

# Interim Report

January – September 2010

NIVEA Deodorant: Successful worldwide.



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### HIGHLIGHTS IN THE THIRD QUARTER

#### Care products for the discerning man.

In August, Eucerin launched its first series for men that helps prevent skin irritation after shaving even in the case of problem skin. The rollout of the new Eucerin Men Silver Shave product line, which comprises two classic shaving products, an aftershave balm, and two care products, started in August in many countries. The product was launched in Thailand on August 26, while Italy and the CEE region followed in September. The product range will be also available in many other European countries, Latin America, and South Africa from 2011. In-depth marketing support is being provided for the product launch, which is designed to raise awareness of the products among doctors, pharmacists, and consumers.

» More information about Eucerin can be found at [www.eucerin.com](http://www.eucerin.com).



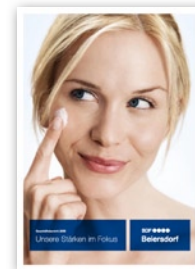
#### Beiersdorf Inc. wins "Supplier of the Year Award" in the USA.

Beiersdorf's US affiliate, Beiersdorf Inc., won the CVS Pharmacy award for best cosmetics supplier in the pharmacy segment. Beiersdorf Inc. was recognized for its innovative management, outstanding customer understanding, and excellent cooperation in all areas. CVS Pharmacy is the largest supplier of skin-care products in the pharmacy segment in the USA and Beiersdorf Inc.'s second-largest customer.



#### Twin golds for Beiersdorf's Annual Report.

Beiersdorf's 2009 Annual Report has won prizes in the two most prestigious international competitions for annual reports. The jurors for the 2009 "Vision Awards", presented by the League of American Communication Professionals (LACP) and the ARC Awards (the "Academy Awards of Annual Reports"), gave golds in the relevant categories to Beiersdorf's 2009 Annual Report, which had the title "Focused on Our Strengths." The competitions attracted 4,000 and 1,800 entrants respectively.



### ABOUT THE COVER

#### NIVEA Deodorant: Successful worldwide.

NIVEA Deodorant is one of the most successful deodorant brands in the world, as well as being the market leader in Germany and Europe. NIVEA Deodorant has been performing well for years, particularly in the fast-growing regions of Latin America and Asia, and recorded double-digit growth of 10.0% overall in the first nine months of 2010. The innovative new products "Calm & Care" and "Pure & Natural Action" contributed to this success and are also in line with NIVEA's core values of "care and naturalness".

## Business Developments – Overview

### Focus in America pays off

- » Global Consumer sales (organic) up 2.3%
- » tesa lifts sales by 15.6%
- » Group EBIT margin rises to 11.7%
- » Consolidated profit after tax rises to €353 million

### Outlook for fiscal year 2010

- » Consumer sales around 2% up on previous year
- » Consumer EBIT margin above 11%
- » tesa increase in sales 10–11%
- » EBIT margin above 10%

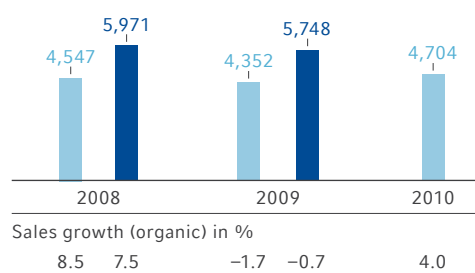
### Beiersdorf at a glance

		Jan. 1–Sept. 30, 2009	Jan. 1–Sept. 30, 2010
<b>Group sales</b>	(in € million)	<b>4,352</b>	<b>4,704</b>
Change (organic*)	(in %)	-1.7	4.0
Change (nominal**)	(in %)	-4.3	8.1
<b>Consumer sales</b>	(in € million)	<b>3,809</b>	<b>4,050</b>
Change (organic*)	(in %)	0.9	2.3
Change (nominal**)	(in %)	-2.1	6.3
<b>tesa sales</b>	(in € million)	<b>543</b>	<b>654</b>
Change (organic*)	(in %)	-16.9	15.6
Change (nominal**)	(in %)	-17.1	20.5
<b>Operating result (EBIT)</b>	(in € million)	<b>435</b>	<b>552</b>
<b>Profit after tax</b>	(in € million)	<b>289</b>	<b>353</b>
Return on sales after tax	(in %)	6.6	7.5
Earnings per share	(in €)	1.25	1.53
<b>Gross cash flow</b>	(in € million)	<b>337</b>	<b>430</b>
<b>Capital expenditure (including non-current investments)</b>	(in € million)	<b>86</b>	<b>60</b>
<b>Research and development expenses</b>	(in € million)	<b>110</b>	<b>112</b>
<b>Employees</b>	(number as of Sep. 30)	<b>21,436</b>	<b>20,525</b>

\* Organic: adjusted for currency translation effects and without consideration of prior-year sales of acquisitions and divestments.  
 \*\* Nominal: at current exchange rates.

