

# Press Release

## Full-Year Results 2023

### Record sales and fastest-growing beauty company

- Group: Sales reach a record high of €9.5 billion (organic +10.8%), EBIT margin excluding special factors at 13.4%
- Consumer Business Segment: Double-digit sales increase for second year in a row to €7.8 billion (organic +12.5%)
- Strong, broad-based growth for NIVEA +16.2%, Derma +24.0%, Healthcare +4.2% offsets challenges at La Prairie -15.4% and Chantecaille -18.4%
- NIVEA: Record year with €5.2 billion in sales, double-digit growth in all regions and categories
- tesa Business Segment: Sales amount to €1.7 billion (organic +3.2%) in a challenging business environment
- Proposed dividend increase for 2023 by +43% to €1.00, share buyback program up to €500 million
- Guidance 2024: Mid-single-digit organic sales growth with EBIT margin slightly above previous year's level

**Hamburg, February 29, 2024** - Beiersdorf AG underscored its growth course of recent years with strong business results in fiscal year 2023. Group sales reached a record high of €9.5 billion with an organic increase of 10.8%. Despite significant investments, the operating result (EBIT, excluding special factors) increased from €1,158 million in 2022 to €1,268 million, resulting in an improved EBIT margin of 13.4% (2022: 13.2%).

Vincent Warnery, CEO of Beiersdorf: "We continued our remarkable growth trajectory of recent years, again achieving double-digit organic sales growth in a difficult market environment. We were the fastest-growing beauty company worldwide in 2023 and we kept our promise of profitable growth. NIVEA delivered impressive levels of growth across all regions and categories, leading to record sales of over €5 billion. The strategic recalibration of NIVEA's operating model toward a more globalized and digital approach is producing the desired results and laying the foundation for continued growth. Our Derma business also grew by 24%, which marks the third consecutive year of double-digit growth for our brands Eucerin and Aquaphor. This success makes us confident in our vision to become the best skin care company in the world, a vision that requires continuous progress. 2023 was also a year marked by substantial strategic investments in our digital and physical infrastructure, our innovative strength, our sustainability progress, and in our people. These steps will ensure that we can deliver continued strong growth in the future."

Following the positive business performance of Beiersdorf, the Executive and Supervisory Boards plan to increase the dividend for fiscal year 2023. With a significant increase of 43% compared to the previous year, a dividend of €1.00 per dividend-bearing share will be proposed to the Annual General Meeting on April 18, 2024. At the same time, Beiersdorf will start a share buyback program equivalent to up to €500 million.

## Consumer: Continued double-digit growth and record sales levels fuel profitability

The Consumer Business Segment reported strong figures in fiscal year 2023 with €7.8 billion in sales (2022 year: €7.1 billion) combined with double-digit growth of 12.5% in organic terms. Crucial to this success was the balance between volume and pricing as well as efficient cost management. The development was also driven by the continued success of the e-commerce business, which outperformed the market in 2023 and grew by 19%. Beiersdorf achieved double-digit growth in nearly all regions, with the sub-region Latin America providing the highest increase at 25.6%. This resulted in an EBIT margin expansion (excluding special factors) in the Consumer Business Segment by 60bps to 12.9%. EBIT (excluding special factors) increased to €1,002 million (2022: €880 million).

Beiersdorf's brand icon **NIVEA** - including Labello - delivered its best performance of the century, surpassing the €5 billion sales threshold for the first time in its history. Nominal sales of €5.2 billion in 2023 translate into organic growth of 16.2%. All regions and categories contributed to this result with double-digit growth as well as the strong e-commerce business, where NIVEA gained market shares in 2023. The Face Care category was a powerful growth driver for NIVEA. The brand increased its sales in this category organically by 18% year-on-year and outperformed the market with its highly successful Luminous series, which was also expanded into new categories in 2023.

The **Derma** business with the brands Eucerin and Aquaphor continued its impressive success story with organic sales growth of 24.0%. Nominal sales increased to €1.3 billion. This result was driven by the global outperformance of the Sun Care product range, continued expansion of the e-commerce business, the popularity of products featuring the hero ingredient Thiamidol and the success of the portfolio in Latin America, the Middle East and Africa. Also, Aquaphor in the United States delivered its best performance to date in 2023 in terms of organic and nominal sales.

