

# Blue Agenda



## Beiersdorf

### FINANCIAL ANALYST MEETING 2017

8 March 2017

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# AGENDA

**Full-Year Results 2016 – Stefan F. Heidenreich, CEO**

**Strategy Update**

**Financials – Jesper Andersen, CFO**

**Outlook 2017**

**Q&A**

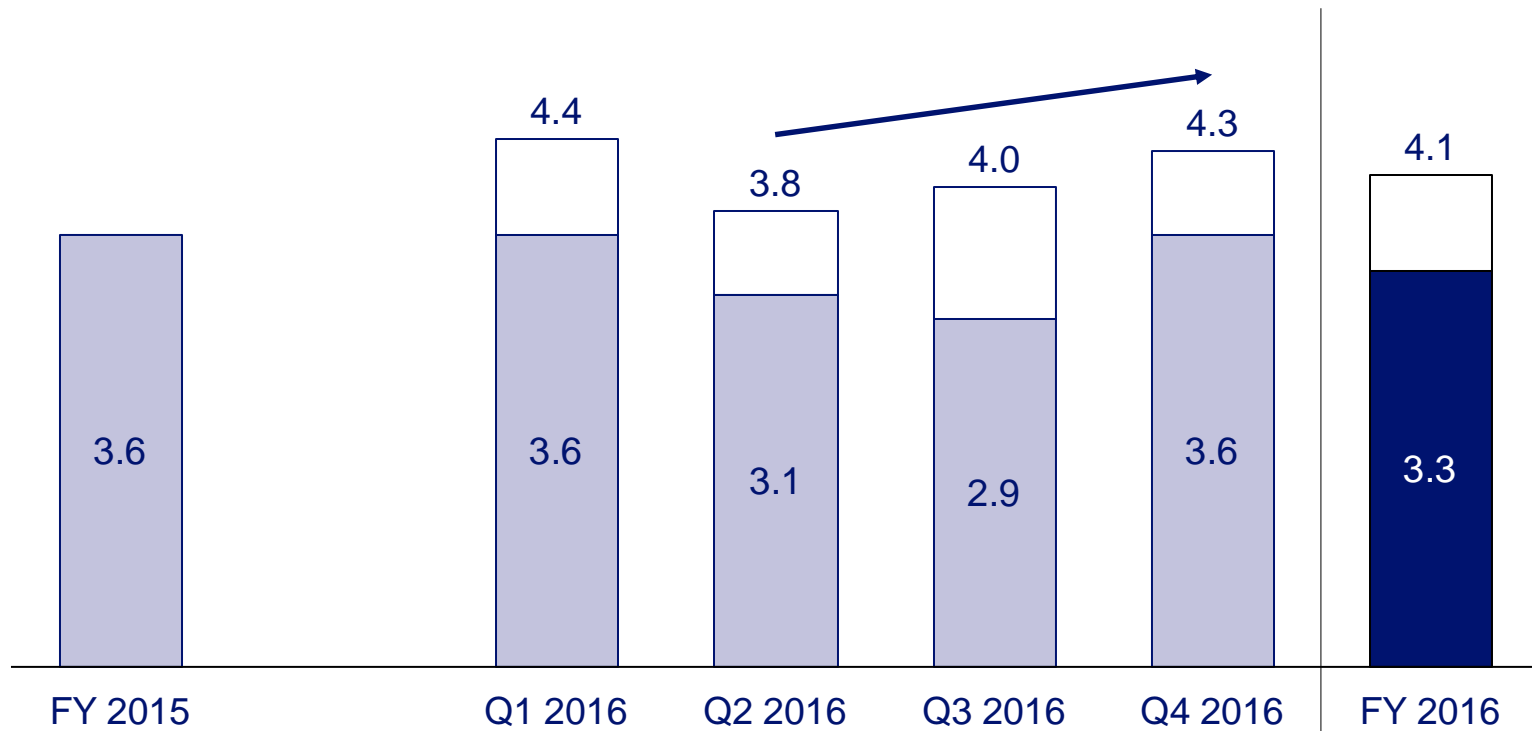
# GROUP KEY FIGURES

	Jan. – Dec. 2015	Jan. – Dec. 2016	Change	
	mill. €	mill. €	<i>nominal</i> in %	<i>organic</i> in %
<b>Sales</b>	<b>6,686</b>	<b>6,752</b>	<b>1.0</b>	<b>3.2</b>
EBIT	962	1,015		
Profit after Tax	671	727		
Earnings per Share in €	2.91	3.13		
<b>EBIT*</b>	<b>962</b>	<b>1,015</b>		
<b>Profit after Tax*</b>	<b>671</b>	<b>727</b>		
<b>EBIT Margin*</b>	<b>14.4%</b>	<b>15.0%</b>		
<b>Profit after Tax Margin*</b>	<b>10.0%</b>	<b>10.8%</b>		
<b>Earnings per Share in €*</b>	<b>2.91</b>	<b>3.13</b>		

\* Excluding special factors.

