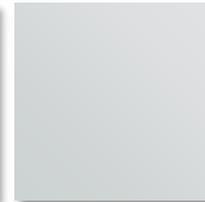


Henkel
Q2 2014

Kasper Rorsted
Carsten Knobel

Düsseldorf
Aug. 12, 2014



Disclaimer

This information contains forward-looking statements which are based on current estimates and assumptions made by the corporate management of Henkel AG & Co. KGaA. Statements with respect to the future are characterized by the use of words such as “expect”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, and similar terms. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and results actually achieved by Henkel AG & Co. KGaA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside Henkel's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. Henkel neither plans nor undertakes to update any forward-looking statements.

Agenda

1 Key developments Q2 2014

2 Financials Q2 2014

3 Summary & outlook FY 2014

Q2 2014 - Good performance in a challenging environment

OSG

+3.3%

Adj. EBIT margin

16.3%

Adj. EPS growth

+8.4%

Sales Share in EM

45%

NWC in % of sales

6.0%

Net financial pos.

156m€

Continued profitable growth in all business units



- Solid organic sales growth driven by all business units
- Emerging Markets with strong OSG, Western Europe solid
- Very strong improvement in adj. EBIT margin, supported by all business units
- High single-digit adj. EPS growth
- Progress in acquisitions:
 - Western Europe: Spotless Group
 - North America: Alterna, Kenra & Sexy Hair
 - Latin America: Pert

Increasingly challenging environment

- Continued high pressure from FX
- Concerning & negative developments in Russian / Ukrainian crisis
- Significant increase in geo-political tensions in Middle East
- Intensified promotional & pricing pressure in HPC
- North America improved, OSG still slightly negative



Laundry & Home Care

Solid OSG & excellent margin improvement in Q2 2014



Sales

- Solid OSG
- Laundry solid, Home Care strong
- Emerging Markets OSG double-digit
- Mature Markets OSG negative

Return

- Adj. EBIT margin showing excellent increase
- ROCE below level of previous year

Laundry & Home Care

Strengthening innovation leadership across categories

Perwoll Re-New +



- Smoothens roughened fibers and refreshes faded colors
- Improved anti-greying performance

Somat Gold



- Extra-power against starch crusts without pre-washing
- New enriched formula with an innovative enzyme combination

Bref Blue Aktiv



- Hygienic blue water for active cleaning, even between flushes
- New formula with four active agents

NEW



Beauty Care

Solid OSG & excellent margin improvement in Q2 2014



Sales

- Solid OSG
- Retail solid, Hair Salon negative
- Emerging Markets OSG strong
- Mature Markets OSG flat

Return

- Adj. EBIT margin showing excellent increase
- ROCE below level of previous year

Beauty Care

Strengthening innovation leadership across categories

Fa Floral Protect



- 1st deodorant from Fa with Scent Release Technology
- Effective protection against sweat & body odor

Syoss Keratin



- 1st Keratin Care from Syoss for salon-like hair perfection
- 80% more Keratin for 100% structure repair, suppleness & shine

BC Bonacure



- 1st Professional Hair Care with patented Cell Perfector Technology
- Replenishes damaged hair cells for 100% strength & resilience



Adhesive Technologies

Solid OSG & very strong margin improvement in Q2 2014



Sales

- Solid OSG
- Emerging Markets OSG solid
- Mature Markets OSG solid
- General industry very strong

Return

- Adj. EBIT margin showing very strong increase
- ROCE further increased

Adhesive Technologies

Fostering technology leadership with strong innovations

Sprayable Sound Damping



- Sprayable damping technology based on renewable material
- Weight reduction up to 30% and higher acoustical performance

Foils for Flexible Displays



- Start-up investment for first cost competitive flexible displays
- Meets the future need of flexible mobile devices for mass-market

Hybrid Adhesive



- 1st technology combining structural & instant bonding
- New industrial applications incl. metal, plastics and rubber

