and precise on that, M&A is an integral part of our strategy, and the recalling of the hybrid or the calling of the hybrid has really nothing to do with our strategy related to M&A. I think I tried to be clear on that, that we have the same financial headroom, whenever we want to act.

I think we have an A rate, a flat rating. We have a high credit on the market. Whenever we want to get a certain amount of money when we would need it for a transformational acquisition, we can get easy access to that. We can recall the hybrid or place another hybrid whenever we want. We do not need really long time in order to set that up. So, therefore, the correlation between hybrid and M&A is not existing; not at all.

Pinar Ergun: Okay. Thank you very much.

Operator: *James Targett, Berenberg.*

James Targett: Good morning. A couple of questions from me. Firstly, just on China, I wondered if you could just give a bit more color on the change in the rate of sales decline in Adhesives in the second and the third quarter, just so we can get an idea of what the momentum is there.

And then secondly, just on the margin guidance for the full year, coming back to that, I assume we're expecting more benefits from the cost structure implementation in the fourth quarter and the ongoing tailwinds in the short term on the input side. So, I'm just wondering why you aren't a bit more -- haven't become more positive on the margin outlook for the full year. Is it just the macro conditions which keep you cautious? Thank you.

Kasper Rorsted: I think you gave the answer to the last question with your first question, that you're seeing an increased volatility in the Chinese market. And when we don't know how the long term or the short to medium term outlook in China is, that potentially has a negative impact on the overall margin development. That's why I think we are being appropriately cautious in the way we guide.

We saw a slight positive development in our organic sales in the second quarter and we saw a slight negative development in the third quarter. So, we saw a decline in development month by month from the beginning of the second quarter until now, and we expect that negative development to continue into at least mid-2016. And that's why we believe that we have an appropriate guidance the way we have it.

Also, if you look upon the recent GDP numbers that have been released, not only from China but globally, they're not really up in the end. And I think if you look upon the numbers that have been released in the last five to seven working days, very few companies have been able to consistently deliver double-digit growth, let alone starting in 2012 giving a target for 2016 that has not been revised so far.

So, we believe that right now we're giving the appropriate growth. And assuming we can deliver, which we assume we can, more than 10% EPS, we're more than happy with 2015 with the challenges that it contains.

James Targett: Okay. Thank you.

Operator: *Guillaume Delmas, Nomura.*

Guillaume Delmas: Good morning. A couple of questions for me. The first one, on the Adhesives for consumer, craftsmen and building division, for the first time in almost six quarters we're now seeing some margin expansion, along with some good organic sales growth. So, my question on this is what has changed sequentially? It is more pricing in Russia? I remember Eastern Europe being a drag to that business. Is it the commodity tailwinds? So, any color on this would be helpful.

And then my second question is on SG&A in Adhesives, which clearly affected your numbers last quarter. It's getting under control in Q3. But given your gross margin is expanding by 140 basis points, I appreciate it's at the Group level but surely it can't be that far off for Adhesives, it still means that in Q3 your SG&A in Adhesives must be up by around 100 basis points as a percentage of sales. So, why is this? Is it still FX or Bergquist, or clearly the sign that all the restructuring activities you've announced are yet to benefit your numbers? Thank you.

Carsten Knobel: So, Guillaume, good morning. To your second question regarding Adhesives and SG&A, the gross margin improvement we see across the Company. That is not specific for Adhesives, Laundry or Beauty. So, as I said before, and this is clearly in line what we always said, that we expect a higher impact, a higher positive impact of gross margin in the second half of the year. Especially through the inventory step-ups we had in the first half year, we see now the benefits on that.

As you have seen, Adhesives in general is predominantly driven by prices, by the price component, and one of that reason is for sure also you see the double-digit development in Russia and the Ukraine. And a significant part of that is related to the inflationary development, and by that also then for sure which you see in pricing.

The admin costs, this is one of the topics why we did certain activities and announced certain activities mid of the year, because we were not 100% satisfied with the SG&A development specifically in the Adhesives sector. And I said first steps, first measures, are taking place, and by that also positively impacting our business.

But on the other side, we also clearly communicated, and we are very clear on that, that it will take some quarters. And some quarters means until the course of Q2, until we will get back to that what we think is the appropriate and right level. And this, for sure, is a balance of play which we are currently executing.

And with these first measures, and with the input costs, we have been able to stop the development of negative development in the adjusted EBIT margin and recorded a 30 basis point increase in quarter three.

Kasper Rorsted: Your question regarding construction Adhesives, what we're seeing is we have taken pricing across the board. And we saw a positive development among other countries in the US and also in Russia, whereas if you remember back we had a negative development in the second quarter. So, we're seeing some of the bigger countries growing to the level that we should be growing and we're also seeing pricing coming through.

Guillaume Delmas: Thank you very much.

Operator: *Iain Simpson, Societe Generale.*

Iain Simpson: Thank you so much for allowing me a follow-up. It would be very useful if you could give us a sense as to the phasing of cost saving realization during the quarter. I seem to recall that you had some people put at risk during your Adhesives business in September, so presumably the bulk savings realization was towards the end of the quarter. But any color you could give us on that.