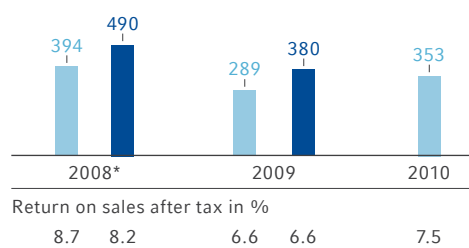
#### GROUP SALES // IN € MILLION

■ JAN. 1–SEPT. 30 ■ FULL YEAR



#### PROFIT AFTER TAX // IN € MILLION

■ JAN. 1–SEPT. 30 ■ FULL YEAR



\* Excluding special factors.

## Segment Overview

### Business developments by business segment

SALES // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of total		% of total		% of total		% of total	nominal	adj. for curr. trans. effects
Consumer	1,216	86.2	1,309	85.4	3,809	87.5	4,050	86.1	6.3	2.3
tesa	195	13.8	225	14.6	543	12.5	654	13.9	20.5	15.6
<b>Total</b>	<b>1,411</b>	<b>100.0</b>	<b>1,534</b>	<b>100.0</b>	<b>4,352</b>	<b>100.0</b>	<b>4,704</b>	<b>100.0</b>	<b>8.1</b>	<b>4.0</b>

EBITDA // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of sales		% of sales		% of sales		% of sales	nominal	
Consumer	162	13.2	162	12.3	490	12.8	537	13.3		9.9
tesa	11	5.8	33	14.7	29	5.4	104	15.9		-
<b>Total</b>	<b>173</b>	<b>12.2</b>	<b>195</b>	<b>12.7</b>	<b>519</b>	<b>11.9</b>	<b>641</b>	<b>13.6</b>		<b>23.8</b>

OPERATING RESULT (EBIT) // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of sales		% of sales		% of sales		% of sales	nominal	
Consumer	139	11.3	140	10.7	423	11.1	467	11.5		10.7
tesa	5	2.9	27	12.0	12	2.3	85	13.0		-
<b>Total</b>	<b>144</b>	<b>10.2</b>	<b>167</b>	<b>10.9</b>	<b>435</b>	<b>10.0</b>	<b>552</b>	<b>11.7</b>		<b>27.1</b>

GROSS CASH FLOW // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of sales		% of sales		% of sales		% of sales	nominal	
Consumer	102	8.4	98	7.5	308	8.1	351	8.7		14.0
tesa	12	6.1	23	10.3	29	5.3	79	12.1		-
<b>Total</b>	<b>114</b>	<b>8.1</b>	<b>121</b>	<b>7.9</b>	<b>337</b>	<b>7.7</b>	<b>430</b>	<b>9.1</b>		<b>27.6</b>

### Business developments by region

SALES // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of total		% of total		% of total		% of total	nominal	adj. for curr. trans. effects
Europe	908	64.4	926	60.4	2,900	66.6	2,969	63.1	2.4	0.3
Americas	220	15.6	260	17.0	612	14.1	730	15.5	19.1	15.3
Africa/Asia/Australia	283	20.0	348	22.6	840	19.3	1,005	21.4	19.7	8.8
<b>Total</b>	<b>1,411</b>	<b>100.0</b>	<b>1,534</b>	<b>100.0</b>	<b>4,352</b>	<b>100.0</b>	<b>4,704</b>	<b>100.0</b>	<b>8.1</b>	<b>4.0</b>

OPERATING RESULT (EBIT) // IN € MILLION	July 1–Sept. 30, 2009		July 1–Sept. 30, 2010		Jan. 1–Sept. 30, 2009		Jan. 1–Sept. 30, 2010		Change in %	
		% of sales		% of sales		% of sales		% of sales	nominal	
Europe	119	13.2	132	14.3	398	13.7	457	15.4		14.9
Americas	14	6.1	23	8.6	14	2.2	55	7.5		-
Africa/Asia/Australia	11	3.6	12	3.3	23	2.7	40	4.0		76.9
<b>Total</b>	<b>144</b>	<b>10.2</b>	<b>167</b>	<b>10.9</b>	<b>435</b>	<b>10.0</b>	<b>552</b>	<b>11.7</b>		<b>27.1</b>

Figures in percent are calculated based on thousands of euros.

## Beiersdorf's Shares

Beiersdorf's shares turned in a mixed performance in the third quarter that at times was out of sync with the DAX, Germany's key index. One important factor influencing this performance was ongoing capital market skepticism in relation to the recovery of the HPC sector, to which Beiersdorf also belongs. On the other hand, the figures for the first half of the year that were published on August 5 led to a mixed reaction.