LOCTITE®



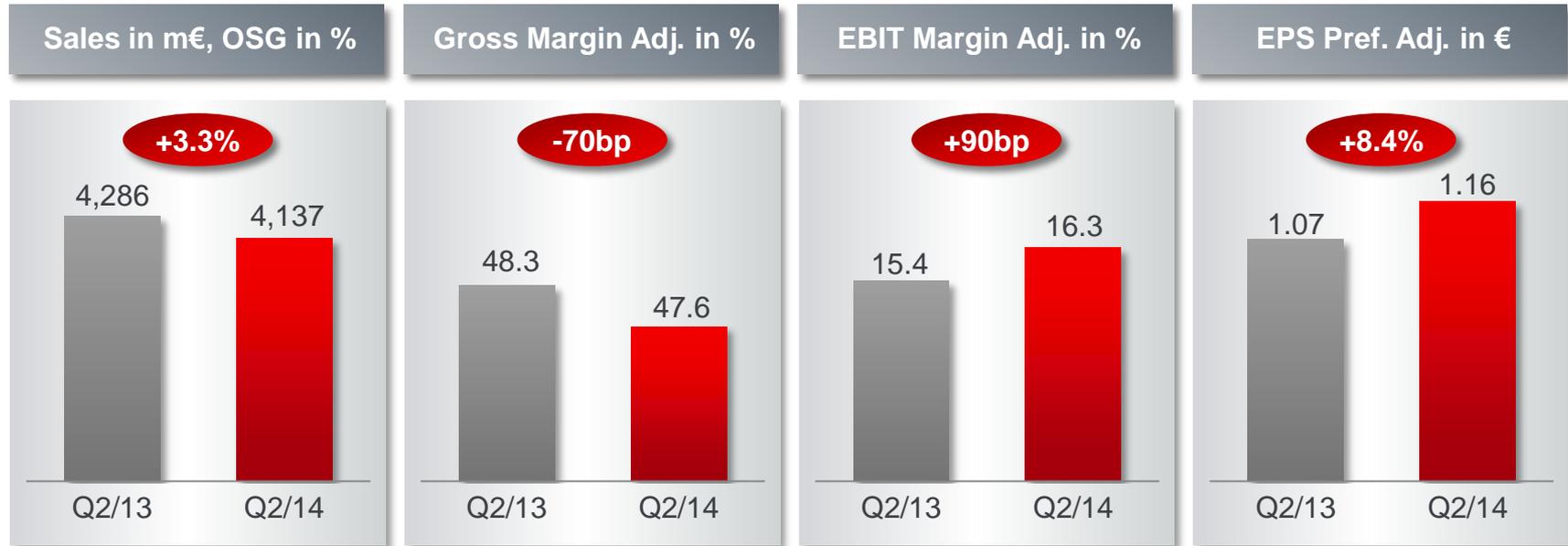
Agenda

1 Key developments Q2 2014

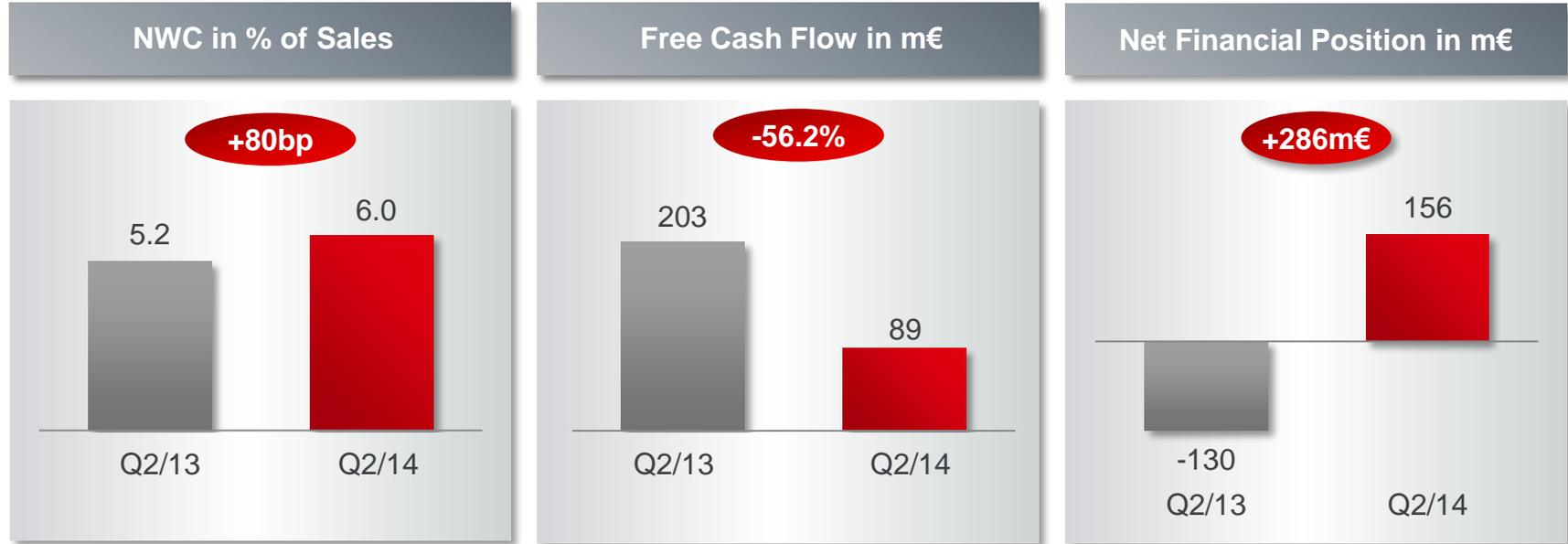