The **Healthcare** business, which mainly comprises the plaster brands Hansaplast and Elastoplast, reported organic sales growth of 4.2% and achieved sales of €267 million. This increase was driven by the success of large plasters for post-operative wound care and several brand innovations in the injury care category. This growth was seen in all major markets and was especially fueled by a strong performance in the Emerging Markets region. Overall, Hansaplast strengthened its top position in the market with continuous market share gains in fiscal year 2023.

With the **luxury and selective brands** La Prairie and Chantecaille, Beiersdorf faced a difficult market environment in the travel retail business and in mainland China in 2023. This caused a decline in organic sales for both brands in the past fiscal year, resulting in a fall of 15.4% for La Prairie and a decrease of 18.4% for Chantecaille. The market circumstances led to the timely decision to utilize 2023 as a transition year to clean up stocks and normalize inventory levels for both brands. Beiersdorf now looks to return to growth with La Prairie and Chantecaille in 2024 through healthy stock levels, product innovations, an enhanced social commerce set-up and the expansion of the travel retail business.

## tesa: Balanced growth

The tesa Business Segment achieved slight growth in fiscal year 2023 and sales of €1.7 billion, which translates to an increase of 3.2% in organic terms.

The main driver of this positive development was the Industry division with organic sales growth of 3.7%. Innovations in the e-mobility sector and in display applications fueled the double-digit organic sales growth for the automotive business in 2023. On the back of a strong acceleration in the second half of the year and a slightly recovering Chinese market, the electronics business reported solid organic sales growth for the full year. The tesa Consumer division grew organically by 2.5%, fueled by successful launches despite a challenging market environment in Europe and Latin America.

EBIT (excluding special factors) decreased to €266 million, resulting in a decline of 70bps in the EBIT margin to 16.0% (2022: 16.7%).

## Getting future-ready to become the best skin care company

Fueled by the success of the past year and to ensure its extension into coming years, Beiersdorf invested significantly in 2023 on its journey to become future-ready and eventually the best skin care company in the world.

In 2023, Beiersdorf invested heavily in its global supply chain and digital infrastructure. At almost €300 million, the new site in Leipzig (Germany) is the largest investment Beiersdorf has ever made in a production site and fulfills the highest environmental and technological standards. It has a capacity of up to 450 million products per year and started producing in September 2023. The expansion and modernization of the plants in Poznań (Poland) and Silao (Mexico) will also be finalized throughout 2024. An important milestone in regard to the global digital infrastructure was the seamless switch to the newest SAP technology for all global affiliates, a step that enhanced the efficient digital transformation of Beiersdorf. Implementation of the cutting-edge SAP S/4HANA system facilitates faster, more standardized, and automated global business processes.

Becoming future-ready also means putting tremendous effort into the realization of the CARE BEYOND SKIN Sustainability Agenda. For the second year in a row, Beiersdorf received the Triple-A rating by the renowned nonprofit organization CDP in 2023 and was recognized with this best-in-class score for its efforts in target setting, performance, and transparency on the three dimensions of climate change, forest, and water security. This ranks Beiersdorf as one of only 10 companies worldwide to lead the sustainability transformation - out of over 21,000 companies scored. Progressing with impactful actions into the future, the Beiersdorf Group has now announced its ambitious net-zero target, which has been validated by the Science-Based Targets initiative (SBTi) to be in-line with the 1.5-degree pathway: Beiersdorf aims to reach net zero and reduce its emissions along the entire value chain by 90% until 2045.

Following an investment of €250 million, the company also opened the Beiersdorf Campus in 2023. The new global headquarters covers an area of 51,000 square meters in its founding city of Hamburg (Germany). The company's employees significantly shaped this new global heart of the organization and influenced the creation of a modern and sustainable work environment that embraces the future of work, the well-being of employees, and the exchange of ideas.

In line with creating optimal physical surroundings for its employees, Beiersdorf also continuously improves its cultural working environment. In 2021, the company committed to achieving 50:50 gender-balanced leadership across all management levels worldwide by 2025. Already by September 2023, the share of women in management positions had increased to 50.3%, thus achieving the gender parity ambition 18 months ahead of schedule.

