

Beiersdorf continues to invest in C.A.R.E.+ despite sales decline in the first quarter of 2020

- Group's organic sales down 3.6% on previous year
 - Organic sales 3.3% lower year on year in Consumer Business Segment
 - Organic sales at tesa decline 5.1% on prior-year figure
- Strong sales growth in Derma and Healthcare business units
- €50 million international aid program activated
- Guidance for 2020 withdrawn

Hamburg, May 5, 2020 – Beiersdorf recorded a drop in sales in the first quarter of 2020 as a result of the global spread of the COVID-19 pandemic. Organic Group sales fell by 3.6% in the first three months of the year. In nominal terms, Group sales stood at €1,910 million, down 1.9% on the prior-year figure of €1,947 million.

“The global COVID-19 crisis is changing our life and work radically. From the very beginning, we have focused on ensuring the health and safety of our employees, continuing to serve our consumers, and supporting communities in their fight against the coronavirus. As expected, the ongoing COVID-19 pandemic has affected the company’s results for the first quarter. Our selective cosmetics brand LA PRAIRIE has been particularly hit by the drop in international travel. At the same time, our core brand NIVEA remained steady with only a slight fall in sales, while our Derma and Healthcare brands achieved strong, double-digit sales growth. Beiersdorf’s foundations are strong enough to enable us to master and overcome this unprecedented crisis together – and emerge from it stronger in the long term. Despite today’s major economic challenges, we will stay on course with our strategy and will maintain investing in our initiatives under C.A.R.E.+,” said Stefan De Loecker, CEO of Beiersdorf AG.

Group sales performance

(IN € MILLION)	Change (in %)			
	Jan. 1-Mar. 31, 2019	Jan. 1-Mar. 31, 2020	nominal	organic
	Europe	994	937	-5.7
Americas	321	391	21.8	8.7
Africa/Asia/Australia	632	582	-7.9	-6.7
Total	1,947	1,910	-1.9	-3.6

Organic Group sales in the first three months were down 3.6% year on year. Structural effects lifted sales growth by 2.4 percentage points. Exchange rate changes lowered the growth rate by 0.7 percentage points. At €1,910 million, nominal Group sales were down 1.9% year on year (€1,947 million).

Consumer sales performance

(IN € MILLION)	Jan. 1–Mar. 31, 2019	Jan. 1–Mar. 31, 2020	Change (in %)	
			nominal	organic
Europe	804	750	–6.6	–6.8
Western Europe	655	596	–9.0	–9.6
Eastern Europe	149	154	3.7	5.4
Americas	266	337	26.5	10.6
North America	123	183	48.1	1.3
Latin America	143	154	7.9	18.9
Africa/Asia/Australia	528	494	–6.4	–5.0
Total	1,598	1,581	–1.0	–3.3

Organic sales in the **Consumer** Business Segment fell by 3.3% in the first three months of the year. Negative exchange rate effects of 0.7 percentage points were offset by structural effects, which added 3.0 percentage points to growth. At €1,581 million, nominal sales were down 1.0% on the previous year's figure of €1,598 million.

Sales by **NIVEA** fell by 0.6%, while the **Derma** business unit with the EUCERIN and AQUAPHOR brands achieved strong sales growth of 11.5%. The **Healthcare** business unit, mainly comprising the plaster business, also performed very positively with growth of 10.1%. The **LA PRAIRIE** brand was particularly hit by the drop in international travel and recorded a 35.8% decline in sales.

Europe

Organic sales in the **Europe** region fell by 6.8%. At €750 million, nominal sales were 6.6% below the previous year's figure of €804 million.

In **Western Europe**, sales were down 9.6% on the previous year, affected by weak performance in countries such as France, Italy, and Spain, which were affected by early curfews due to the COVID-19 pandemic and especially by the sharp fall in sales in the travel retail business at LA PRAIRIE. In Germany, however, strong growth was achieved. In **Eastern Europe**, sales climbed by 5.4%, driven especially by a strong performance in Russia and Poland and good growth figures in Ukraine and Kazakhstan.