2 **Financials Q2 2014**

3 Summary & outlook FY 2014

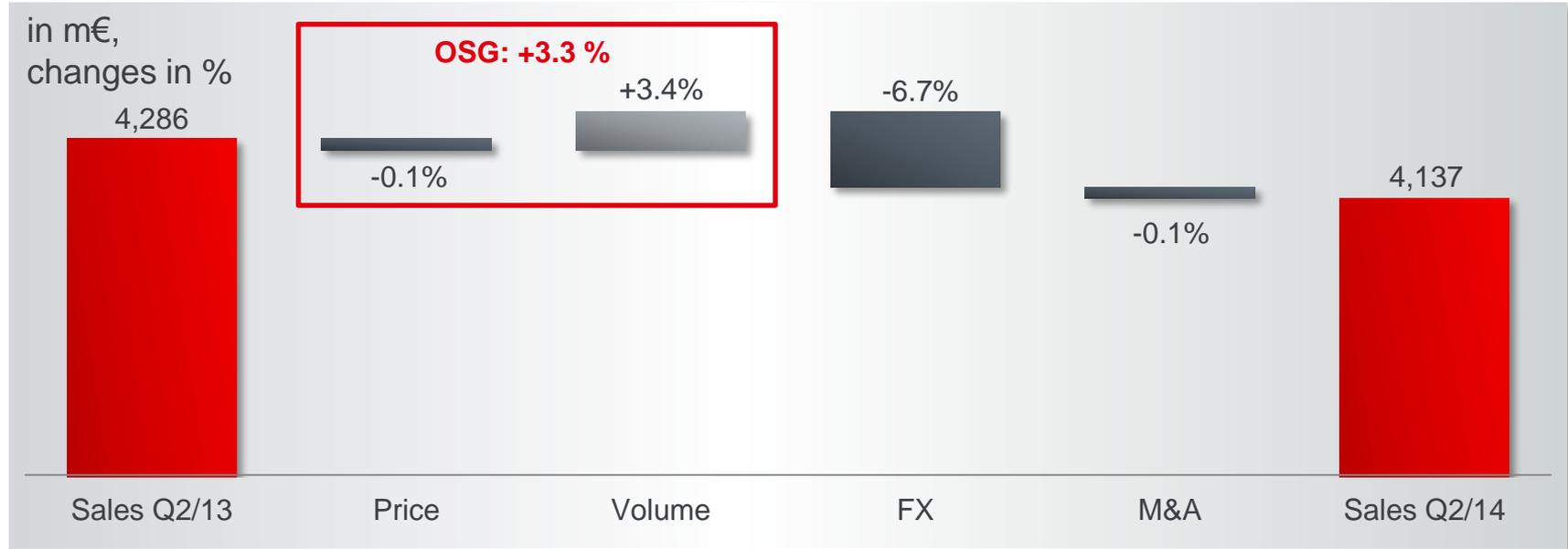
Continuous commitment to profitable growth