And then secondly, I think after the second-quarter stage you talked a little bit about how some of the topline headwinds you were seeing in China Adhesives was de-stocking. Do you think there's an element of de-stock in these numbers still, or has that now dropped out? Thank you very much.

Kasper Rorsted: Well, I'll start with the latter. As I said in previous comments, I think that the Chinese slowdown will continue until at least mid next year, so I think you will continue to see a level of de-stocking going on, and I don't think de-stocking goes out that quickly. So unfortunately I don't see that. I think that is not only related to us. I think that is related generally to most industries being active in China, and if you look upon peers or other industrial companies you're seeing a similar development.

When it comes to savings that we expect from the initiatives we are taking, particularly in the SG&A side, we don't really specify what we're trying to do. What we did say and what I'm saying is we will take up to 1,200 headcount out, and our assumption is that we'll have executed that plan by mid of second quarter next year and we're well in line to do that. We don't give any specific savings, or we don't specify how it actually comes in, quarter by quarter. But as I said, we expect it to be finalized by mid of second quarter next year and finalized more or less.

With this, I'd like to thank everybody for participating in today's conference call. And I'm also reiterating that in the current environment that continues to be uncertain, we are continuing on a disciplined execution of our strategy and delivering a strong quarter performance.

Looking ahead, the high volatility and the uncertainty in the market seems to remain. However, we are confident through our innovation strength and strong brands, coupled with the ongoing adaption of our structures to the market that we just touched upon, we'll continue to further drive operational excellence which will mean that we'll continue to outperform.

As said before, before closing today's call, I'd like to give you some details on next year's IR event. It will take place in Heidelberg, as I said. It will be hosted by our Adhesives technologies business. It will take place Monday, June 6 until Tuesday, June 7. And Heidelberg is very close to Frankfurt. And in addition, as I said, our strategy presentation will take place November 17, 2016 in London.

Thank you very much for dialing in today and looking forward to talking to you soon. For those who participate to today's UBS European conference, I will see you at 3pm for the fireside chat. Thank you very much and goodbye.

Operator: Thank you for joining today's conference call. You may now replace your handsets.

Additional Information

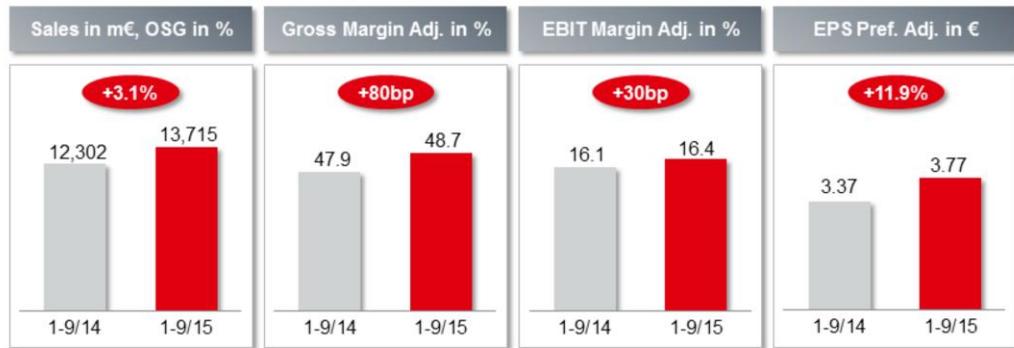
[Additional information chart not shown during conference call]

Updated guidance FY 2015 for selected KPIs

	Guidance FY 2015 – old	Guidance FY 2015 – updated
Total direct materials	Stable prices	Slight decline in prices
Restructuring charges	€ 150-200m	~€ 200m
CAPEX	€ 550-600m	~€ 650m

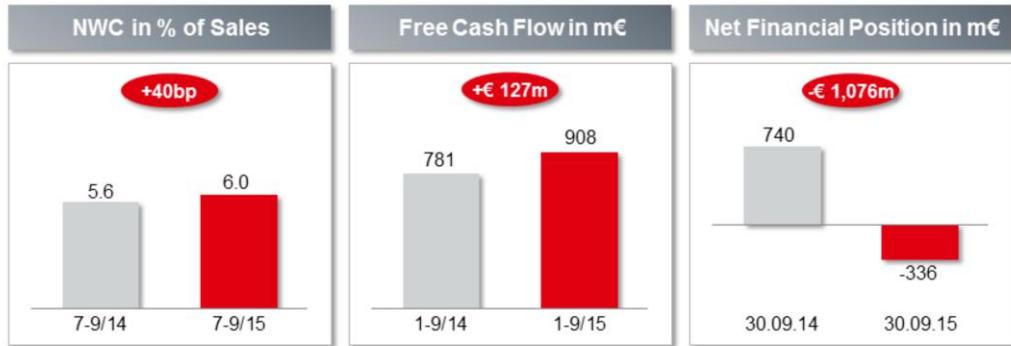
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Key financials YTD 1-9 2015 (1/2)