## GROWTH

Net Sales Growth in % vs. PY



\* Consumer organic sales growth if sales in Argentina had been calculated at constant FX rates

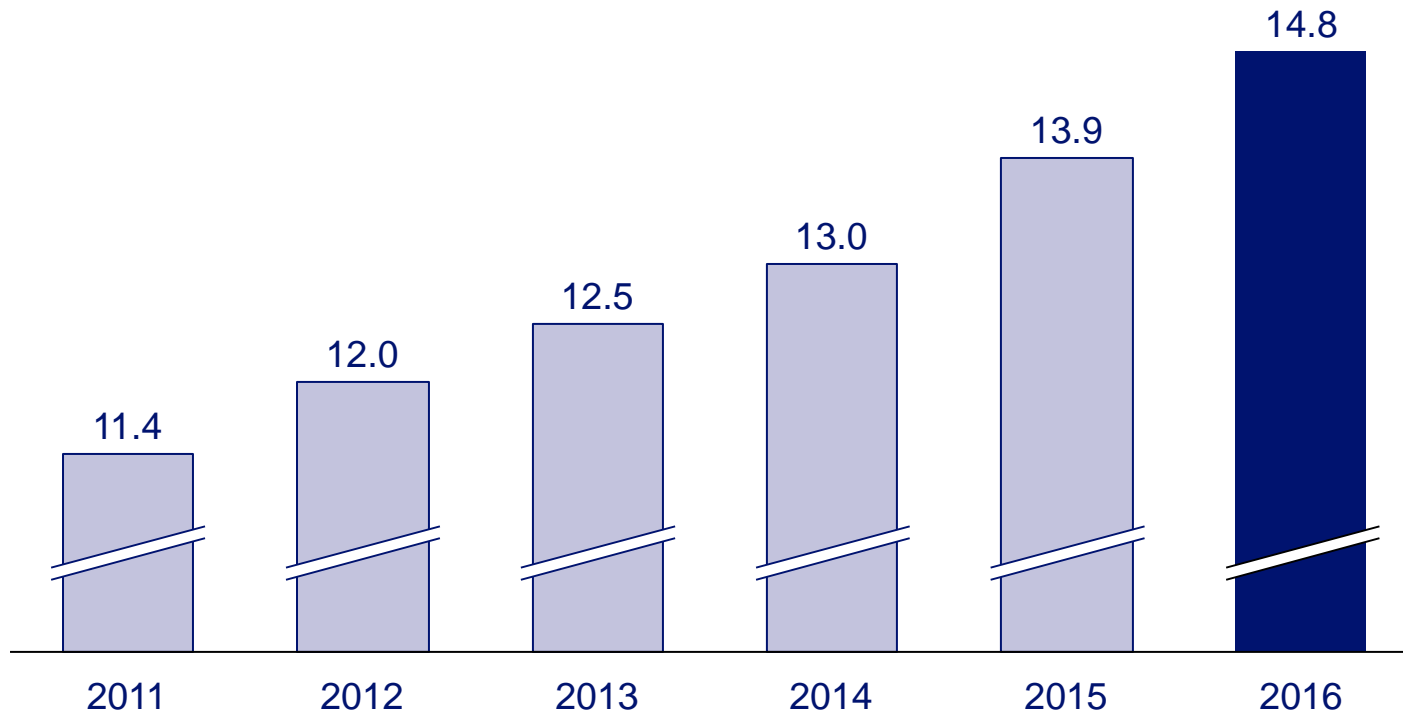
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# CONSUMER EBIT

## EBIT

In % of NS, Consumer, excl. special factors, FY



# CONSUMER SALES PER REGION

	Jan. – Dec. 2015	Jan. – Dec. 2016	Change	
	mill. €	mill. €	<i>nominal</i> in %	<i>organic</i> in %
Europe	2,816	2,801	-0.6	2.0
Western Europe	2,281	2,262	-0.8	1.0
Eastern Europe	535	539	0.6	6.6
Americas	1,076	1,078	0.2	2.9
North America	426	432	1.4	1.6
Latin America	650	646	-0.7	3.7
Africa/Asia/Australia	1,654	1,727	4.4	5.7
<b>Total Consumer</b>	<b>5,546</b>	<b>5,606</b>	<b>1.1</b>	<b>3.3</b>

# TESA KEY FIGURES

	Jan. – Dec. 2015	Jan. – Dec. 2016	Change	
	mill. €	mill. €	<i>nominal</i> in %	<i>like-for-like</i> in %
Sales	1,140	1,146	<b>0.6</b>	<b>2.6</b>
EBIT*	191	186		
EBIT Margin*	16.8%	16.2%		



**BLUE FOCUS**  
**2012-2016**

# BLUE AGENDA



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**We will be the No. 1 Skin Care company in our relevant categories and markets.**

We Are Skin Care  
Closest to Markets

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**We combine leading brands, big innovations and world-class advertising.**

Leading Brands  
Big Innovations  
World-Class Advertising  
Shopper Connectivity

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**We are small and act with maximum focus, speed and efficiency.**

Fast & Flexible  
Lean & Efficient

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**We are Beiersdorf ... we are unique!**