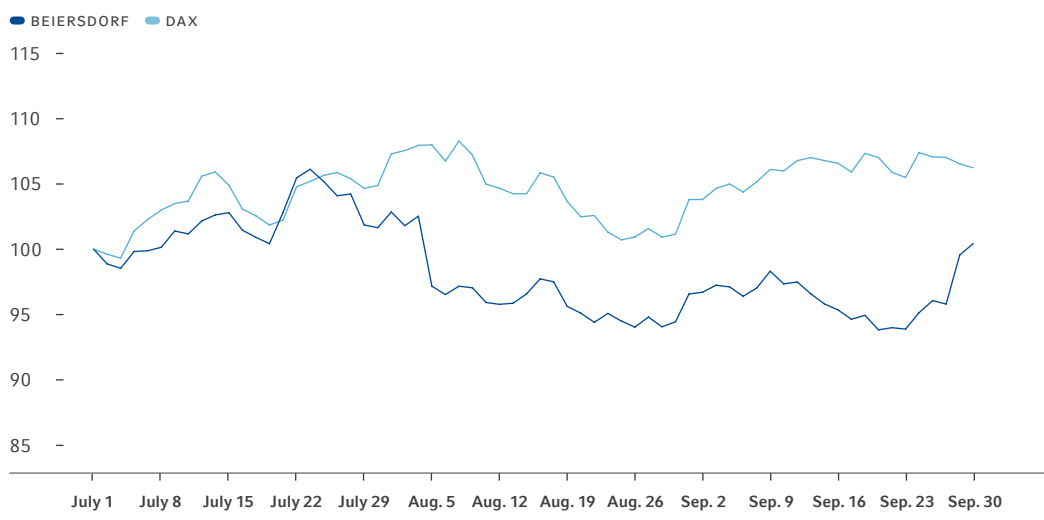
Beiersdorf.com/  
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Beiersdorf has been in a transitional phase since the introduction of its new business model. This was reflected in the performance of its shares. At the same time, the capital market's need for information on Beiersdorf's new strategic positioning became clear. Implementing this positioning is currently a top priority at Beiersdorf and played a major role in our capital market communication activities in the third quarter. Our management team held discussions with institutional investors at road shows in Zurich, Geneva, and Edinburgh, as well as during an investor conference in London in September. They made it clear that work on implementing the strategy will continue in the coming quarters.

In addition to these content-related issues, however, speculative elements influenced our share price trend, leading to a sudden increase at the end of the quarter that also continued thereafter. Beiersdorf's shares closed at €44.90 on September 30.

### BEIERSDORF'S SHARE PRICE PERFORMANCE JULY – SEPTEMBER 2010

RELATIVE CHANGE IN %



# Interim Management Report – Group

## Results of Operations – Group

- » Sales (organic) up 4.0% on previous year
- » EBIT margin at 11.7%
- » Profit after tax climbs to €353 million

Organic Group sales in the first nine months were up 4.0% on the prior-year figure. The Consumer business segment recorded organic growth of 2.3% compared with the previous year. tesa generated an increase in sales of 15.6%. At current exchange rates, Group sales increased by 8.1% as against the previous year, and amounted to €4,704 million (previous year: €4,352 million).

### INCOME STATEMENT // IN € MILLION

	Jan. 1– Sept. 30, 2009	Jan. 1–Sept. 30, 2010	Change in %
<b>Sales</b>	<b>4,352</b>	<b>4,704</b>	<b>8.1</b>
Cost of goods sold	-1,421	-1,520	7.0
<b>Gross profit</b>	<b>2,931</b>	<b>3,184</b>	<b>8.6</b>
Marketing and selling expenses	-2,109	-2,227	5.6
Research and development expenses	-110	-112	1.1
General and administrative expenses	-212	-210	-0.7
Other operating result	-65	-83	26.5
<b>Operating result (EBIT)</b>	<b>435</b>	<b>552</b>	<b>27.1</b>
Financial result	--	-11	--
<b>Profit before tax</b>	<b>435</b>	<b>541</b>	<b>24.6</b>
Income taxes	-146	-188	29.5
<b>Profit after tax</b>	<b>289</b>	<b>353</b>	<b>22.2</b>
<b>Basic/diluted earnings per share (in €)</b>	<b>1.25</b>	<b>1.53</b>	<b>22.2</b>

The Group generated an operating result (EBIT) of €552 million (previous year: €435 million). The corresponding EBIT margin was 11.7% (previous year: 10.0%).

The financial result amounted to €-11 million (previous year: €0 million). The decrease in income is primarily due to the clear decline in interest rates, as well as to currency losses.

Profit after tax amounted to €353 million (previous year: €289 million). The corresponding return on sales after tax was 7.5% (previous year: 6.6%). Earnings per share were €1.53 on the basis of 226,818,984 shares (previous year: €1.25).

