

HALF-YEAR REPORT 2020

August 6th, 2020

Beiersdorf





H1 KEY MESSAGES

SKIN CARE MARKETS SIGNIFICANTLY
IMPACTED BY COVID-19

MARKET SHARE GAINS IN ALL BUSINESS UNITS

PREPARING FOR CONTINUED VOLATILITY AHEAD

ACCELERATING C.A.R.E.+ IMPLEMENTATION

— DEALING WITH COVID-19

CARE FOR OUR EMPLOYEES



CARE FOR CONSUMERS



CARE FOR COMMUNITIES



BRANDS ORGANIC GROWTH H1 2020

C.A.R.E.+

CONSUMER				TESA
NIVEA	DERMA	HEALTHCARE	LA PRAIRIE	
				
-8.8%	+6.2%	-7.7%	-41.9%	
-10.9% SALES GROWTH				-10.0% SALES GROWTH
GROUP -10.7% SALES GROWTH				

la prairie
SWITZERLAND



DEALING WITH COVID-19

la prairie
SWITZERLAND

Travel retail decreased by up to **70%**

More than **80%** of la prairie stores
closed at the beginning of Q2

Significantly increased price promotion
intensity by competitors



WIN WITH SKIN CARE

la prairie
SWITZERLAND

The most exclusive
luxury Skin Care brand

Ultimate consumer
experience

Top innovations
to be launched in H2



SKIN CAVIAR PERFECT
CONCEALER



WHITE CAVIAR
EYE EXTRAORDINAIRE

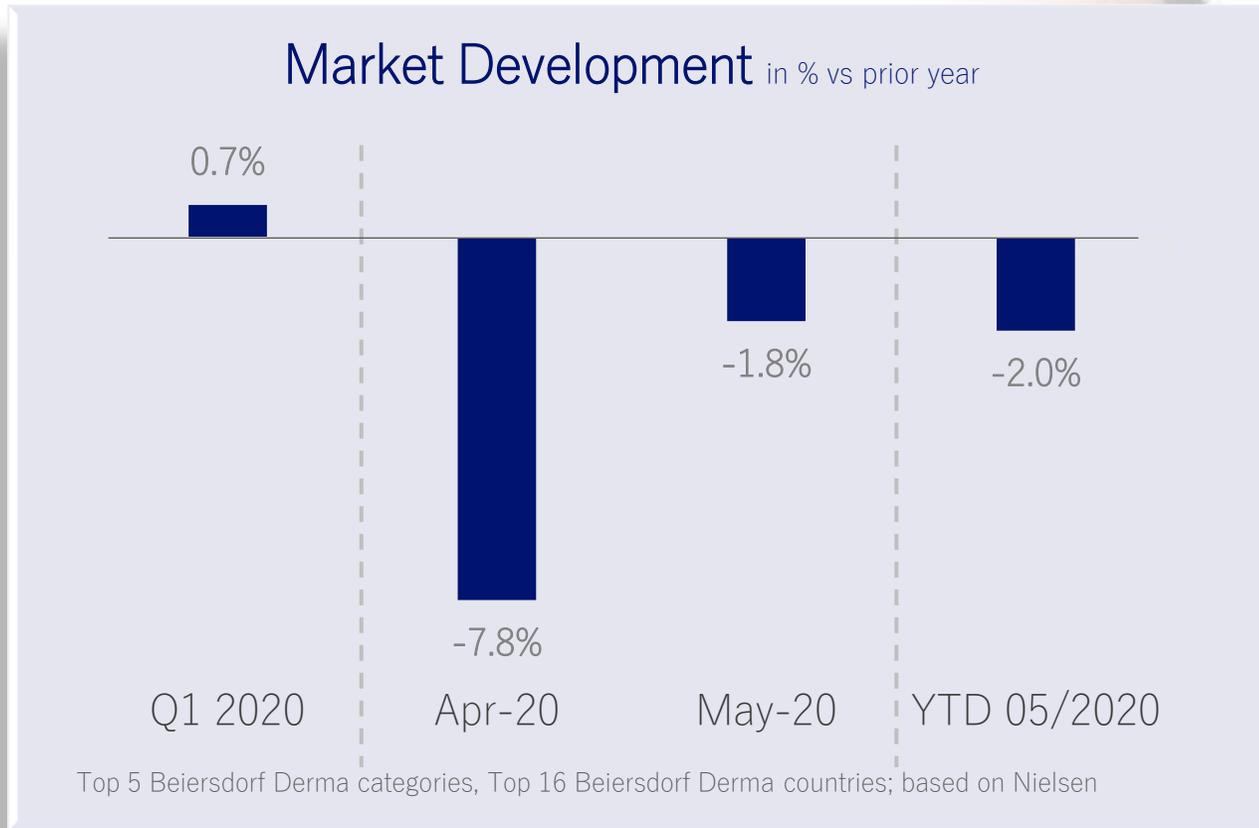


Eucerin[®]