One Team  
Top Talent  
Values & Culture

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# BLUE AGENDA PILLARS

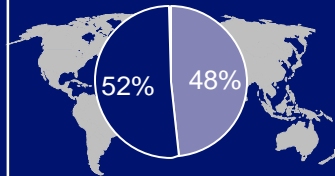
## BRAND



## INNOVATION



## FOOTPRINT



## EFFICIENCY



## PEOPLE



# BLUE AGENDA – BRAND



**MOST TRUSTED GLOBAL  
SKIN CARE BRAND**

**SIGNIFICANT  
IMPROVEMENT IN  
BRAND HEALTH**

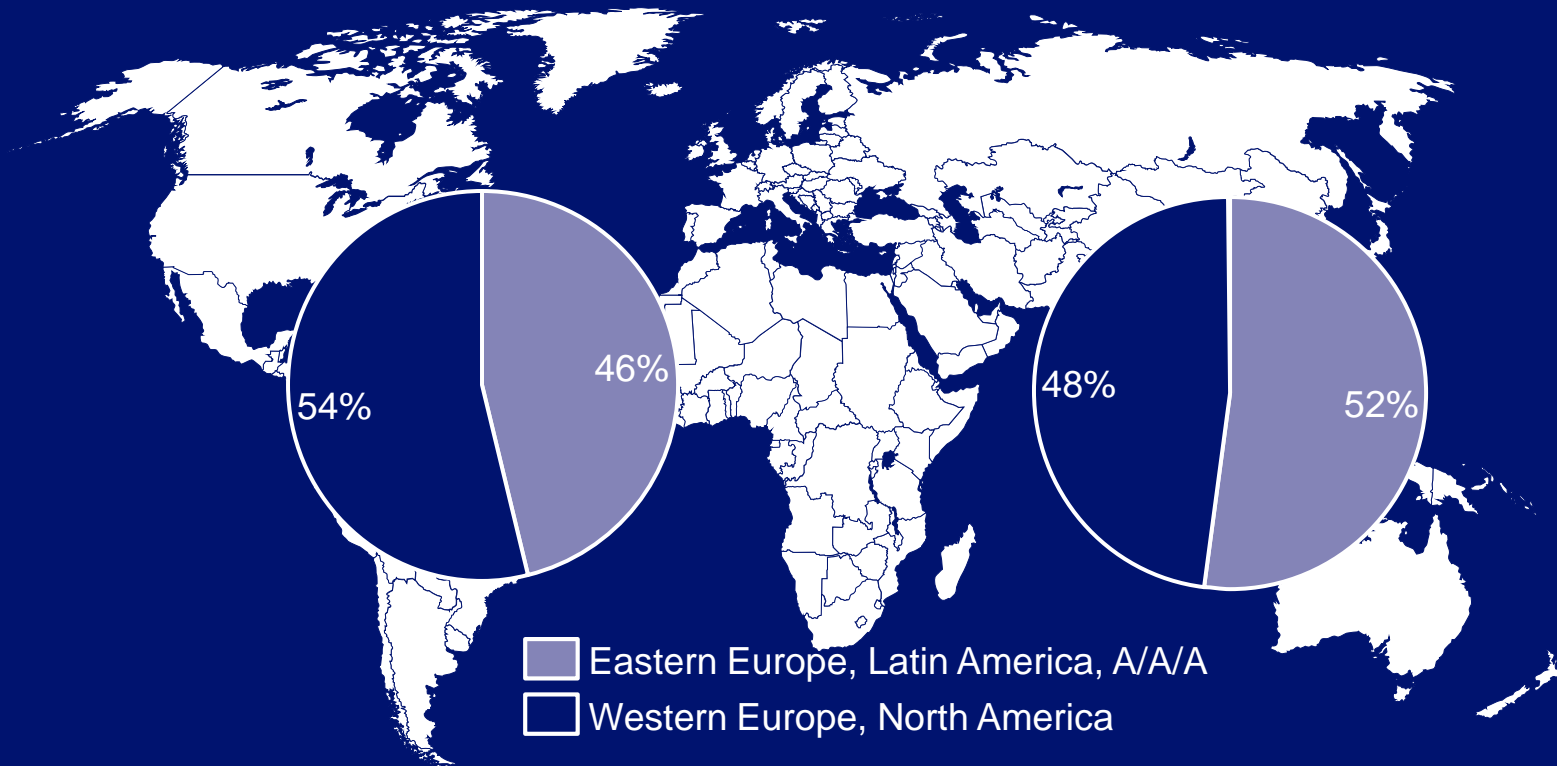
# BLUE AGENDA – INNOVATION



**STRONG INNOVATIONS  
OVER THE PAST YEARS**

**BREAKTHROUGH  
PIPELINE FOR  
2017 & 2018**

# BLUE AGENDA – FOOTPRINT



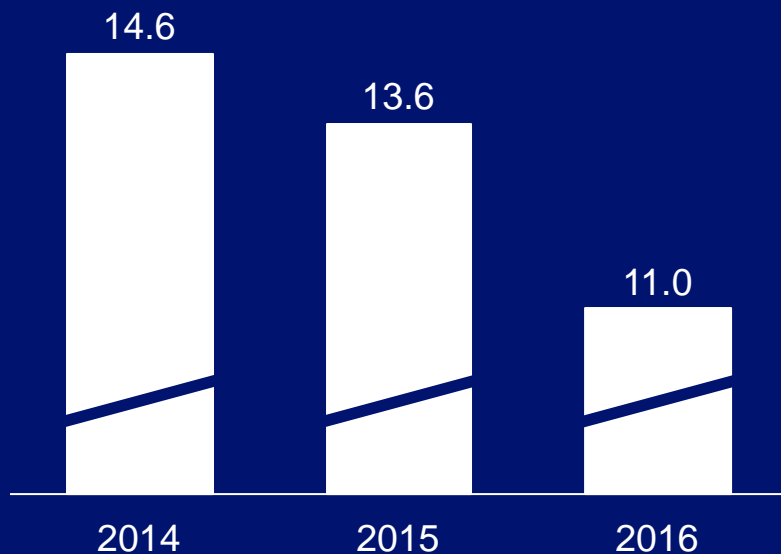
**SUCCESSFULLY  
GROWING IN EMERGING  
MARKETS**