## Results of Operations – Business Segments

### Consumer

- » Consumer business segment up 2.3% (organic) on previous year
- » Consumer EBIT margin of 11.5%

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#### CONSUMER

(JAN. 1–SEPT. 30)

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		Europe	Americas	Africa/Asia/ Australia	Total
Sales 2010	(in € million)	2,522	650	878	4,050
Change (organic)	(in %)	-1.5	14.6	6.1	2.3
Change (adjusted for currency translation effects)	(in %)	-1.5	14.6	6.1	2.3
Change (nominal)	(in %)	0.7	17.7	16.8	6.3
EBIT 2010	(in € million)	416	41	10	467
EBIT margin 2010	(in %)	16.5	6.3	1.1	11.5
EBIT 2009	(in € million)	401	10	12	423
EBIT margin 2009	(in %)	16.0	1.8	1.6	11.1

Sales recorded organic growth of 2.3%. At current exchange rates, sales in the Consumer business segment increased to €4,050 million, up 6.3% on the previous year (€3,809 million) in nominal terms.

Global NIVEA sales recorded (organic) growth of 2.2%. NIVEA Deodorant, NIVEA FOR MEN, and NIVEA Sun performed very well as against the prior-year period. Our La Prairie brand saw encouraging growth of 10.6%. Eucerin continued its positive sales trend, recording an increase in sales of 9.8%.

EBIT rose to €467 million (previous year: €423 million), while the EBIT margin was 11.5% (previous year: 11.1%).



**CONSUMER SALES IN EUROPE**

(JAN. 1–SEPT. 30)

		Germany	Western Europe (excluding Germany)	Eastern Europe	Total
Sales 2010	(in € million)	703	1,380	439	2,522
Change (organic)	(in %)	-1.6	-1.1	-2.5	-1.5
Change (adjusted for currency translation effects)	(in %)	-1.6	-1.1	-2.5	-1.5
Change (nominal)	(in %)	-1.6	0.8	3.8	0.7

In **Europe**, sales in the Consumer business segment were down 1.5% on the previous year on a like-for-like (organic) basis. At current exchange rates, sales rose by 0.7% to €2,522 million (previous year: €2,505 million).

The Consumer business segment recorded a decline in sales of 1.6% in **Germany**. Sales of NIVEA FOR MEN and NIVEA Sun performed positively. By contrast, sales of NIVEA Body Care and NIVEA Hair Care in particular declined. Eucerin and La Prairie achieved slight growth. Sales in Germany amounted to €703 million (previous year: €714 million).

(Organic) sales growth of -1.1% was recorded in **Western Europe**. There were substantial variations in performance in the individual markets. The UK/Ireland Group, the La Prairie Group, and Beiersdorf's Swiss affiliate achieved clear sales increases. By contrast, sales declined in Greece, Italy, and the Portugal/Spain Group. Sales of NIVEA Sun and NIVEA Shower recorded increases, while NIVEA's other categories were unable to match the previous year's figures. Eucerin and La Prairie performed well. At current exchange rates, sales in Western Europe totaled €1,380 million, up 0.8% on the prior-year figure (€1,368 million).

In **Eastern Europe**, sales (organic) were down 2.5% on the previous year. The Russia/Ukraine Group achieved very good growth, while Poland and the CEE Group were down on the prior-year figures. NIVEA FOR MEN, NIVEA Deodorant, and Eucerin performed especially well in the region. Sales of NIVEA Hair Care, NIVEA Visage, and NIVEA Baby declined. At current exchange rates, sales in Eastern Europe increased by 3.8% from €423 million in the same period of the previous year to €439 million.

Consumer EBIT in Europe reached €416 million (previous year: €401 million). The corresponding EBIT margin was 16.5% (previous year: 16.0%).



**CONSUMER SALES IN THE AMERICAS**

(JAN. 1–SEPT. 30)

		North America	Latin America	Total
Sales 2010	(in € million)	265	385	650
Change (organic)	(in %)	13.2	15.5	14.6
Change (adjusted for currency translation effects)	(in %)	13.2	15.5	14.6
Change (nominal)	(in %)	19.8	16.2	17.7

We recorded (organic) sales growth of 14.6% in the **Americas** region. At current exchange rates, sales increased by 17.7% to €650 million (previous year: €552 million).

Sales in **North America** were up 13.2% compared with the previous year. NIVEA Body Care and NIVEA Shower were particularly successful here. Our Eucerin and La Prairie brands also achieved encouraging growth. At current exchange rates, sales in North America increased by 19.8% to €265 million (previous year: €221 million).

**Latin America** saw (organic) sales growth of 15.5%. In addition to the key markets of Mexico and Brazil, the Andean Group and Argentina made especially strong contributions to this growth. NIVEA Visage, NIVEA Sun, and NIVEA FOR MEN performed particularly well in this key region. Eucerin also recorded an excellent increase in sales. At current exchange rates, sales in this region increased by 16.2% to €385 million (previous year: €331 million).

