

Strong 2017: Beiersdorf achieves new sales record and outperforms the market

- Organic Group sales up 5.7% (nominal 4.5%)
- EBIT margin reaches new record level of 15.4%
- Consumer generates organic sales growth of 4.7% (nominal 3.4%)
- tesa boosts organic sales by 10.6% (nominal 9.8%)
- Positive outlook for 2018: Sales growth expected to outperform market

Hamburg, March 1, 2018 – Beiersdorf successfully continued its profitable growth path in 2017. Both the Consumer Business Segment and tesa achieved new sales records considerably outperforming the market. They also simultaneously increased their market shares and improved their operating results. Group sales climbed organically by 5.7%. In nominal terms, sales rose by 4.5%, from €6.752 billion to €7.056 billion. In the Consumer Business Segment, organic sales increased by 4.7%, while tesa achieved organic sales growth of 10.6%. Group EBIT improved from €1.015 billion in the previous year to €1.088 billion. The EBIT margin rose to 15.4%, compared with the prior-year figure of 15.0%. Profit after tax was €689 million compared to €727 million in 2016. This change was primarily due to one-off gains in 2016 as well as negative exchange rate effects and losses from financial investments.

“Beiersdorf is in a strong position. This is clearly reflected in the financial figures for 2017. Our success is the result of the systematic implementation of our business strategy – the Blue Agenda – and our hard work. We have put Beiersdorf on a long-term path to success. Beiersdorf has strong brands, a well-filled product pipeline and a considerably expanded international presence. Our high levels of efficiency and flexibility are key factors to our success. We therefore look ahead to the 2018 financial year with confidence and cautious optimism,” said Stefan F. Heidenreich, CEO of Beiersdorf AG.

For 2018, Beiersdorf expects sales growth of approximately 4% for the Group and an EBIT margin at prior-year level.

Beiersdorf Group

The Beiersdorf Group achieved organic sales growth of 5.7% in 2017. In nominal terms, sales rose by 4.5%, from €6.752 billion to €7.056 billion. EBIT excluding special factors increased from €1.015 billion to €1.088 billion. The EBIT margin improved to 15.4%, compared with previous year's 15.0%. At €689 million, profit after tax was down 5.2% on the prior-year figure of €727 million. Earnings per share were €2.96, compared to €3.13 in the previous year.

Consumer Business Segment

The Consumer Business Segment substantially increased its sales again in 2017. Contrary to overall developments within the sector, the business segment experienced strong growth particularly in the fourth quarter. Organic sales growth was 4.7%. On a nominal basis, sales rose by 3.4%, from €5.606 billion to €5.799 billion. NIVEA increased sales by 4.5%, Eucerin by 3.4%, Hansaplast by 3.8%, and La Prairie by 11.5%.

All regions contributed to the sales growth.

In Europe, sales were up 2.2%. Sales in Western Europe exceeded the prior-year figure by 1.8%. In Eastern Europe, Consumer boosted its sales by 3.8%.



Sales in the Americas region increased by 4.0%. Sales rose by 1.7% in North America and by 5.5% in Latin America.

In the Africa/Asia/Australia region, Beiersdorf lifted sales by 9.2%. Solid growth was achieved in China.

EBIT improved to the record figure of €881 million following €829 million in 2016. This corresponds to an EBIT margin of 15.2%, compared to last year's 14.8%.

tesa Business Segment

tesa achieved a very strong increase in sales of 10.6% in 2017. Sales were up 9.8% in nominal terms, from €1.146 billion to €1.257 billion. Sales growth was generated in both the industrial and consumer businesses. At €207 million, EBIT was up on the prior-year figure of €186 million. The EBIT margin was 16.5%, compared with the previous year's 16.2%.

Forecast for 2018

Beiersdorf expects the Consumer Business Segment to outperform the market in 2018 with sales growth of 4–5%. The EBIT margin from operations is expected to slightly exceed the prior-year figure.

The tesa Business Segment 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 approximately 4% in financial year 2018. The operating margin is expected to remain at previous year's level. Profit after tax is expected to increase significantly.

**Eucerin****la prairie**
BIOTECNOLOGICAL**Hansaplast****tesa**

The Beiersdorf Group's Performance in 2017 at a Glance

GROUP		
	2016	2017
Sales	€6.752 billion	€7.056 billion
Sales growth (organic)	3.2%	5.7%
Sales growth (nominal)	1.0%	4.5%
Operating result (EBIT, excluding special factors)	€1.015 billion	€1.088 billion
EBIT margin (excluding special factors)	15.0%	15.4%
Profit after tax	€727 million	€689 million
Return on sales after tax	10.8%	9.8%
CONSUMER		
	2016	2017
Sales	€5.606 billion	€5.799 billion
Sales growth (organic)	3.3%	4.7%
Sales growth (nominal)	1.1%	3.4%
Operating result (EBIT, excluding special factors)	€829 million	€881 million
EBIT margin (excluding special factors)	14.8%	15.2%
tesa		
	2016	2017
Sales	€1.146 billion	€1.257 billion
Sales growth (organic)	2.6%	10.6%
Sales growth (nominal)	0.6%	9.8%
Operating result (EBIT, excluding special factors)	€186 million	€207 million
EBIT margin (excluding special factors)	16.2%	16.5%



About Beiersdorf AG

Beiersdorf AG is a leading provider of innovative, high-quality skin care products and has over 135 years of experience in this market segment. The Hamburg-based company has about 19,000 employees worldwide and is listed on the DAX, the German benchmark equities index. Beiersdorf generated sales of €7.1 billion in financial year 2017. Its product portfolio comprises strong, international leading skin and body care brands including NIVEA – the world's largest skin care brand* – Eucerin, Hansaplast/Elastoplast, and La Prairie. Millions of people around the world choose the Beiersdorf brands every day for its innovative, high-quality products. Further renowned brands such as Labello, Florena, 8x4, Hidrofugal, arix, Aquaphor, SLEK, and Maestro round off the extensive portfolio. 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, 2016.

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