**WHITE SPACE FOR  
FURTHER EXPANSION**

# BLUE AGENDA – EFFICIENCY

## WORKING CAPITAL

In % of NS



**JESPER  
ANDERSEN**

- CFO (5/2015)
- Prior 20 years with Colgate-Palmolive



**HARALD  
EMBERGER**

- CSCO (6/2015)
- Prior 5 years with Unilever and 13 years with Mars

**EFFICIENCY AS CORE  
FUEL FOR GROWTH**

**INCREASING SPEED AND  
AGILITY**

# BLUE AGENDA – PEOPLE

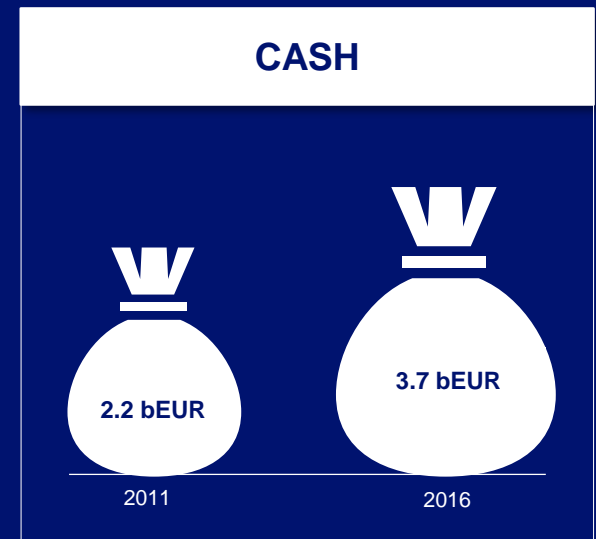
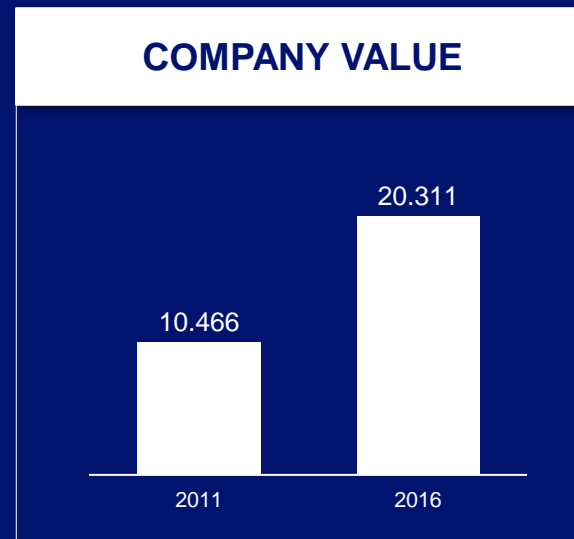