Consumer EBIT in the Americas rose to €41 million (previous year: €10 million). The EBIT margin reached 6.3% (previous year: 1.8%).

**CONSUMER SALES IN AFRICA/ASIA/AUSTRALIA**

(JAN. 1 – SEPT. 30)

		Total
Sales 2010	(in € million)	878
Change (organic)	(in %)	6.1
Change (adjusted for currency translation effects)	(in %)	6.1
Change (nominal)	(in %)	16.8

The **Africa/Asia/Australia** region generated (organic) growth of 6.1% on a like-for-like basis. In nominal terms, sales amounted to €878 million, up 16.8% on the previous year (€752 million).

Our companies in the Middle East and Thailand were particularly successful here. The China Group recorded a decline in growth. In Japan, sales were up slightly on the previous year. NIVEA Deodorant, NIVEA FOR MEN, NIVEA Sun, Eucerin, and La Prairie achieved healthy sales growth in this region.

EBIT in this region continued to be impacted by the Chinese business. EBIT in this region amounted to €10 million (previous year: €12 million). The EBIT margin was 1.1% (previous year: 1.6%).

**tesa**

- » tesa business segment records sales increase of 15.6%
- » tesa EBIT margin up to 13.0%

**TESA**

(JAN. 1–SEPT. 30)

		Europe	Americas	Africa/Asia/ Australia	Total
Sales 2010	(in € million)	447	80	127	654
Change (organic)	(in %)	11.2	21.4	31.3	15.6
Change (adjusted for currency translation effects)	(in %)	11.2	21.4	31.3	15.6
Change (nominal)	(in %)	13.4	32.3	43.9	20.5
EBIT 2010	(in € million)	41	13	31	85
EBIT margin 2010	(in %)	9.2	16.9	24.1	13.0
EBIT 2009	(in € million)	-2	3	11	12
EBIT margin 2009	(in %)	-0.6	6.3	12.3	2.3



The positive sales development at the tesa business segment continued in the third quarter. This positive performance was found in all regions. Business in the emerging markets of Asia was specially dynamic. At current exchange rates, tesa's sales increased by 20.5% to €654 million (previous year: €543 million).

The industry segment in particular recorded substantial sales growth from customers in the automotive and electrical industries. Sales in the consumer business developed very well, too.

Due to the positive sales development, EBIT in the tesa business segment rose to €85 million (previous year: €12 million), while the EBIT margin reached 13.0% (previous year: 2.3%).

## Balance Sheet Structure – Group

### BALANCE SHEET // IN € MILLION

Assets	Dec. 31, 2009	Sept. 30, 2009	Sept. 30, 2010
Non-current assets	1,177	1,173	1,195
Inventories	561	572	644
Other current assets	2,089	2,135	2,089
Cash and cash equivalents	767	702	1,267
<b></b>	<b>4,594</b>	<b>4,582</b>	<b>5,195</b>
Equity and liabilities	Dec. 31, 2009	Sept. 30, 2009	Sept. 30, 2010
Equity	2,636	2,521	2,900
Non-current liabilities	532	554	527
Current liabilities	1,426	1,507	1,768
<b></b>	<b>4,594</b>	<b>4,582</b>	<b>5,195</b>

Non-current assets rose by €18 million compared to December 31, 2009, to €1,195 million. Capital expenditure in the first nine months of 2010 amounted to €60 million (previous year: €86 million). €38 million (previous year: €58 million) of this figure was attributable to the Consumer business segment and €22 million (previous year: €28 million) to tesa. Depreciation and amortization amounted to €89 million (previous year: €84 million). Inventories rose by €83 million compared with December 31, 2009, to €644 million due to seasonal factors. Other current assets remained constant at €2,089 million. Trade receivables increased by €102 million due to seasonal factors. Due to investment portfolio rebalancing into the position cash and cash equivalents securities in the current assets declined by €128 million. Cash and cash equivalents increased by €500 million compared to December 31, 2009.

Non-current liabilities decreased by €5 million since December 31, 2009, to €527 million. The rise in current liabilities to €1,768 million was mainly due to the operational increase of €231 million in other provisions and the €77 million rise in trade payables.

### FINANCING STRUCTURE // IN %



## Financial Position – Group

### CASH FLOW STATEMENT // IN € MILLION

	Jan. 1–Sept. 30, 2009	Jan. 1–Sept. 30, 2010
Gross cash flow	337	430
Change in working capital	103	154
Net cash flow from operating activities	440	584
Net cash flow from investing activities	-109	89
Free cash flow	331	673
Net cash flow from financing activities	-242	-191
Other changes	-	18
Net change in cash and cash equivalents	89	500
<b>Cash and cash equivalents as of Jan. 1</b>	<b>613</b>	<b>767</b>
<b>Cash and cash equivalents as of Sept. 30</b>	<b>702</b>	<b>1,267</b>

Gross cash flow reached €430 million. The cash inflow from the change in working capital amounted to €154 million. Receivables increased by €91 million and inventories by €83 million, while liabilities and current provisions rose by €328 million. Overall, the net cash flow from operating activities totaled €584 million.