Aquaphor[®]

HEALING OINTMENT

DEALING WITH COVID-19



Derma markets more resilient.
Pharmacies maintained their traffic

Online sales increased significantly.
More than 20% of Derma sales in
North America are online

Eucerin & Aquaphor outperformed
key markets and gained share across all
regions and segments

Eucerin Aquaphor HEALING OINTMENT	
Q2 2020	-0.4%
H1 2020	+6.2%

— WIN WITH SKIN CARE



Hyaluron Filler +
Elasticity 3D Serum



Body Ointment
Spray

Continue **successful strategy**, amplified by
accelerated **digital** presence

—
Thiamidol remains an **important growth driver** –
gained additional **#1 positions** in
Brazil and Russia

—
Promising start of **Eucerin's online**
market entry in China

DEALING WITH COVID-19



CONSUMER



- Essential Personal Care products in high demand
- Preference for trusted over smaller brands

SHOPPER AND CUSTOMER



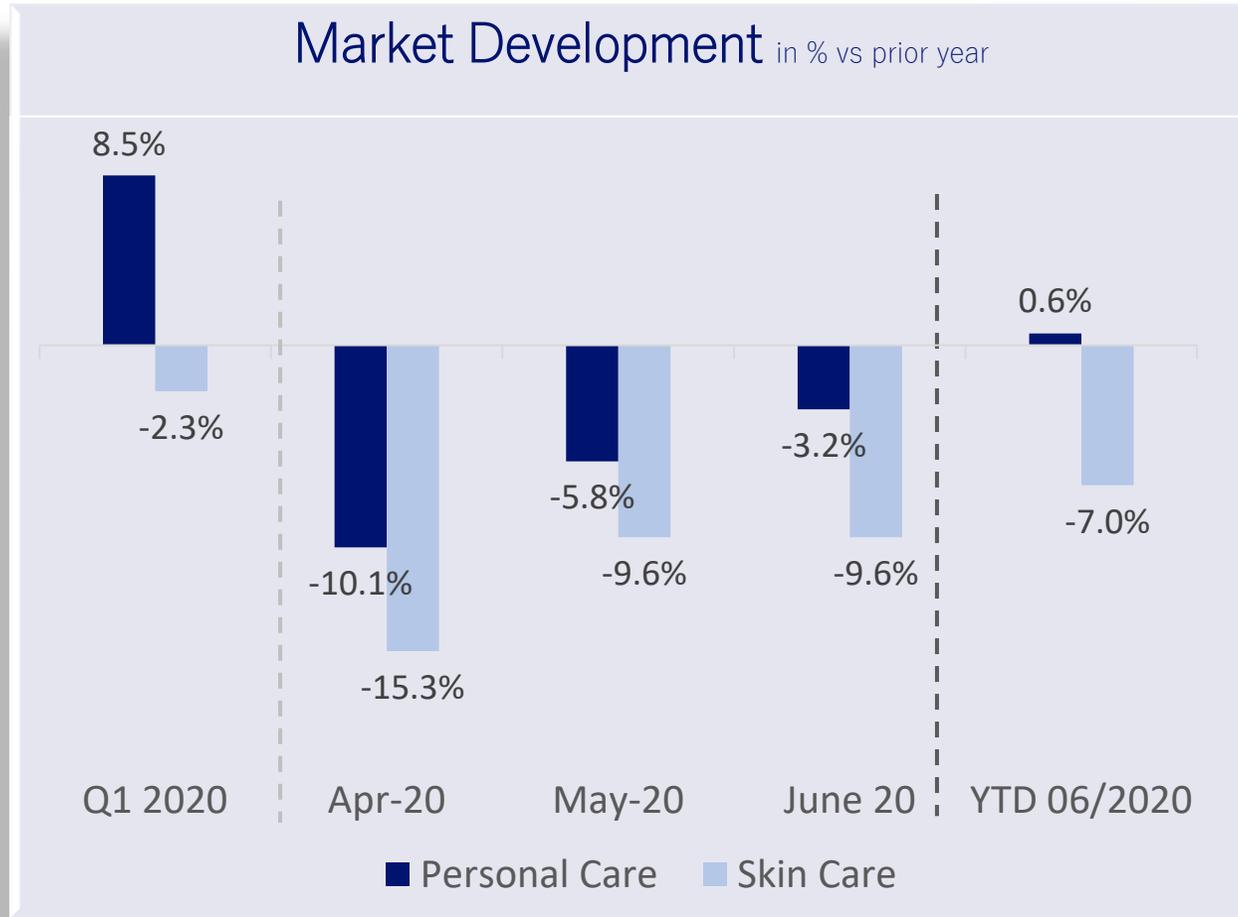
- Shift to online and one-stop shopping
- Postponed activations and closed outlets