**FASTEST ENGAGEMENT  
INCREASE IN CONSUMER  
INDUSTRY**

**100% COMMITTED TO  
CORE VALUES**



# BLUE AGENDA – PERFORMANCE



**INTO THE FUTURE  
2017+**

# OUR FUTURE IS GROWTH

BREAKTHROUGH INNOVATION	GLOBAL LEADER MEN	MORE LOCAL FOOTPRINT	DIGITAL ACCELERATION	NEW GROWTH PLATFORMS
				

# FUTURE – BREAKTHROUGH INNOVATION

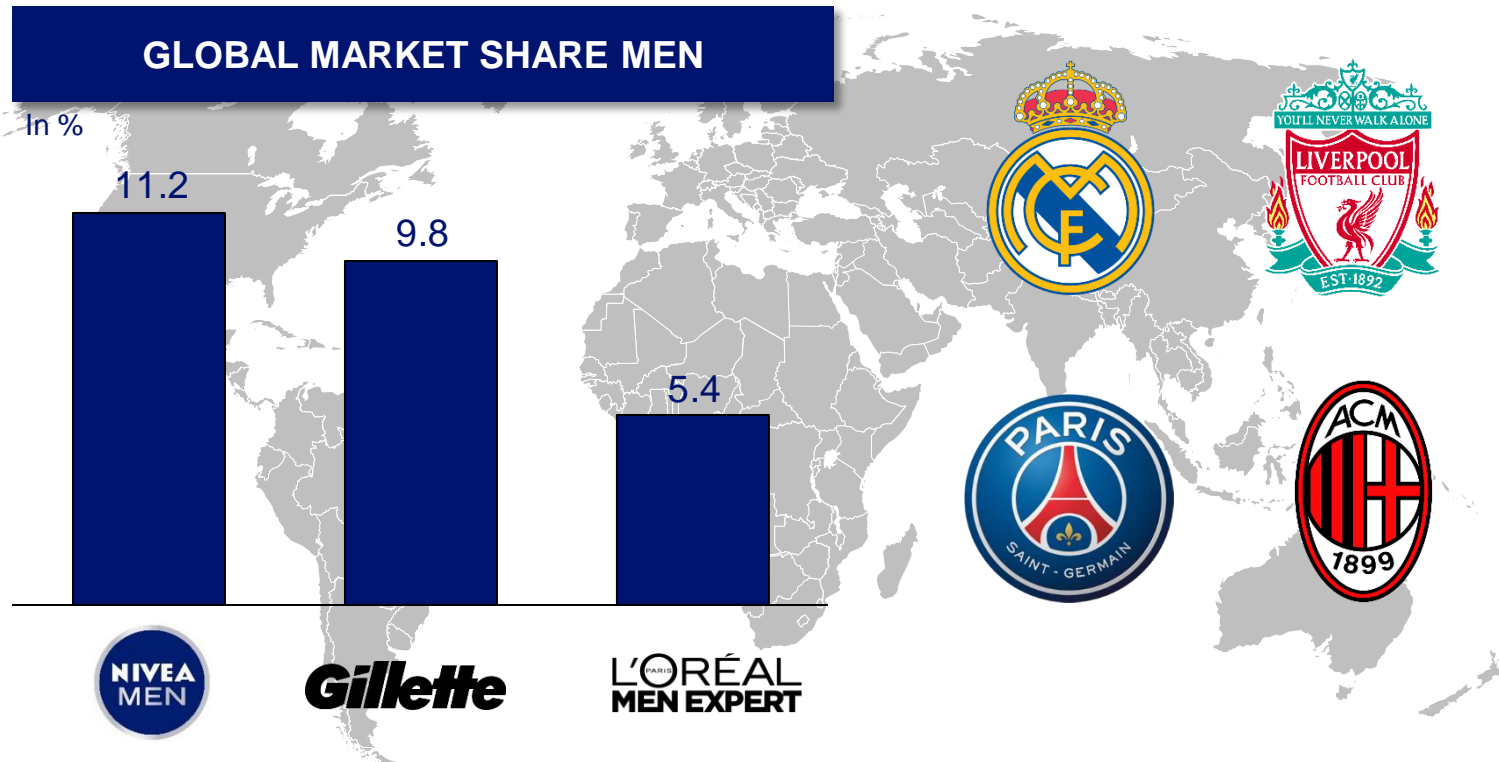


**FIRST EVER SUNSCREEN  
TO PROTECT CLOTHES**

**>40% OF CONSUMERS  
ANNOYED BY UV FILTER  
STAINS**

**DISRUPTION OF  
SUN CARE CATEGORY**

# FUTURE – GLOBAL LEADER MEN



**LARGE PART OF NIVEA BUSINESS TODAY WITH MEN, GROWING QUICKLY**

**LONG-TERM PARTNERSHIP WITH WORLD SOCCER CLUBS**

Source: Euromonitor, Categories Men's Skin Care, Men's Pre-Shave, Men's Post-Shave, Men's Bath and Shower

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# FUTURE – MORE LOCAL FOOTPRINT



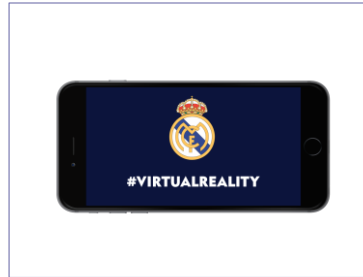
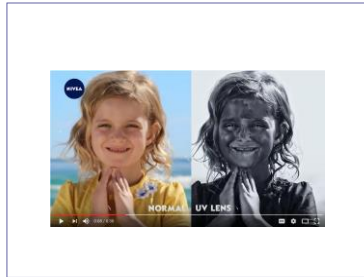
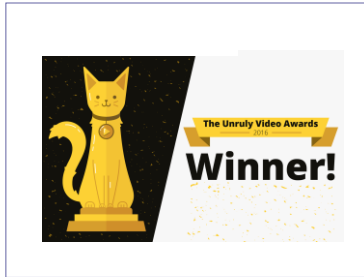
**FIRST EVER AEROSOL  
PLANT OUTSIDE EUROPE**

**STRENGTHEN FOOTPRINT  
IN STRATEGIC REGION**

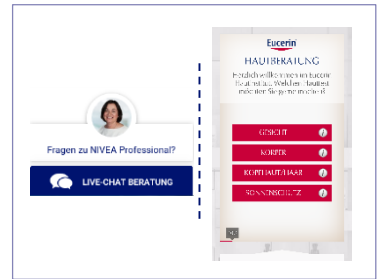
**STRONG #2 POSITION IN  
BRAZIL AND ARGENTINA**

# FUTURE – DIGITAL ACCELERATION

## DIGITAL MARKETING



## E-COMMERCE



## CAPABILITIES



# FUTURE – GROWTH PLATFORMS

Eucerin®

Hansaplast

Elastoplast

la prairie  
SWITZERLAND



**VINCENT WARNERY**

- New Board Member
- Prior Senior Vice President Global Consumer Health Care at Sanofi
- Before 15 years with L'Oreal in Consumer and Pharma division



# AGENDA

Full-Year Results 2016 – Stefan F. Heidenreich, CEO

Strategy Update

**Financials – Jesper Andersen, CFO**

**Outlook 2017**

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# EFFICIENCY TO FUEL GROWTH



# FINANCIAL FRAMEWORK

	ROLE	LEVERS
<b>SALES GROWTH</b>	Profitable growth	<ul style="list-style-type: none"> <li>• Quality of sales</li> <li>• Competitive pricing</li> <li>• Promotion effectiveness</li> </ul>
<b>MARGINS</b>	Source of funds	<ul style="list-style-type: none"> <li>• Mix and assortment</li> <li>• Cost efficiency</li> <li>• Pricing</li> </ul>
<b>MARKETING BUDGET</b>	Invest & Build Brands	<ul style="list-style-type: none"> <li>• Competitive media spend</li> <li>• Digital investment</li> <li>• Efficient spending</li> </ul>
<b>GENERAL EXPENSES</b>	Source of funds	<ul style="list-style-type: none"> <li>• Cost discipline</li> <li>• Optimized structures</li> <li>• Building new capabilities</li> </ul>
<b>EBIT</b>	Gradual improvement	<ul style="list-style-type: none"> <li>• Geographic balance</li> <li>• Long term improvement</li> </ul>
<b>WORKING CAPITAL</b>	Business building	<ul style="list-style-type: none"> <li>• Improve WOC</li> <li>• Efficiency measure</li> <li>• Speed and agility</li> </ul>