Strong financial position despite higher dividend & acquisitions



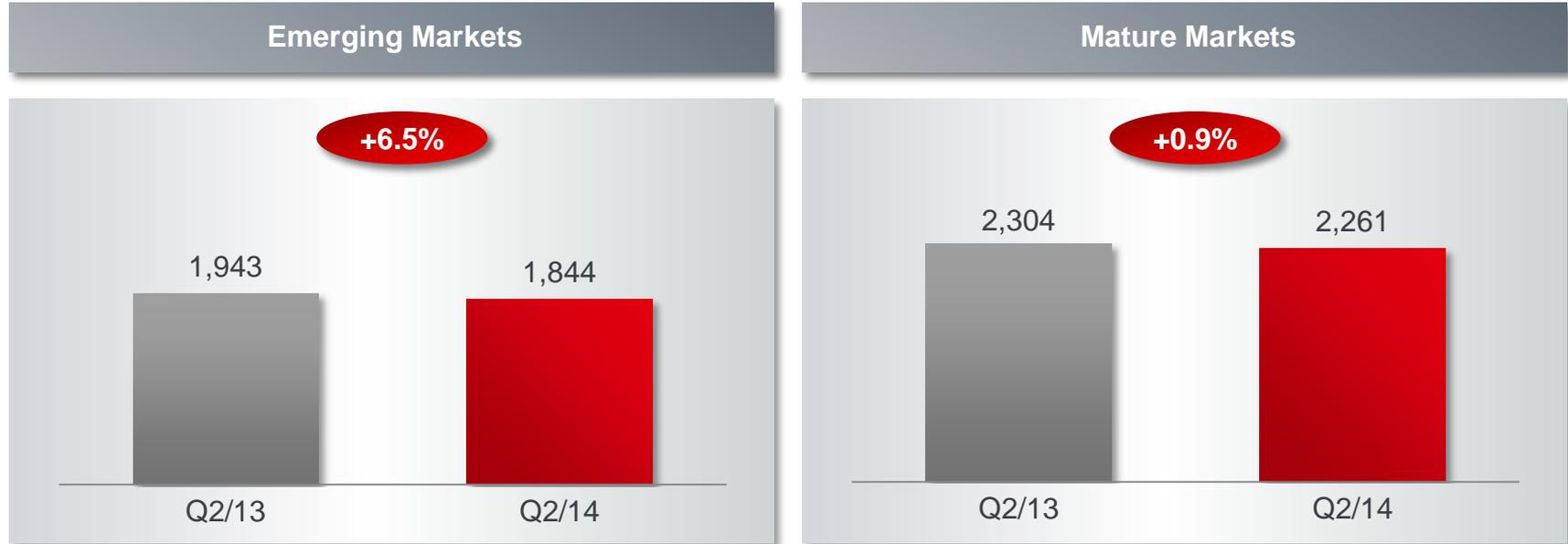
Solid organic sales growth in a challenging environment