AIR TRAFFIC



- Holiday season affected by -62% international air travel (YTD June)
- Sun protection globally most impacted Skin Care category

DEALING WITH COVID-19



Markets decelerated strongly:
Sun protection -33% in June

Heavy market declines across categories. **Personal Care** remained more in demand than Skin Care

NIVEA gained market share in **Skin Care** categories in over 60% of countries

Top 6 NIVEA categories, Top 30 NIVEA countries; based on Nielsen; Preliminary data June

— WIN WITH SKIN CARE



Q10 Energy



Naturally Good Anti-Age

NIVEA provides relevant superior Skin Care for all

—
More investment in digital than ever before

—
Strong plan for the second half of 2020

OUR COMMITMENT

COMPETITIVE SUSTAINABLE GROWTH

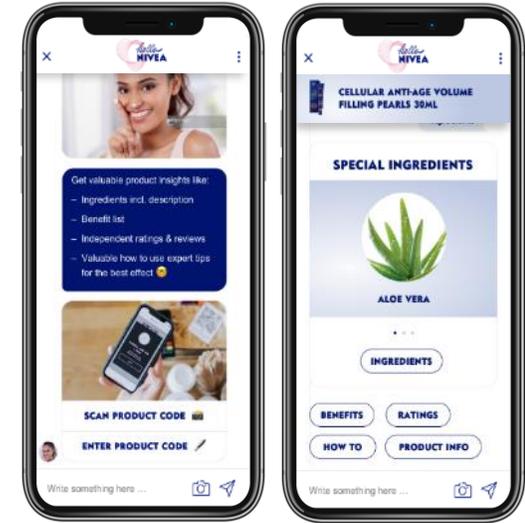
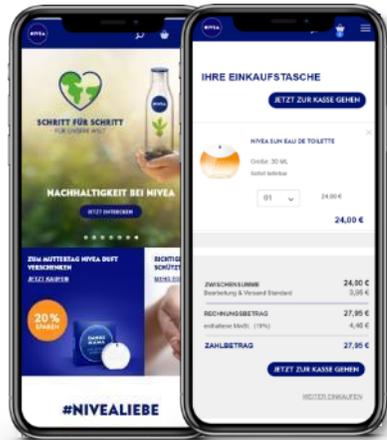
- + outperform the market
- + create consumer value
- + ensure sustainable profitability