# EFFICIENCY PROGRAM

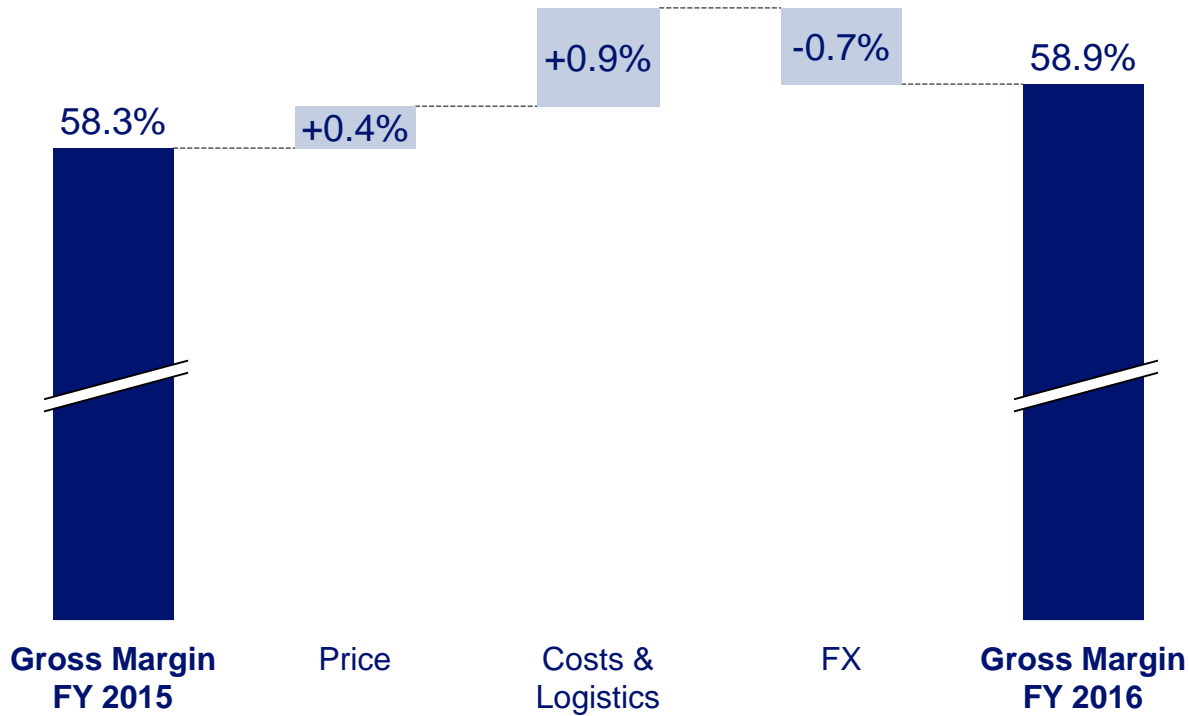
Consumer Segment

DASHBOARD	
LOGISTICS	MARGIN
PROCUREMENT	GENERAL EXPENSE
ASSORTMENT	WOC



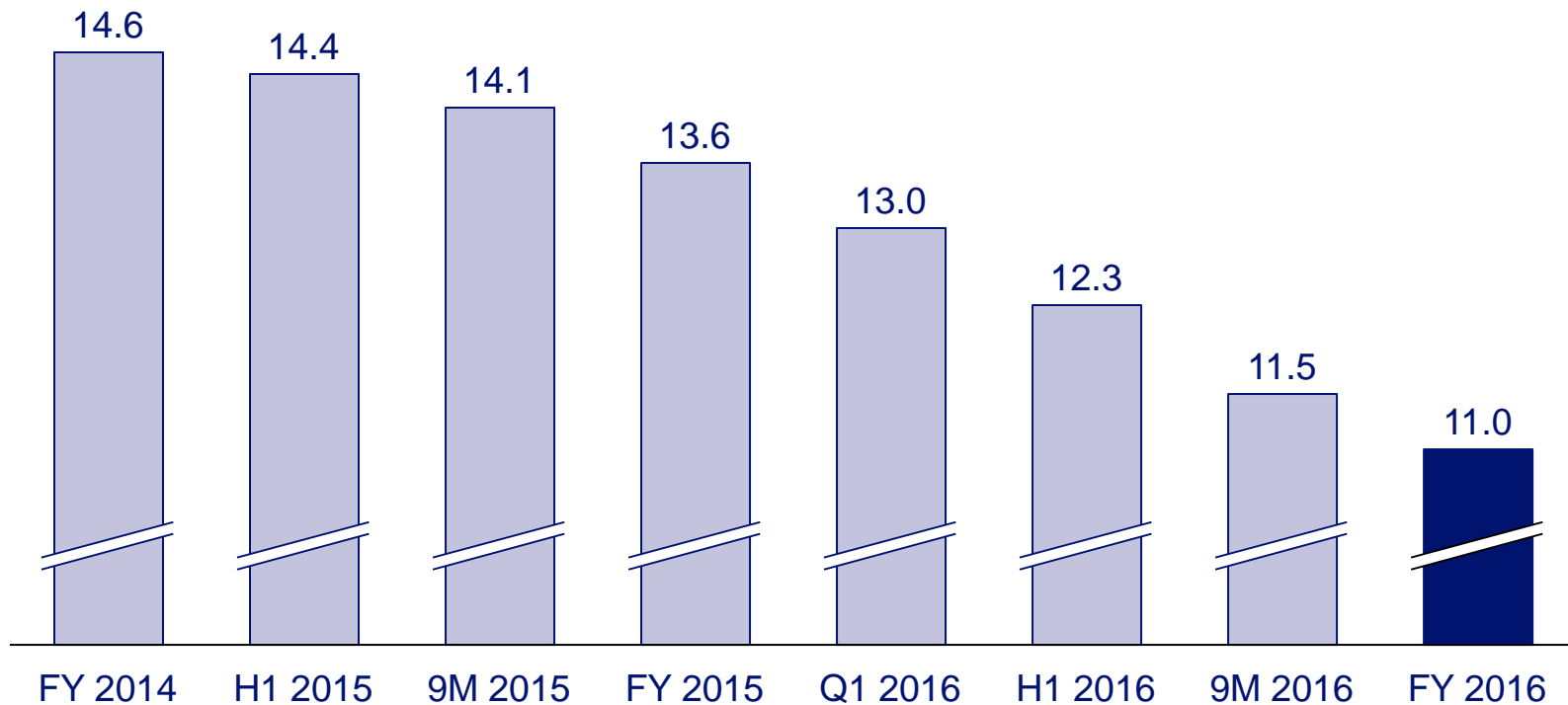
ACHIEVEMENT	
GROSS SAVINGS	MARGIN
100mEUR	+60bpt
ASSORTMENT	WORKING CAPITAL
>10% NS/SKU	-260bpt