- Strong FX headwind mainly from Emerging Market currencies and US Dollar

Emerging Markets strong, Mature Markets positive

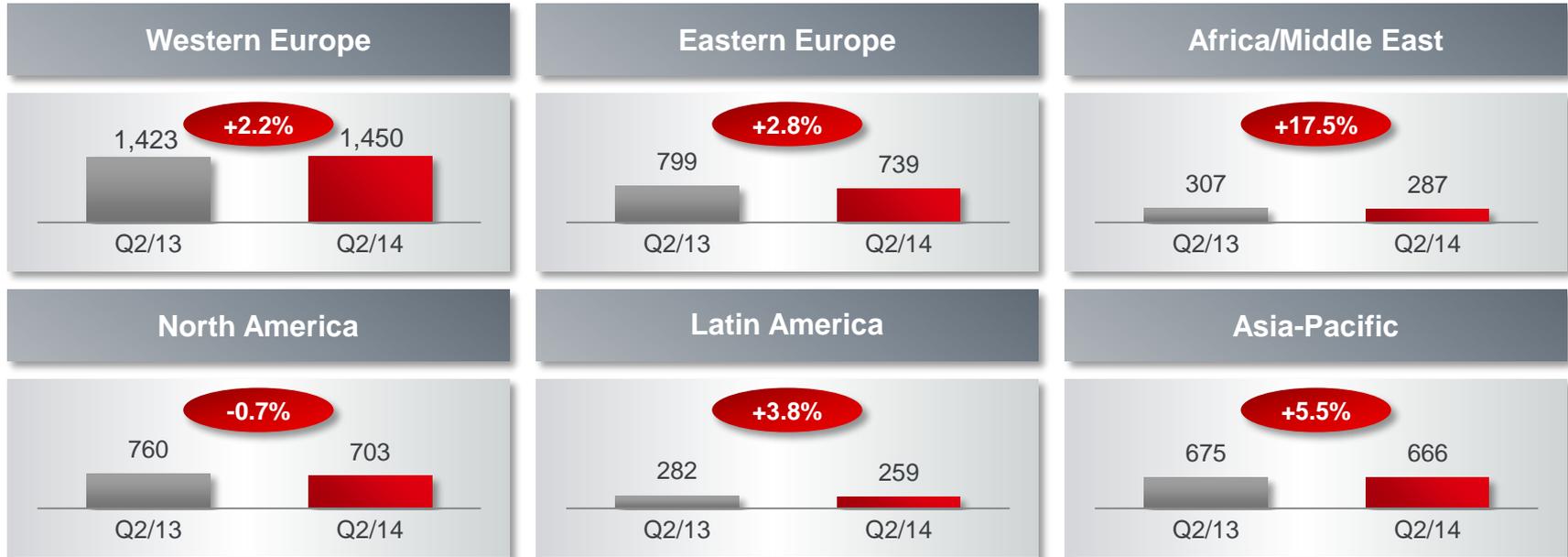
in m€, OSG in %



- Emerging Market sales share of 45%

Balanced growth across regions

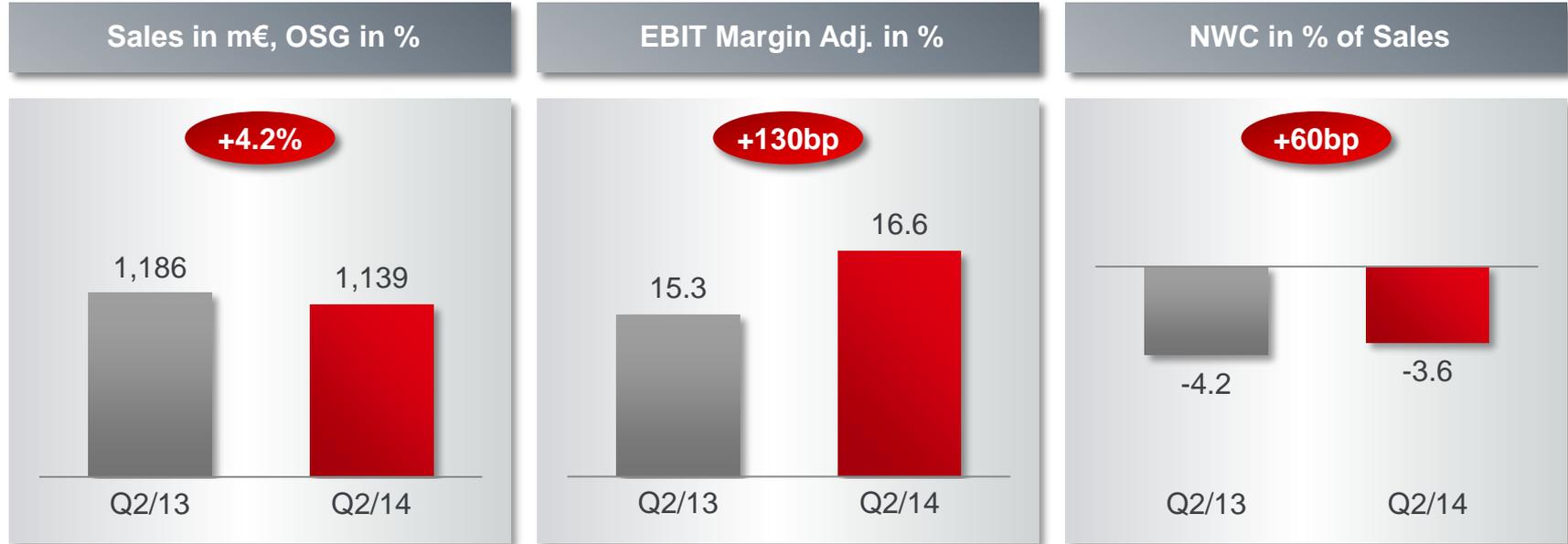
in m€, OSG in %