The net cash inflow from investing activities was €89 million. Capital expenditure of €60 million was contrasted with net cash inflows from purchases and sales of securities of €122 million, interest and other cash inflows of €20 million, and income from the sale of non-current assets of €7 million.

Free cash flow amounted to €673 million. The net cash outflow from financing activities of €191 million was mainly due to the dividend payment and loan repayments. Cash and cash equivalents amounted to €1,267 million.

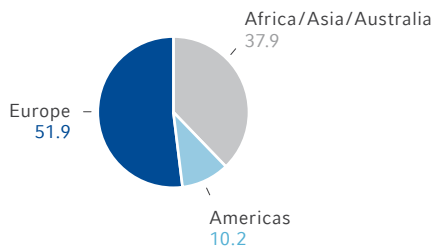
## Employees

The number of employees decreased by 911 compared with the figure for the previous quarter, to 20,525. This development is basically due to China and the USA. As of September 30, 16,899 employees worked in the Consumer business segment and 3,626 at tesa.



[Beiersdorf.com/  
Career](http://Beiersdorf.com/Career)

**EMPLOYEES BY REGION // IN %**  
AS OF SEPT. 30, 2010; TOTAL 20,525 EMPLOYEES



## Opportunities and Risks

For more information on opportunities and risks, please refer to our Risk Report in the Group Management Report as of December 31, 2009. In addition, the following information must be reported: along with other companies, affiliates of the Beiersdorf Group in Belgium, Germany, France, the United Kingdom, the Netherlands, Switzerland, and Italy are involved in antitrust proceedings relating to cosmetic products on a national level. Statements of objections have been issued in Germany, the Netherlands, Italy, and Switzerland. We expect the first decisions within the next few months. At present, no reliable, comprehensive assessment of the overall risk is possible from the Group's perspective.

## Outlook for 2010

### Expected macroeconomic developments

The economy is showing significant signs of recovery in 2010, although it is not yet clear how sustainable this trend will be. However, our planning assumes that the global economy will continue to stabilize. We expect to see slight growth again in the United States, Western Europe, and Japan. We believe that the pace of growth will pick up again in the growth regions of Asia (excluding Japan), Eastern Europe, and Latin America, but that it will not yet reach its previous levels.

The global cosmetics market will continue to recover in 2010 and will approach the long-term trend. We are seeing a slight recovery in the saturated Western European markets with significant regional differences. Growth in North America, and in particular in the USA, is likely to continue to decline. Growth has picked up again in Eastern Europe, although here, too, individual countries are still lagging behind. Asia and Latin America remain the strongest growth regions.

We expect the trend towards economic recovery in tesa's industrial markets to continue. In the consumer business, we anticipate stable demand, which should have more or less shaken off the aftereffects of the crisis. We believe that Asia, Latin America, and Eastern Europe will return to their pre-crisis trends, whereas the recovery process in Western Europe and North America is not yet over, meaning that a slightly lower level of development is expected.

### Business developments

The Beiersdorf **Group** aims to generate organic sales growth of around 3% in full-year 2010. We aim to increase the EBIT margin to around 11% again.

We want to achieve sales growth of around 2% in the **Consumer** business segment in 2010. We aim to generate an EBIT margin of above 11% again.

In the **tesa** business segment, we expect sales growth of 10–11% and are aiming for an EBIT margin of above 10%.

Hamburg, November 2010

Beiersdorf AG

The Executive Board

# Interim Consolidated Financial Statements

## Income Statement

IN € MILLION

	July 1–Sept. 30, 2009	July 1–Sept. 30, 2010	Jan. 1–Sept. 30, 2009	Jan. 1–Sept. 30, 2010
<b>Sales</b>	<b>1,411</b>	<b>1,534</b>	<b>4,352</b>	<b>4,704</b>
Cost of goods sold	–470	–505	–1,421	–1,520
<b>Gross profit</b>	<b>941</b>	<b>1,029</b>	<b>2,931</b>	<b>3,184</b>
Marketing and selling expenses	–670	–718	–2,109	–2,227
Research and development expenses	–37	–38	–110	–112
General and administrative expenses	–67	–70	–212	–210
Other operating result	–23	–36	–65	–83
<b>Operating result (EBIT)</b>	<b>144</b>	<b>167</b>	<b>435</b>	<b>552</b>
Financial result	–3	1	–	–11
<b>Profit before tax</b>	<b>141</b>	<b>168</b>	<b>435</b>	<b>541</b>
Income taxes	–41	–64	–146	–188
<b>Profit after tax</b>	<b>100</b>	<b>104</b>	<b>289</b>	<b>353</b>
Profit attributable to equity holders	98	101	284	347
Profit attributable to minority interests	2	3	5	6
<b>Basic/diluted earnings per share (in €)</b>	<b>0.43</b>	<b>0.45</b>	<b>1.25</b>	<b>1.53</b>