# GROUP GROSS MARGIN



**Our efficiency program is driving the gross margin expansion.**

# CONSUMER WORKING CAPITAL



Working capital in % of Consumer sales on a 12-month rolling basis

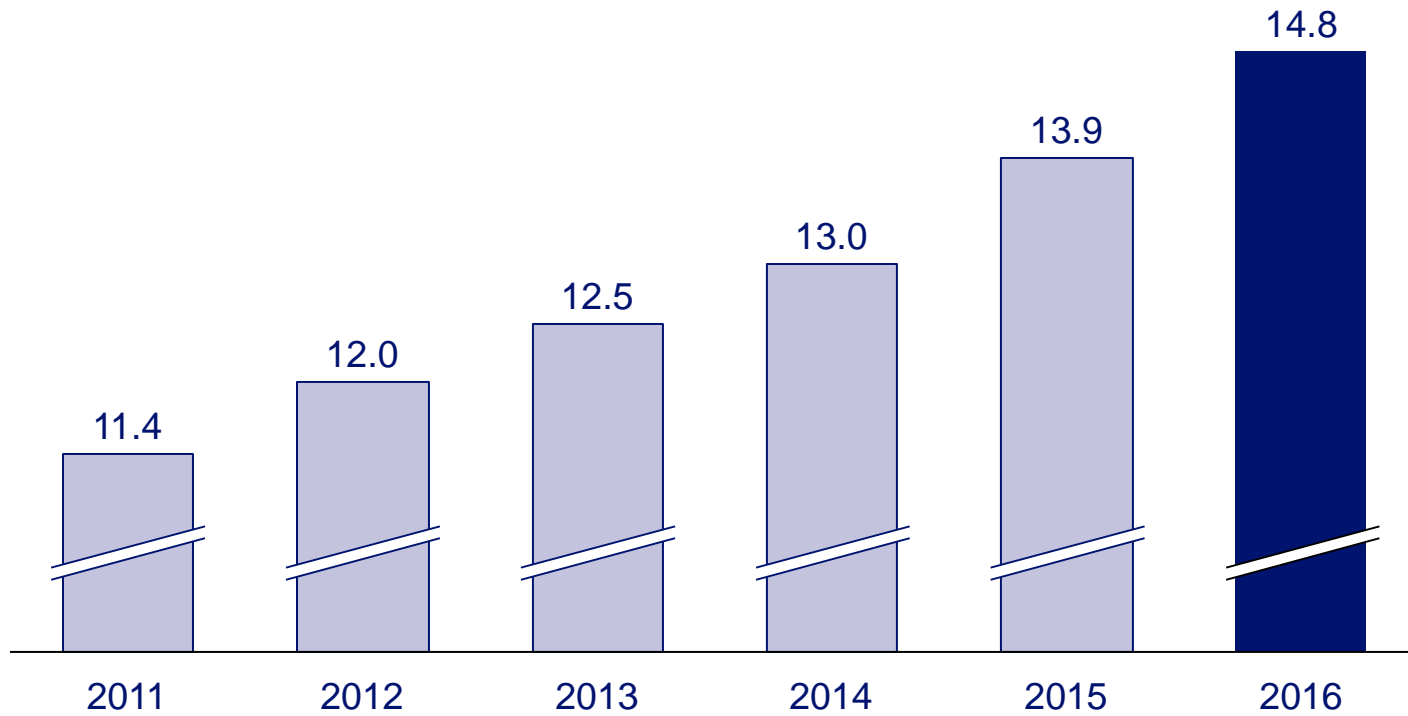
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# CONSUMER EBIT