- BRIC with very strong OSG, driven by double-digit China & strong Russia
- North America with negative OSG in HPC, Adhesive Technologies positive

Laundry & Home Care

Fostering profitable growth path in Q2 2014



- OSG driven by 5.9% in volume, price -1.7%

Beauty Care

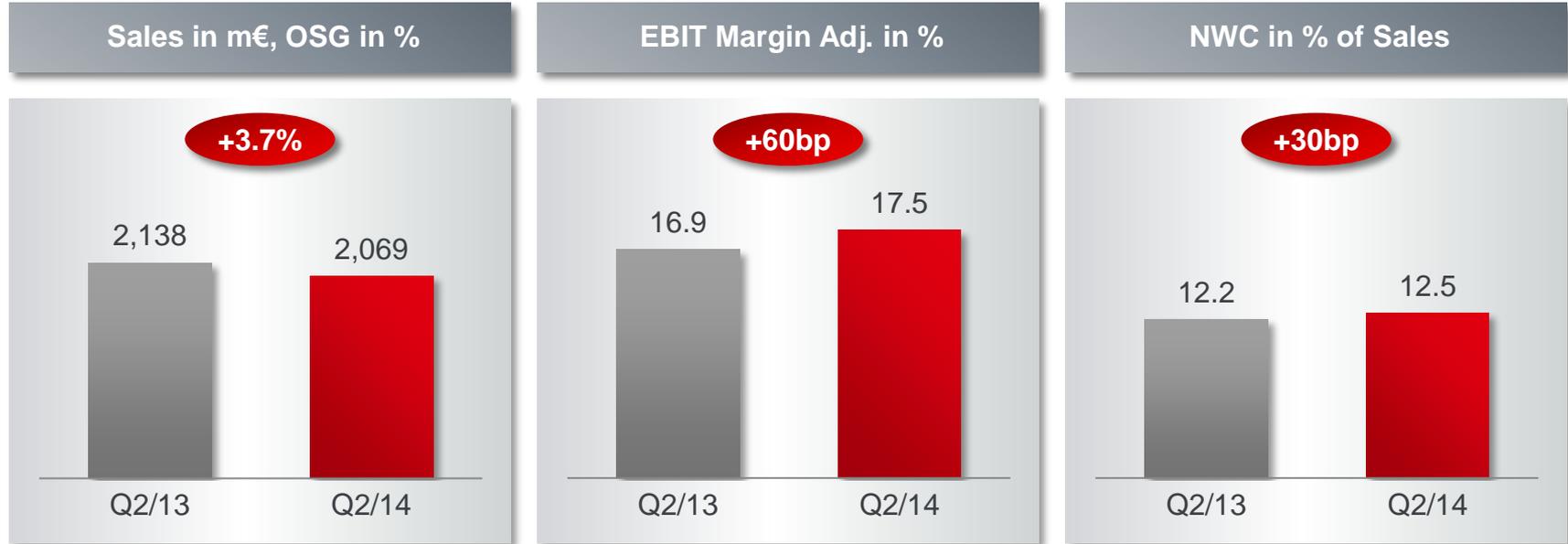
Fostering profitable growth path in Q2 2014



