

Beiersdorf continues upward trend in 2016 Earnings at record level

- Organic Group sales increase by 3.2% (nominal 1.0%)
- EBIT margin reaches a record 15.0%
- Consumer achieves organic sales growth of 3.3% (nominal 1.1%)
- tesa increases sales by 2.6% (nominal 0.6%)
- Outlook for 2017 remains positive: Sales growth to outperform market

Hamburg, March 8, 2017 – Beiersdorf AG, Hamburg, continued on its profitable growth path in the 2016 fiscal year. In a generally difficult market environment, Beiersdorf increased its earnings to a new record and again grew its sales and market share. Group sales climbed organically by 3.2%. In nominal terms, sales rose by 1.0%, from €6.686 billion to €6.752 billion. In the Consumer Business Segment, organic sales increased by 3.3%, while tesa achieved organic sales growth of 2.6%. Group EBIT improved from €962 million in the previous year to €1.015 billion. The EBIT margin rose to 15.0%.

“For Beiersdorf, 2016 was another very successful year. We earned the highest EBIT and EBIT margin in the company’s history. Last year we were among the few companies that increased their earnings guidance in the course of the year. Contrary to the general market trend in the industry, we experienced strong growth especially in the fourth quarter. Although the environment will remain tough, we look to fiscal year 2017 with cautious optimism,” said Stefan F. Heidenreich, CEO of Beiersdorf AG.

In 2017, Beiersdorf expects sales growth of 3–4% for the Group and a slight improvement in the EBIT margin.

Beiersdorf Group

The Beiersdorf Group achieved organic sales growth of 3.2% in 2016. In nominal terms, sales rose by 1.0%, from €6.686 billion to €6.752 billion. EBIT excluding special factors increased by 5.5%, from €962 million to €1.015 billion. The EBIT margin improved to 15.0%, compared with the previous year’s 14.4%. Profit after tax rose by 8.4%, from €671 million to €727 million. Earnings per share improved from €2.91 in the prior year to €3.13.

As in the previous year, the Executive Board and Supervisory Board will propose a dividend of €0.70 per share to the Annual General Meeting.



Consumer Business Segment

The Consumer Business Segment again saw robust growth in 2016. Contrary to overall developments within the industry, the Consumer Business Segment recorded strong growth especially in the fourth quarter. Organic sales growth was 3.3%. In nominal terms, sales rose by 1.1%, from €5.546 billion in the previous year to €5.606 billion. NIVEA increased sales by 3.8%, Eucerin by 1.5%, and La Prairie by 5.5%.

Beiersdorf achieved organic sales growth in all regions.

In Europe, a growth rate of 2.0% gave lasting strength to Beiersdorf's market position. Sales in Western Europe rose by 1.0% against the prior-year level. Good sales growth was achieved in Germany, Spain, and the United Kingdom, among other countries. In Eastern Europe, there was a strong 6.6% increase in sales, mainly attributable to a strong business performance in Russia and Poland.

Sales in the Americas region increased by 2.9%. Sales rose by 1.6% in North America and by 3.7% in Latin America. The increase was driven in particular by good growth in Brazil and a very high growth rate in Mexico.

In the Africa/Asia/Australia region, Beiersdorf lifted sales by 5.7%. This growth was mainly driven by a strong business performance in Japan, India, South Africa, and Australia. In China, sales remained below the prior year.

EBIT improved by 7.6% to the record figure of €829 million following €771 million in the previous year. This corresponds to an EBIT margin of 14.8% (previous year: 13.9%).

tesa Business Segment

tesa achieved organic sales growth of 2.6% in 2016. Sales were up 0.6% in nominal terms, from €1.140 billion to €1.146 billion. tesa systematically improved its sales performance over the course of the year. Sales growth was generated in both the industrial and consumer businesses. At €186 million, EBIT was down 2.8% on the previous year's figure of €191 million. The EBIT margin was 16.2%, compared with the previous year's 16.8%.

Forecast for 2017

Beiersdorf expects the Consumer Business Segment to outperform the market in 2017 with sales growth of 3–4%. The EBIT margin from operations is expected to slightly exceed the prior-year figure.

tesa is expected to generate sales growth of 3–4% and an operating EBIT margin slightly below the previous year's level.

Based on the forecasts for the two business segments, Beiersdorf expects Group sales to grow by 3–4% in fiscal year 2017, with the EBIT margin from operations slightly up on the prior year.

The Beiersdorf Group's Performance in 2016 at a Glance

GROUP

	2015	2016
Sales	€6.686 billion	€6.752 billion
Sales growth (organic)	3.0%	3.2%
Sales growth (nominal)	6.4%	1.0%
Operating result (EBIT, excluding special factors)	€962 million	€1.015 billion
EBIT margin (excluding special factors)	14.4%	15.0%
Profit after tax	€671 million	€727 million
Return on sales after tax	10.0%	10.8%

CONSUMER

	2015	2016
Sales	€5.546 billion	€5.606 billion
Sales growth (organic)	3.6%	3.3%
Sales growth (nominal)	6.5%	1.1%
Operating result (EBIT, excluding special factors)	€771 million	€829 million
EBIT margin (excluding special factors)	13.9%	14.8%

tesa

	2015	2016
Sales	€1.140 billion	€1.146 billion
Sales growth (organic)	0.4%	2.6%
Sales growth (nominal)	5.9%	0.6%
Operating result (EBIT, excluding special factors)	€191 million	€186 million
EBIT margin (excluding special factors)	16.8%	16.2%



About Beiersdorf AG

Beiersdorf AG is a leading provider of innovative, high-quality skin care products and has over 130 years of experience in this market segment. The Hamburg-based company has over 17,000 employees worldwide and is listed on the DAX, the German benchmark equities index. Beiersdorf generated sales of €6.8 billion in fiscal year 2016. NIVEA, the world's No. 1 skin care brand*, is the cornerstone of the company's brand portfolio, which also includes brands such as Eucerin, La Prairie, Labello, and Hansaplast/Elastoplast. Beiersdorf's wholly owned affiliate tesa SE, another globally leading manufacturer in its field, supplies self-adhesive products and system solutions to industry, craft businesses, and consumers.

* Source: Euromonitor International Limited; NIVEA by umbrella brand name in the categories Body Care, Face Care, and Hand Care; in retail value terms, 2015.

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