## Statement of Comprehensive Income

IN € MILLION

	Jan. 1–Sept. 30, 2009	Jan. 1–Sept. 30, 2010
<b>Profit after tax</b>	<b>289</b>	<b>353</b>
Remeasurement gains and losses on cash flow hedges	–23	–4
Deferred taxes on remeasurement gains and losses on cash flow hedges	7	1
<i>Remeasurement gains and losses on cash flow hedges recognized in other comprehensive income</i>	–16	–3
Remeasurement gains and losses on available-for-sale financial assets	2	–
Deferred taxes on remeasurement gains and losses on available-for-sale financial assets	–1	–
<i>Remeasurement gains and losses on available-for-sale financial assets recognized in other comprehensive income</i>	1	–
Exchange differences	–2	80
Other items recognized in other comprehensive income	–	–
Deferred taxes on other items recognized in other comprehensive income	–	–
<i>Remeasurement gains and losses on other items recognized in other comprehensive income</i>	–	–
<b>Other comprehensive income net of tax</b>	<b>–17</b>	<b>77</b>
<b>Total comprehensive income</b>	<b>272</b>	<b>430</b>
Of which attributable to		
– Equity holders of Beiersdorf AG	267	423
– Minority interests	5	7



## Balance Sheet

IN € MILLION

	Dec. 31, 2009	Sept. 30, 2009	Sept. 30, 2010
<b>Assets</b>			
Intangible assets*	382	389	388
Property, plant, and equipment	725	726	719
Non-current financial assets	10	13	13
Other non-current assets	2	4	1
Deferred tax assets	58	41	74
<b>Non-current assets</b>	<b>1,177</b>	<b>1,173</b>	<b>1,195</b>
Inventories	561	572	644
Trade receivables	906	970	1,008
Other current financial assets	91	77	75
Income tax receivables	41	49	54
Other current assets	96	95	125
Securities	955	944	827
Cash and cash equivalents	767	702	1,267
<b>Current assets</b>	<b>3,417</b>	<b>3,409</b>	<b>4,000</b>
	<b>4,594</b>	<b>4,582</b>	<b>5,195</b>
<b>Equity and liabilities</b>			
Equity attributable to equity holders of Beiersdorf AG	2,626	2,513	2,890
Minority interests	10	8	10
<b>Equity</b>	<b>2,636</b>	<b>2,521</b>	<b>2,900</b>
Provisions for pensions and other post-employment benefits	221	224	211
Other non-current provisions	138	128	122
Non-current financial liabilities	7	31	9
Other non-current liabilities	5	5	5
Deferred tax liabilities*	161	166	180
<b>Non-current liabilities</b>	<b>532</b>	<b>554</b>	<b>527</b>
Other current provisions	391	490	622
Income tax liabilities	107	78	115
Trade payables	699	662	776
Other current financial liabilities	158	186	160
Other current liabilities	71	91	95
<b>Current liabilities</b>	<b>1,426</b>	<b>1,507</b>	<b>1,768</b>
	<b>4,594</b>	<b>4,582</b>	<b>5,195</b>

\* Prior-year third-quarter figures adjusted.

## Cash Flow Statement

IN € MILLION

	Jan. 1–Sept. 30, 2009	Jan. 1–Sept. 30, 2010
<b>Operating result (EBIT)</b>	<b>435</b>	<b>552</b>
Income taxes paid	-165	-184
Depreciation and amortization	83	89
Change in non-current provisions (excluding interest)	-15	-27
Gain/loss on disposal of property, plant, and equipment, and intangible assets	-1	-
<b>Gross cash flow</b>	<b>337</b>	<b>430</b>
Change in inventories	62	-83
Change in receivables and other assets	-63	-91
Change in liabilities and current provisions	104	328
<b>Net cash flow from operating activities</b>	<b>440</b>	<b>584</b>
Investments	-86	-60
Proceeds from divestments	7	7
Payments for the purchase of securities	-754	-404
Proceeds from the sale of securities	706	526
Interest received	16	14
Proceeds from dividends and other financing activities	2	6
<b>Net cash flow from investing activities</b>	<b>-109</b>	<b>89</b>
<b>Free cash flow</b>	<b>331</b>	<b>673</b>
Proceeds from loans	95	107
Loan repayments	-109	-113
Interest paid	-10	-4
Other financing expenses paid	-14	-22
Cash dividends paid (Beiersdorf AG)	-204	-159
<b>Net cash flow from financing activities</b>	<b>-242</b>	<b>-191</b>
Effect of exchange rate fluctuations and other changes on cash held	-	18
<b>Net change in cash and cash equivalents</b>	<b>89</b>	<b>500</b>
<b>Cash and cash equivalents as of Jan. 1</b>	<b>613</b>	<b>767</b>
<b>Cash and cash equivalents as of Sept. 30</b>	<b>702</b>	<b>1,267</b>