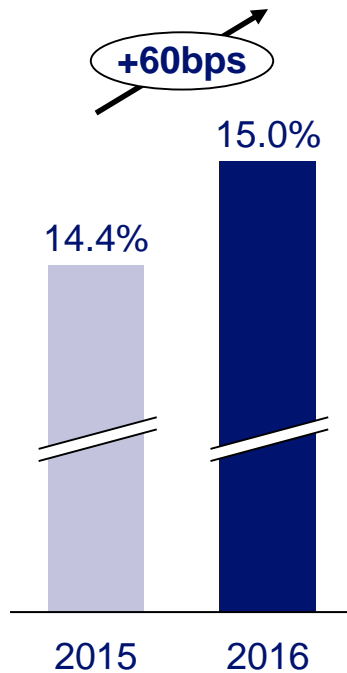
## EBIT

In % of NS, Consumer, excl. special factors, FY

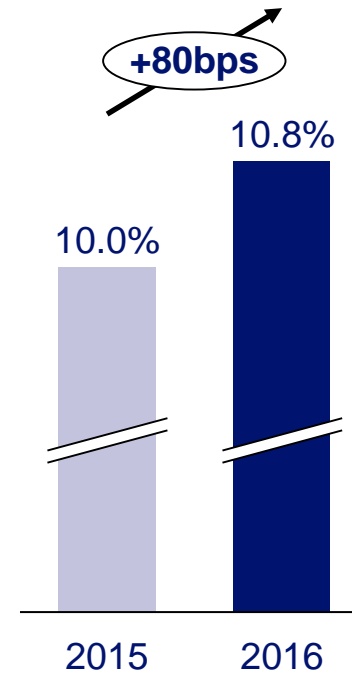


# GROUP PROFIT AFTER TAX

## EBIT



## Profit after Tax

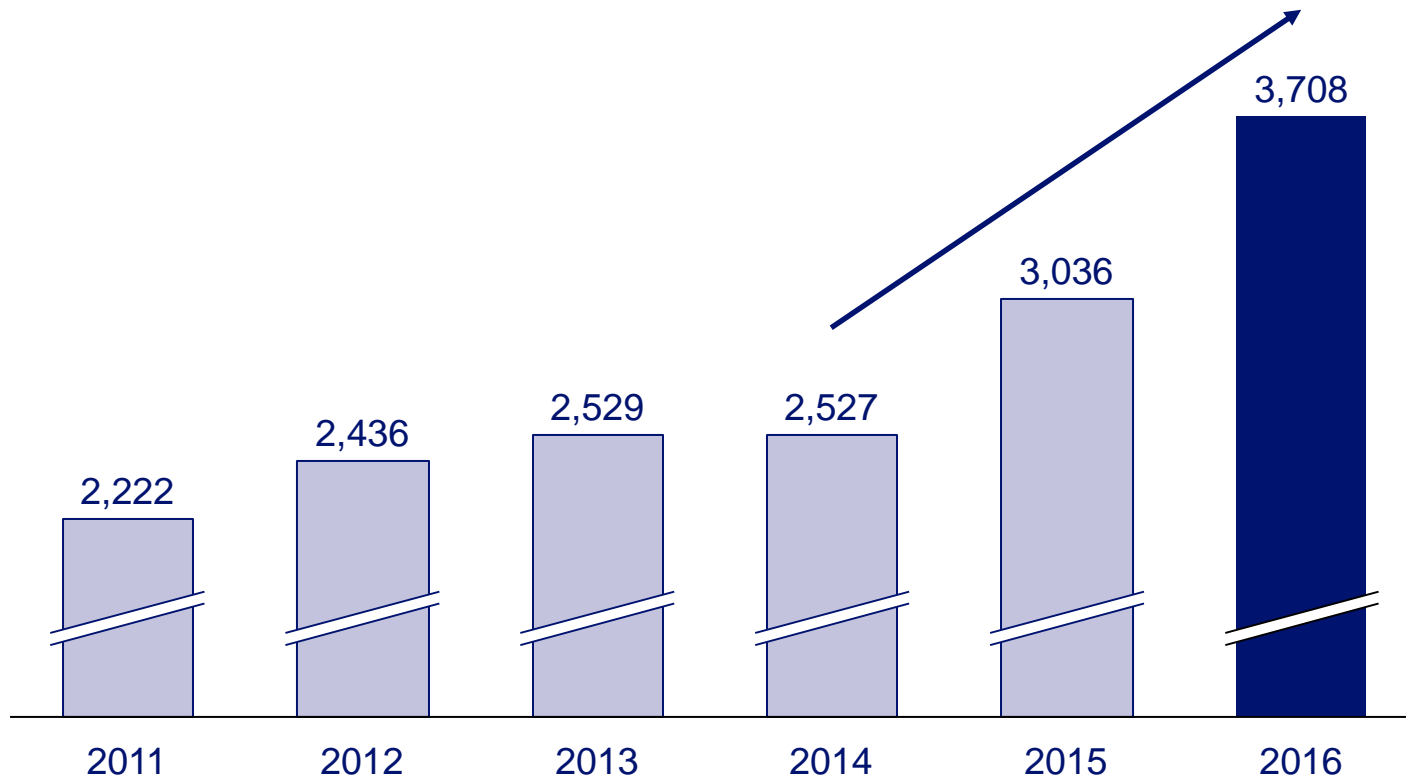


Optimization of net interest and improving tax rate by 60bps to 30.1%.



# GROUP NET LIQUIDITY

(in mill. €)



## Consumer

- Sales growth 3-4%
- EBIT margin slightly above previous year



## Total Group

- Sales growth 3-4%
- EBIT margin slightly above previous year
- PAT margin slightly above previous year

## tesa

- Sales growth 3-4%
- EBIT margin slightly below previous year



### 2016 data for reference (excluding special factors):

- Consumer EBIT 14.8%
- tesa EBIT 16.2%
- Group EBIT 15.0%
- Group Profit After Tax Margin 10.8%

Note: Sales development on an organic basis – Profit development on an operative basis

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## Questions and Answers

# INVESTOR RELATIONS CONTACT

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