GROWTH DRIVERS



DIGITAL CONSUMER CONNECTION

C.A.R.E.+



Consumer e-Com H1 2020:
> +50% YoY

Advertising budget:
> 1/3 online

Global consumer engagement:
Qualified traffic uplift by +25%

— UNLOCK WHITE SPOTS - EXPANDING OUR GLOBAL R&D NETWORK

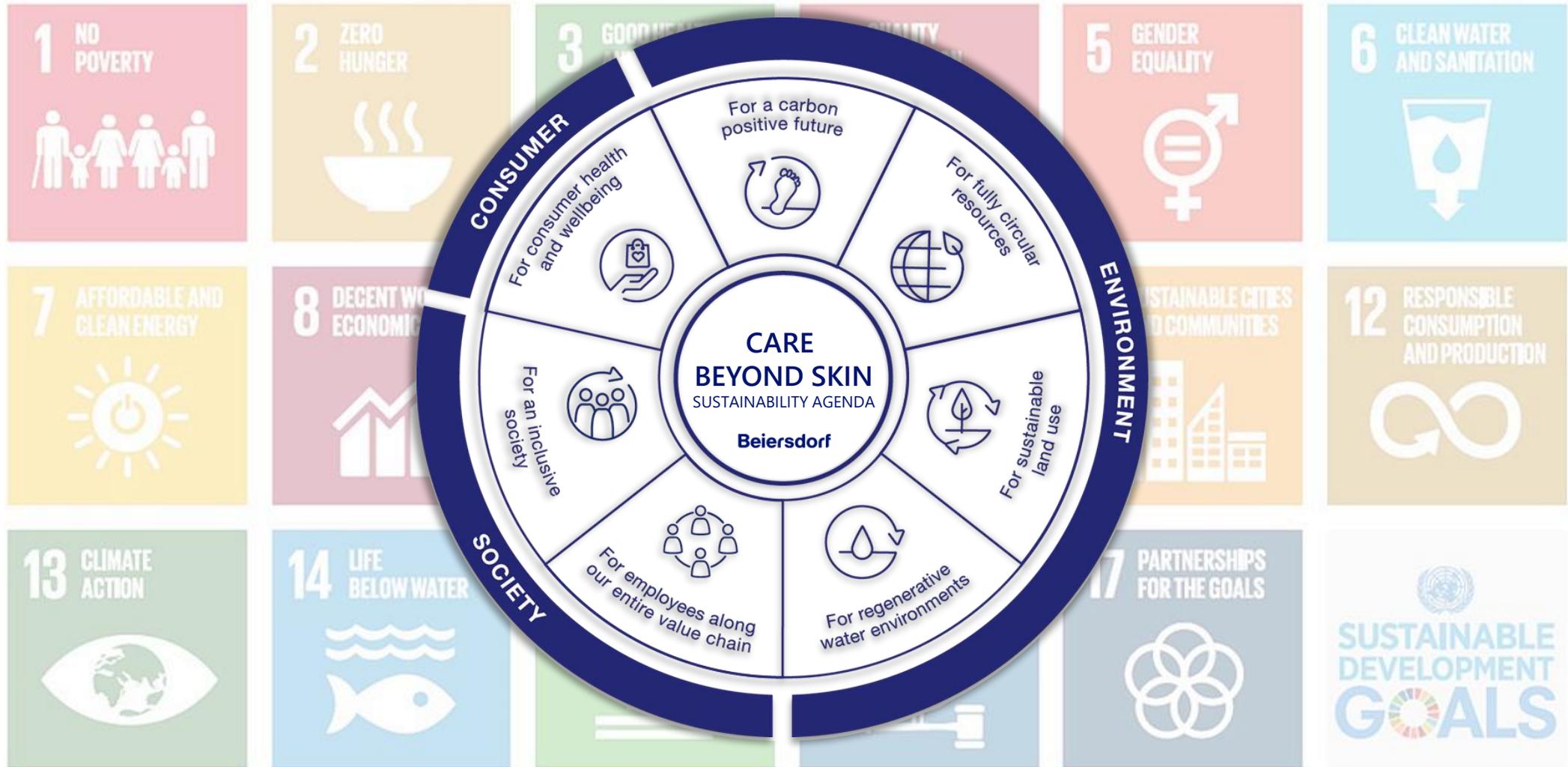
Inaugurated **new innovation center**
in **Shanghai** on July 23rd

Driving **relevant Face Care innovations**
with **bundled global expertise**

Proving Beiersdorf's **strong**
commitment to growth in Asia



CARE BEYOND SKIN



CARE BEYOND SKIN: EUR 50m AID PROGRAM

C.A.R.E.+



01 Disinfectants
& Medical Supply



02 Product
Donations



03 Employee
Donations



04 Financial
Donations



Donated **> 1 million liters**
of disinfectant



> 5 million Skin and
Hand Care products



Employee donations,
doubled by Beiersdorf



In total more than EUR 50m
support program

CORPORATE FINANCIAL DONATIONS – OUR FOCUS FIELDS

C.A.R.E.+

GIRLS EMPOWERMENT



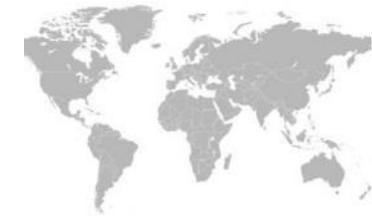
MEDICAL AID



SOCIAL INNOVATION



HUMANITARIAN WORK



GROUP – KEY FIGURES

C.A.R.E.+

	JAN. – JUN. 2019	JAN. – JUN. 2020	CHANGE	
	MILL. €	MILL. €	NOMINAL	ORGANIC
SALES	3,837	3,449	-10.1%	-10.7%
EBIT*	593	472		
PROFIT AFTER TAX*	425	316		
EBIT MARGIN*	15.4%	13.7%		
PROFIT AFTER TAX MARGIN*	11.1%	9.2%		
EARNINGS PER SHARE IN €*	1.84	1.37		

*Excluding special factors.