## Statement of Changes in Equity

IN € MILLION

	Share capital	Additional paid-in capital	Retained earnings*	Accumulated other consolidated income			Total attributable to equity holders of Beiersdorf AG	Minority interests	Total
				Currency translation adjustment	Hedging instruments from cash flow hedges	Available-for-sale financial assets			
<b>Jan. 1, 2009</b>	<b>252</b>	<b>47</b>	<b>2,280</b>	<b>-154</b>	<b>21</b>	<b>4</b>	<b>2,450</b>	<b>10</b>	<b>2,460</b>
Total earnings for the period	-	-	284	-2	-16	1	267	5	272
Dividend of Beiersdorf AG for previous year	-	-	-204	-	-	-	-204	-	-204
Dividend of minority interests for previous year	-	-	-	-	-	-	-	-7	-7
<b>Sep. 30, 2009</b>	<b>252</b>	<b>47</b>	<b>2,360</b>	<b>-156</b>	<b>5</b>	<b>5</b>	<b>2,513</b>	<b>8</b>	<b>2,521</b>
<b>Jan. 1, 2010</b>	<b>252</b>	<b>47</b>	<b>2,450</b>	<b>-127</b>	<b>-1</b>	<b>5</b>	<b>2,626</b>	<b>10</b>	<b>2,636</b>
Total earnings for the period	-	-	347	79	-3	-	423	7	430
Dividend of Beiersdorf AG for previous year	-	-	-159	-	-	-	-159	-	-159
Dividend of minority interests for previous year	-	-	-	-	-	-	-	-7	-7
<b>Sep. 30, 2010</b>	<b>252</b>	<b>47</b>	<b>2,638</b>	<b>-48</b>	<b>-4</b>	<b>5</b>	<b>2,890</b>	<b>10</b>	<b>2,900</b>

\* The cost of treasury shares amounting to €955 million has been deducted from retained earnings.

## Selected Explanatory Notes

### Information on the Company and on the Group

The registered office of Beiersdorf AG is at Unnastrasse 48 in Hamburg (Germany), and the Company is registered with the commercial register of the Hamburg Local Court under the number HRB 1787. The ultimate parent of the Company is maxingvest ag. The activities of Beiersdorf AG and its affiliates ("Beiersdorf Group") consist primarily of the manufacture and distribution of branded consumer goods in the area of skin care, and of the manufacture and distribution of technical adhesive tapes.

### Basis of preparation

The interim consolidated financial statements for the period from January 1 to September 30, 2010, were prepared in accordance with IAS 34 "Interim Financial Reporting." The interim consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 31, 2009.

### Accounting policies

The figures disclosed in this interim report were prepared in accordance with International Financial Reporting Standards (IFRSs). The same accounting policies were used in the interim consolidated financial statements as in the annual consolidated financial statements for 2009. The interim report was not audited or reviewed.

### Related party disclosures

Please refer to the consolidated financial statements as of December 31, 2009, for related party disclosures. There were no significant changes as of September 30, 2010.

### Corporate governance

The declaration of compliance issued by the Supervisory Board and the Executive Board for fiscal year 2009 regarding the recommendations of the German Corporate Governance Code in accordance with § 161 *Aktiengesetz* (German Stock Corporation Act) was published at the end of December 2009. It is permanently available on our website at [www.Beiersdorf.com/Corporate\\_Governance](http://www.Beiersdorf.com/Corporate_Governance).

### Events after the balance sheet date

No significant events occurred after the balance sheet date that would have a material effect on the Beiersdorf Group's business development.

Hamburg, November 2010

Beiersdorf AG

The Executive Board

## Financial Calendar

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January 2011	Publication of Preliminary Group Results
March 3, 2011	Publication of Annual Report 2010, Annual Accounts Press Conference, Financial Analyst Meeting
April 21, 2011	Annual General Meeting
May 5, 2011	Interim Report January to March 2011
August 4, 2011	Interim Report January to June 2011
November 3, 2011	Interim Report January to September 2011, Financial Analyst Meeting

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 The Interim Report is also available in German, and a digital version is available on the Internet at [www.Beiersdorf.com/interim\\_report](http://www.Beiersdorf.com/interim_report).

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