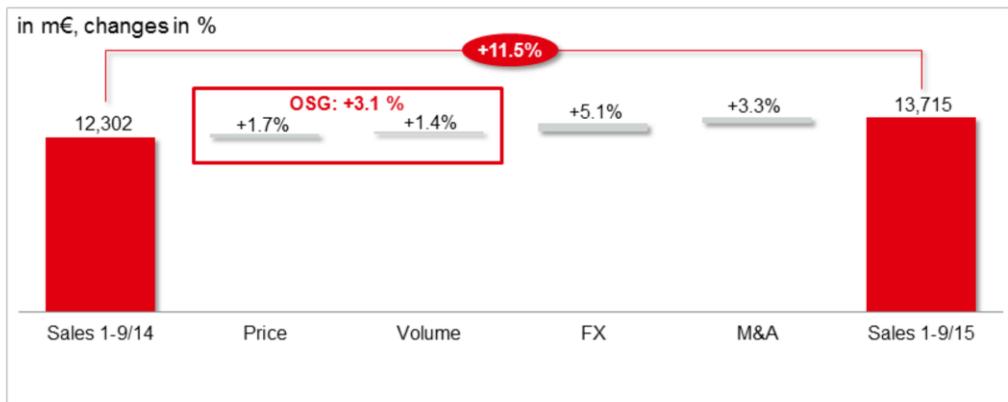
[Additional information chart not shown during conference call]

Key financials YTD 1-9 2015 (2/2)



[Additional information chart not shown during conference call]

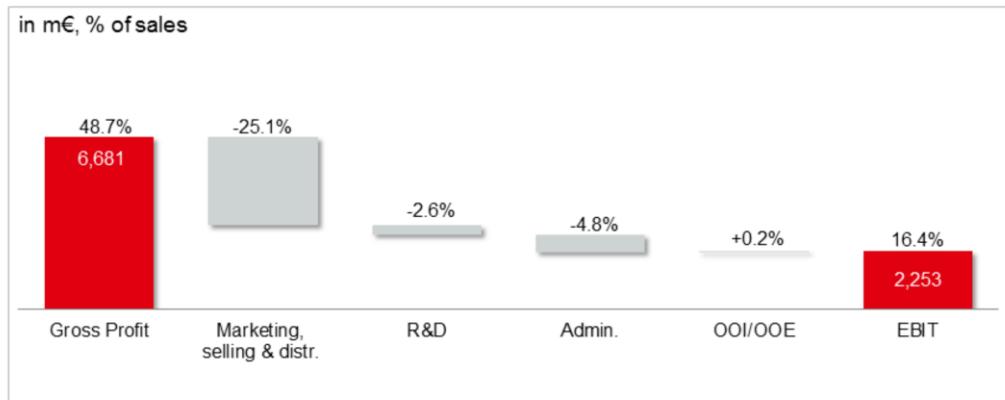
Sales growth – YTD 1-9 2015



[Additional information chart not shown during conference call]

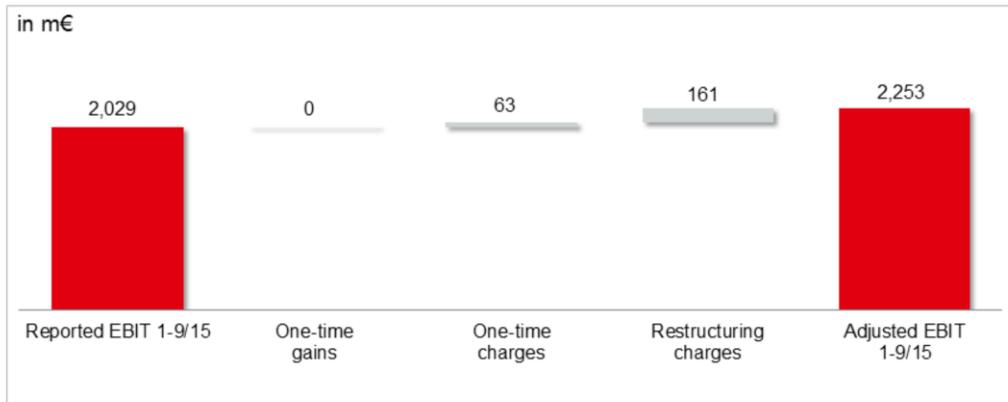
Further increase in adjusted EBIT margin

Income statement adjusted – YTD 1-9 2015



[Additional information chart not shown during conference call]

Reported to Adjusted EBIT – YTD 1-9 2015



[Additional information chart not shown during conference call]

Laundry & Home Care

Key figures YTD 1-9 2015



- OSG driven by 1.7% in price and 3.3% in volume

[Additional information chart not shown during conference call]

Beauty Care

Key figures YTD 1-9 2015



- OSG driven by 1.8% in price and 0.2% in volume

[Additional information chart not shown during conference call]

Adhesive Technologies

Key figures YTD 1-9 2015



- OSG driven by 1.6% in price and 0.8% in volume

[Additional information chart not shown during conference call]