GROUP – SEGMENTS

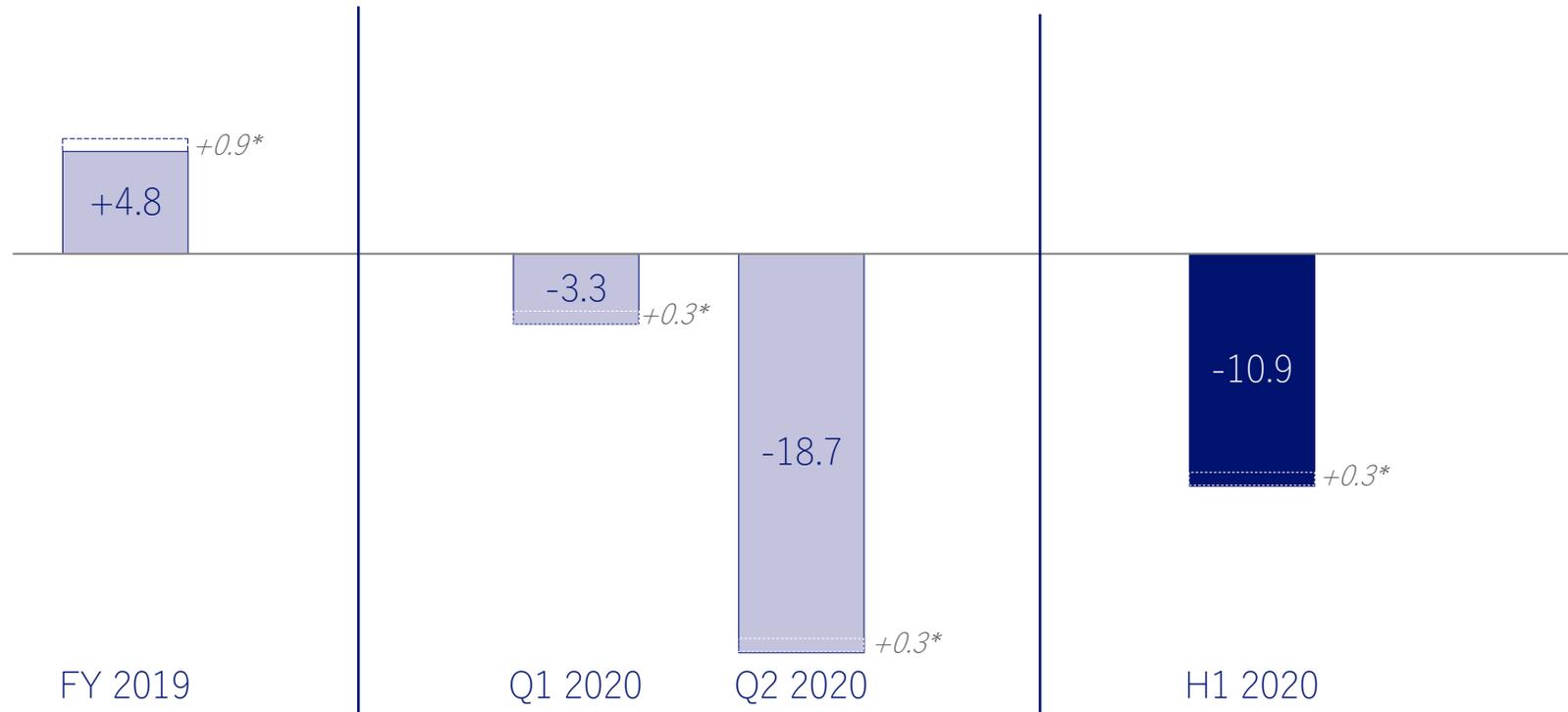
C.A.R.E.+

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<hr/>				
CONSUMER				
SALES	3,146	2,834	-9.9%	-10.9%
EBIT*	482	376		
EBIT MARGIN*	15.3%	13.3%		
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TESA				
SALES	691	615	-11.0%	-10.0%
EBIT	111	96		
EBIT MARGIN	16.0%	15.6%		

*Excluding special factors.

CONSUMER – GROWTH

ORGANIC SALES GROWTH IN %



*Effect on consumer organic sales growth if sales in Argentina had been calculated at constant FX rates.

— CONSUMER – BRANDS

	NIVEA	DERMA	HEALTHCARE	LA PRAIRIE
				
Q2 2020	-16.7%	-0.4%	-25.1%	-49.2%
H1 2020	-8.8%	+6.2%	-7.7%	-41.9%

— CONSUMER – EUROPE

	SALES H1 2019	SALES H1 2020	NOMINAL GROWTH	ORGANIC GROWTH
	MILL. €	MILL. €		
WESTERN EUROPE	1,294	1,116	-13.8%	-14.3%
EASTERN EUROPE	294	266	-9.4%	-6.3%
EUROPE	1,588	1,382	-13.0%	-12.8%

- SIGNIFICANT IMPACT FROM COVID-19 IN FRANCE, ITALY, SPAIN AND UK.
- STRONG DECELERATION DUE TO LA PRAIRIE'S TRAVEL RETAIL BUSINESS.
- POLAND AND UKRAINE WITH ONLY SLIGHTLY NEGATIVE SALES GROWTH.