Americas

Organic sales in the **Americas** region were up 10.6% year on year. The acquisition of the COPPERTONE business lifted growth in the region by 20 percentage points. Exchange rate effects reduced sales by 4.1 percentage points. At €337 million, nominal sales were 26.5% higher than in the previous year.

In **North America**, organic sales grew by 1.3%. Sales in **Latin America** were up by a strong 18.9%, fueled especially by very good performance in Brazil and Chile. Mexico also achieved strong sales growth. Sales in Argentina remained substantially short of the previous year's figure due to the difficult market environment and negative exchange rate effects.

Africa/Asia/Australia

The **Africa/Asia/Australia** region reported a 5.0% fall in sales. Nominal sales fell by 6.4% to €494 million (previous year €528 million), partly due to the disposal of the SLEK brand. Due to the COVID-19 pandemic, there was a particular decline in sales performance at LA PRAIRIE and at country level in China, India, and Japan. Meanwhile, performance was well into positive territory in Turkey, Australia, the Philippines, Malaysia, and parts of Africa.

tesa sales performance

(IN € MILLION)

	Jan. 1-Mar. 31, 2019	Jan. 1-Mar. 31, 2020	Change (in %)	
			nominal	organic
Europe	190	187	-1.6	-0.9
Americas	55	54	-1.3	-1.0
Africa/Asia/Australia	104	88	-15.6	-15.0
Total	349	329	-5.7	-5.1

tesa recorded a fall in sales from January to March compared to the same quarter of the previous year. Organic sales at tesa declined by 5.1%. Negative exchange rate effects reduced growth by a further 0.6 percentage points. In nominal terms, tesa therefore recorded a 5.7% fall in sales to €329 million (previous year: €349 million).

This trend was caused by the impact of the coronavirus pandemic on the global economy. tesa recorded falling sales especially in the Direct Industries division, which handles business directly with industrial customers. In the Trade Markets division, which includes the retail consumer business, tesa recorded slight growth in sales.

In a difficult market environment, automotive business in particular saw a negative sales trend. This was also the main factor behind the declining sales in the Americas and Europe. In Asia, there was a marked year on year fall in sales in the electronics business.

Group net assets and financial position

There were no significant changes in the Group's net assets and financial position in the first three months of the year compared with December 31, 2019. With a strong balance sheet and high net liquidity, Beiersdorf is well equipped to meet the challenges of the COVID-19 crisis.

International aid program in the fight against COVID-19

The health and safety of its employees and partners, as well as the service the Group provides for its customers and consumers, is the top priority for Beiersdorf. As a global company, Beiersdorf wants to quickly and effectively help support society in the fight against the COVID-19 pandemic. It therefore activated an international emergency aid program at the end of March of €50 million.

Among the immediate measures are:

- Donation of 1,000,000 liters of disinfectant: Beiersdorf has now converted its production plants on five continents to work in producing hand sanitizers.
- Donation of at least 5,000,000 tins of NIVEA Creme to medical staff all around the world whose skin is under particular stress at this time.
- Direct financial support for global and local partner NGOs.
- As Beiersdorf employees are coming together to support international aid organizations, Beiersdorf commits to double any employees' personal donations.

Guidance for 2020

For 2020 as a whole, the company is unable to currently project the future development or the economic impact of the coronavirus crisis. The targets set in the company's guidance issued on March 3, 2020, are unlikely to be achieved. The company has withdrawn this guidance as a result.

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 around 20,000 employees worldwide and is listed on the DAX, the German benchmark equities index. Beiersdorf generated sales of €7.7 billion in fiscal year 2019. 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 their innovative, high-quality products. Further renowned brands such as LABELLO, AQUAPHOR, FLORENA, 8x4, HIDROFUGAL, ATRIX, MAESTRO, and COPPERTONE 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, 2018.

Contact

Corporate Communications
Inken Hollmann-Peters
Tel. +49 40 4909-2001
E-mail: cc@beiersdorf.com

Investor Relations
Dr. Jens Geissler
Tel. +49 40 4909-5000
E-mail: investor.relations@beiersdorf.com