## Outlook: Continued profitable growth – Beiersdorf expects above-market sales growth and the next step of margin expansion in 2024

Beiersdorf expects to achieve above-market sales growth for the full year 2024. The Consumer Business Segment is expected to generate mid-single-digit organic sales growth. The EBIT margin (excluding special factors) is expected to be 50bps higher than the previous year's level, which is in line with the mid-term goal for profitable growth in the Consumer Business Segment.

For the tesa Business Segment, Beiersdorf expects organic sales growth to be in the low-to-mid-single-digit range in 2024, subject to an uncertain market development. The EBIT margin (excluding special factors) is expected to remain at the previous year's level.

Based on these forecasts for the two business segments, organic Group sales growth is expected to be in the mid-single-digit range and the consolidated EBIT margin (excluding special factors) will be slightly above the previous year's level.

## 2023 results at a glance

		2022	2023
<b>Group sales</b>	<b>(in € million)</b>	<b>8,799</b>	<b>9,447</b>
Change (organic)	(in %)	10.2	10.8
Change (nominal)	(in %)	15.4	7.4
<b>Consumer sales</b>	<b>(in € million)</b>	<b>7,131</b>	<b>7,780</b>
Change (organic)	(in %)	10.5	12.5
Change (nominal)	(in %)	16.3	9.1
<b>tesa sales</b>	<b>(in € million)</b>	<b>1,668</b>	<b>1,667</b>
Change (organic)	(in %)	8.8	3.2
Change (nominal)	(in %)	11.3	0.0
<b>Operating result (EBIT, excluding special factors)</b>	<b>(in € million)</b>	<b>1,158</b>	<b>1,268</b>
<b>EBIT margin (excluding special factors)</b>	<b>(in %)</b>	<b>13.2</b>	<b>13.4</b>
Operating result (EBIT)	(in € million)	1,092	1,105
EBIT margin	(in %)	12.4	11.7
Profit after tax	(in € million)	771	749
Return on sales after tax	(in %)	8.8	7.9
Earnings per share	(in €)	3.33	3.24
Total dividend	(in € million)	159	227
Dividend per share	(in €)	0.70	1.00
<b>Gross cash flow</b>	<b>(in € million)</b>	<b>1,084</b>	<b>1,057</b>
<b>Capital expenditure<sup>1</sup></b>	<b>(in € million)</b>	<b>1,137</b>	<b>517</b>
<b>Research and development expenses</b>	<b>(in € million)</b>	<b>291</b>	<b>320</b>
<b>Employees</b>	<b>(Number on Dec. 31)</b>	<b>21,401</b>	<b>21,958</b>

<sup>1</sup> Figures comprise investments in intangible assets and property, plant, and equipment including acquisitions.

## About Beiersdorf AG

Beiersdorf has stood for innovative, high-quality skin care products as well as pioneering skin research for more than 140 years. Leading international brands such as NIVEA, the world's no. 1 skin care brand\*, Eucerin (dermocosmetics), La Prairie (selective cosmetics), and Hansaplast/Elastoplast (plasters and wound care) are cherished by millions of people around the world day after day. Renowned brands such as Aquaphor, Coppertone, Chantecaille, Labello, 8x4, arix, Hidrofugal, Maestro, and Florena round off our extensive portfolio in the Consumer Business Segment. Through the wholly owned affiliate tesa SE, Beiersdorf is also a globally leading manufacturer of technical adhesive tapes and provides self-adhesive solutions to industry, craft businesses, and consumers.

The Hamburg-based company generated sales of €9.5 billion as well as an operating result (EBIT) of €1.3 billion in fiscal year 2023. Beiersdorf has more than 20,000 employees worldwide, who are connected by shared core values, a strong corporate culture, and the Beiersdorf purpose Care Beyond Skin. With its business strategy, the company pursues a multi-year investment program focusing on competitive, sustainable growth. The program is consistent with the ambitious [sustainability agenda](#), with which Beiersdorf is generating clear added value for consumers, society, and the environment.

\* Source: Euromonitor International Limited; NIVEA by umbrella brand name in the categories Body Care, Face Care, and Hand Care; in retail value terms, 2022.

## More information

FUTURE.READY. - Accompanying the Full Year Results, the just released Annual Report 2023 of Beiersdorf can be found [here](#).

The respective pictures of CEO Vincent Warnery and CFO Astrid Hermann for press utilization can be found [here](#).

Additional information about Beiersdorf can be found at: [www.beiersdorf.com](http://www.beiersdorf.com)

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