— CONSUMER – AMERICAS

	SALES H1 2019	SALES H1 2020	NOMINAL GROWTH	ORGANIC GROWTH
	MILL. €	MILL. €		
NORTH AMERICA	226	321	+42.0%	-0.2%
LATIN AMERICA	304	272	-10.6%	+2.8%
AMERICAS	530	593	+11.8%	+1.5%

- NORTH AMERICA RESILIENT WITH STRONG DERMA SALES.
- BRAZIL & CHILE KEEPING UP GROWTH IN LATIN AMERICA.
- SIGNIFICANT DECELERATION IN ARGENTINA AND MEXICO.

*Organic sales growth if sales in Argentina had been calculated at constant FX rates:

- Latin America: +6.3%
- Americas: +3.5%

— CONSUMER – AFRICA/ASIA/AUSTRALIA

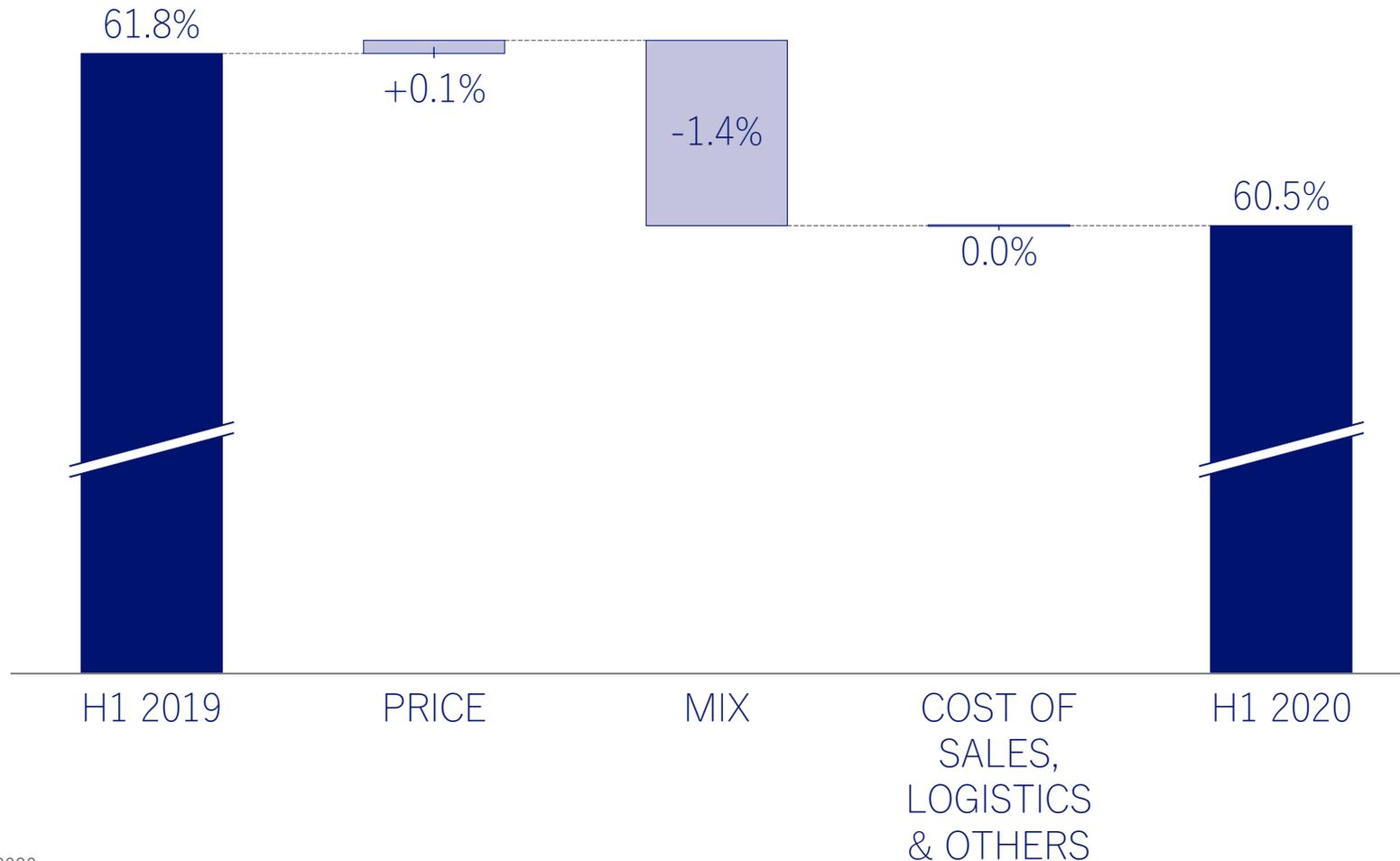
C.A.R.E.+

	SALES H1 2019	SALES H1 2020	NOMINAL GROWTH	ORGANIC GROWTH
	MILL. €	MILL. €		
AFRICA/ASIA/AUSTRALIA	1,028	859	-16.3%	-14.4%

