Henkel to acquire Sun Products Corporation
Düsseldorf
June 24, 2016
Disclaimer

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### Acquisition of Sun Products Corporation

**Key facts of the transaction**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>~1.4 bn €</td>
</tr>
<tr>
<td>Transaction value</td>
<td>~3.2 bn €</td>
</tr>
<tr>
<td>Employees</td>
<td>~2,000</td>
</tr>
<tr>
<td>Prod. / R&amp;D Sites</td>
<td>2 / 1</td>
</tr>
<tr>
<td>Scope</td>
<td>100% of capital</td>
</tr>
<tr>
<td>Financing</td>
<td>Debt</td>
</tr>
</tbody>
</table>
Acquisition strengthens Henkel’s position in North America

- USA is the world’s largest laundry care market, profitable and growing
- With the acquisition Henkel will advance to the No. 2 position in the laundry care market in North America
- Attractive portfolio complements Henkel’s core category laundry care and offers entry into premium fabric conditioner segment in the US
- Well-established and successful brands with leading positions
- Incremental scale and portfolio extension provide offensive and defensive synergy potential
Sun Products Corp.: Leading positions in North America laundry care

**Attractive Market**
- Focus on the US (96%), presence in Canada
- US: world’s largest laundry care market, profitable and growing

**Leading Positions**
- No. 3 Laundry Detergents
- No. 2 Fabric Conditioner

**Strong Brands**
- Focus on laundry care (90% of sales), presence in home care
- Leading in attractive core categories
- Strong brand awareness based on unique positioning
- Branded business (65%) and retailer brands (35%)
**Sun Products Corp.: Strong brands with unique positioning**

**Key brands**

<table>
<thead>
<tr>
<th><strong>all®</strong></th>
<th><strong>Sun®</strong></th>
<th><strong>Snuggle®</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="all® image" /></td>
<td><img src="image2.png" alt="Sun® image" /></td>
<td><img src="image3.png" alt="Snuggle® image" /></td>
</tr>
</tbody>
</table>
| • Heavy Duty Detergent  
  • Mid-tier segment  
  • Leading in sensitive segment | • Heavy Duty Detergent  
  • Value-for-Money segment  
  • Traffic builder for trade partners | • Fabric Conditioner  
  • Premium segment  
  • Highly recognizable brand |
Combined businesses: Acquisition complements Henkel’s global Laundry & Home Care portfolio and increases scale.
Combined businesses: Acquisition strengthens Henkel’s Laundry & Home Care presence in North America

- **North America**
  - Before acquisition: 5.1 bn € (44% Emerging Markets, 43% Western Europe)
  - After acquisition: 1.4 bn € (34% Emerging Markets, 34% Western Europe)

- **North America** (Pro-forma FY 2015)
  - 6.5 bn € (32% Emerging Markets, 34% Western Europe)
Combined businesses: Acquisition increases the share of the Laundry & Home Care business within Henkel

<table>
<thead>
<tr>
<th></th>
<th>Total Company before the acquisition</th>
<th>Total Company after the acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laundry &amp; Home Care</td>
<td>28% 18.1 bn €</td>
<td>33% 19.5 bn €</td>
</tr>
<tr>
<td>Beauty Care</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Corporate</td>
<td>50%</td>
<td>1%</td>
</tr>
<tr>
<td>Adhesive Technologies</td>
<td>1%</td>
<td>46%</td>
</tr>
</tbody>
</table>

FY 2015: 100% 1.4 bn €

Pro-forma FY 2015: 1%
Combined businesses: Acquisition strengthens Henkel’s presence in North America
Strategic rationale: the acquisition strengthens Henkel’s Laundry & Home Care business

- Enhances Henkel’s position in North America, thanks to:
  - Full deployment of Henkel’s innovation leadership in the region
  - Increase of relevance to trade and access to new channels
  - Efficient leverage of acquired technologies and production capacities
- Henkel will advance to the No. 2 position in the laundry care market in North America

Compelling acquisition, providing both defensive and offensive synergies
Thank you!