- INDIA, TURKEY, INDONESIA, JAPAN WITH SIGNIFICANT SALES IMPACT.
- LA PRAIRIE SALES AFFECTED BY LOCKDOWN SITUATION.
- SWIFT RECOVERY IN CHINA AFTER REOPENING.

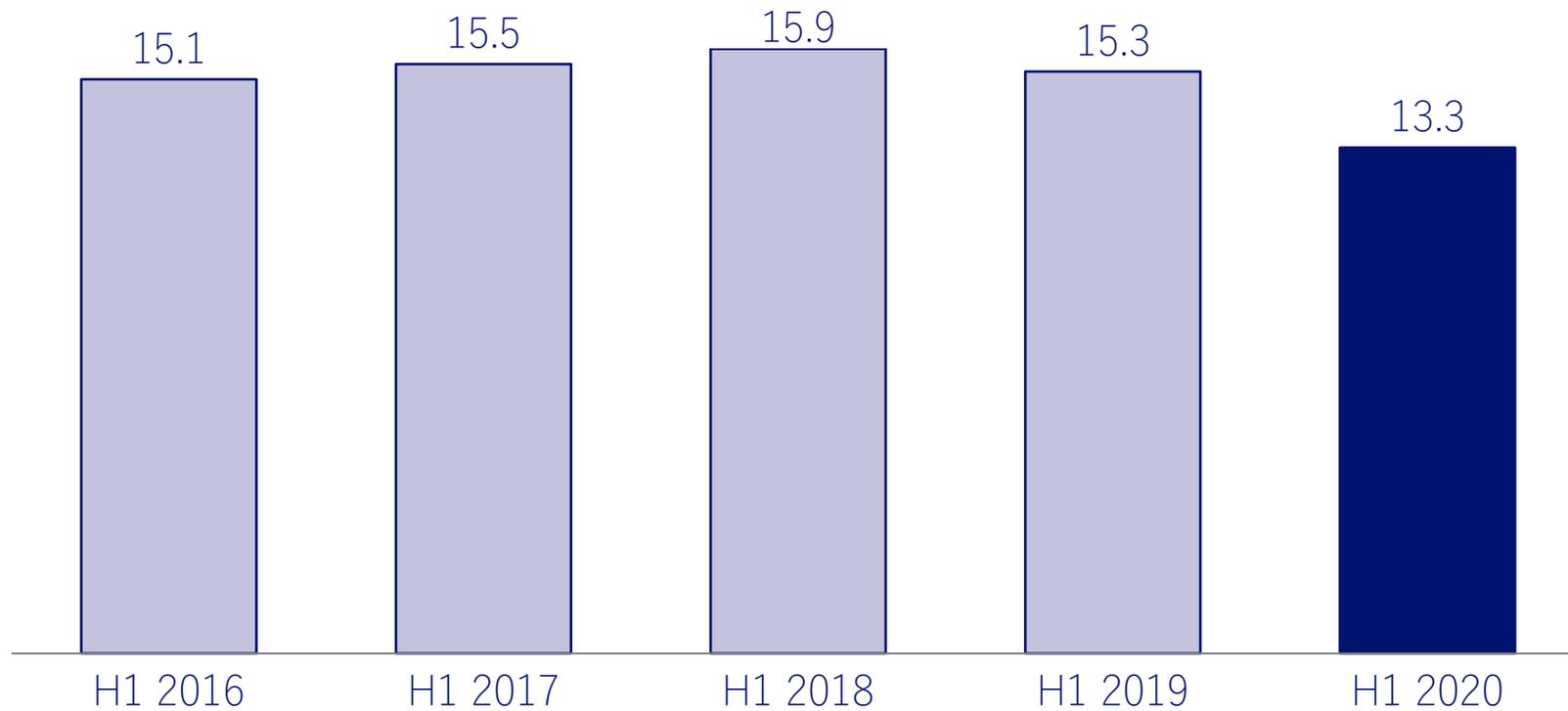
GROSS MARGIN

IN % OF CONSUMER SALES



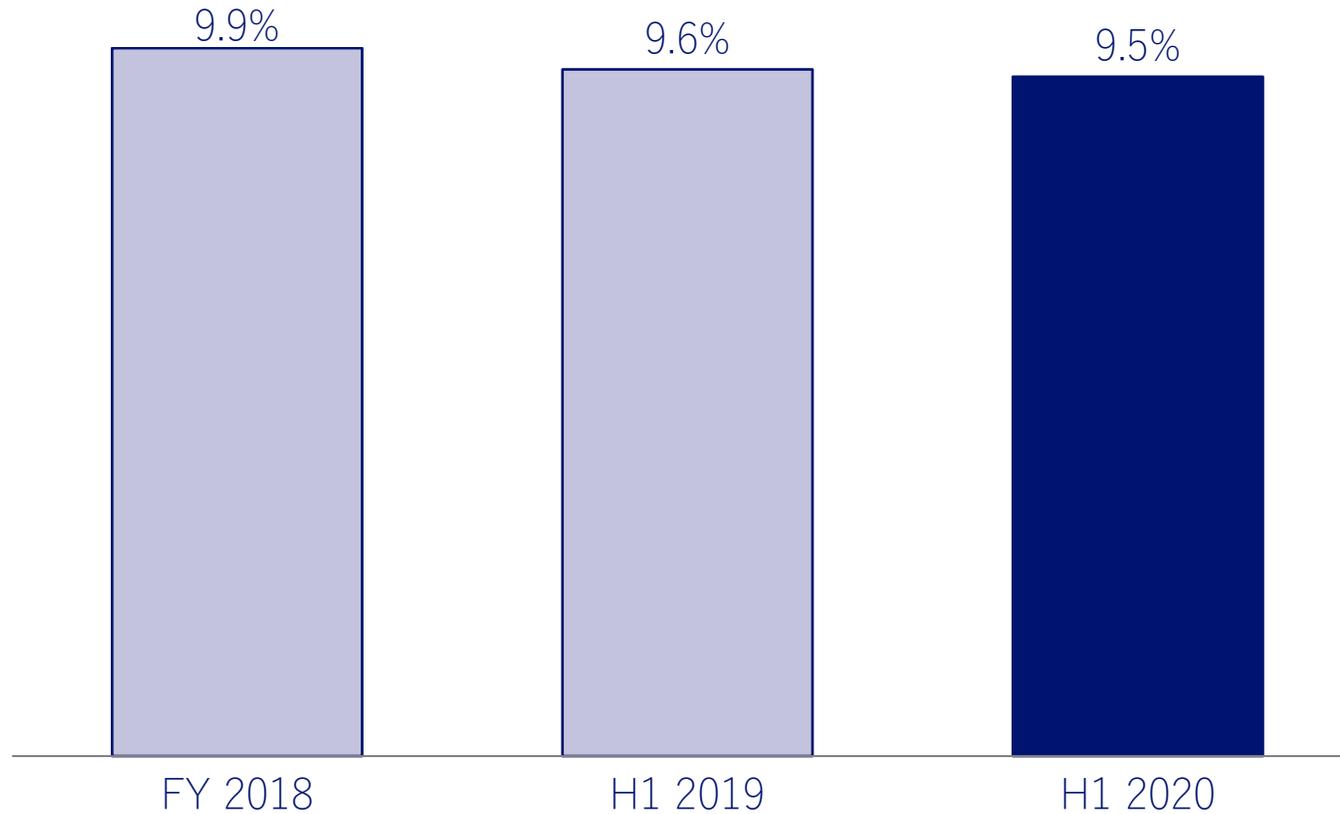
CONSUMER – EBIT

IN % OF CONSUMER SALES, EXCL. SPECIAL FACTORS



— CONSUMER – WORKING CAPITAL

WORKING CAPITAL IN % OF CONSUMER SALES ON A 12-MONTHS ROLLING BASIS



TESA – GROWTH



ORGANIC GROWTH H1 2020

DIRECT INDUSTRIES

-14.5%

AUTOMOTIVE
ELECTRONICS
PRINT AND PAPER
BUILDING SUPPLY

TRADE MARKETS

-3.4%

CONSUMER & CRAFTSMEN
GENERAL INDUSTRIAL
MARKETS

TESA TOTAL

-10.0%

EBIT MARGIN H1 2020

TESA TOTAL

15.6%

— OUTLOOK

July was better than June,
but uncertainty remains exceptionally high

Investments in C.A.R.E.+
will be further increased

Preparing for continued
volatility ahead

FY2020 sales growth in both business
segments and on group level will be
negative. Group EBIT margin is expected to
be significantly below prior-year level



— Q&A

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