- OSG driven by 2.7% in volume, price -0.6%

Adhesive Technologies

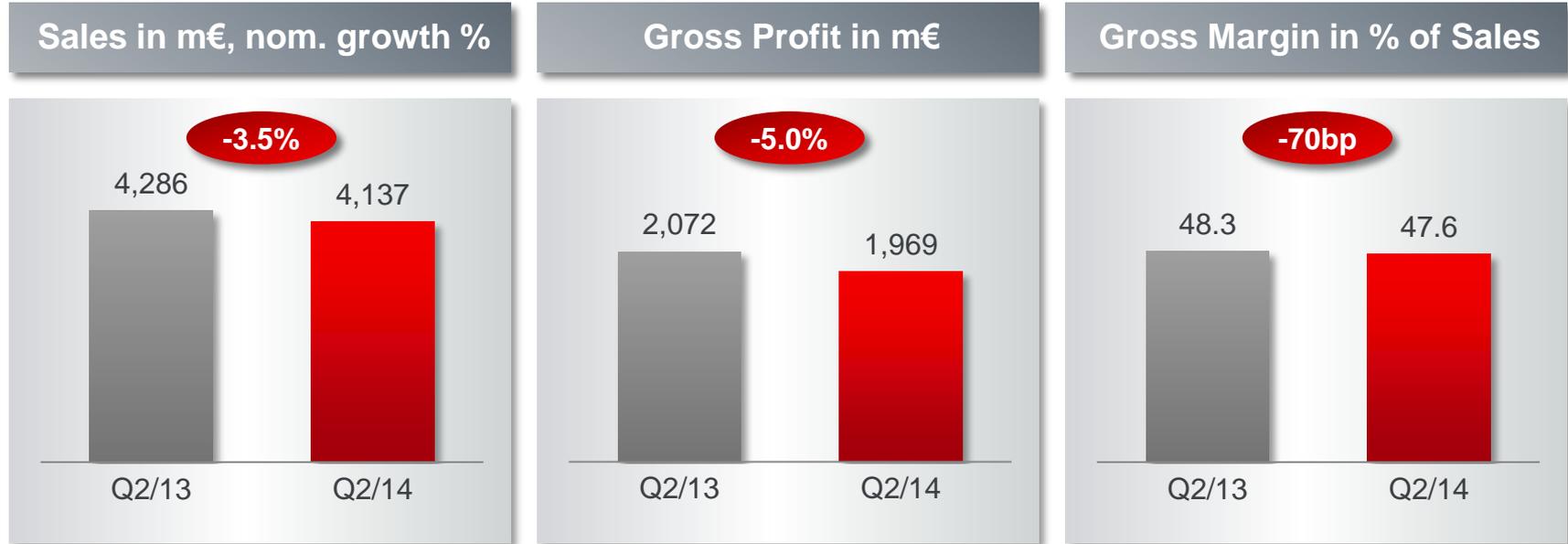
Fostering profitable growth path in Q2 2014



- OSG driven by 2.7% in volume and 1.0% in price

Gross margin impacted by challenging environment

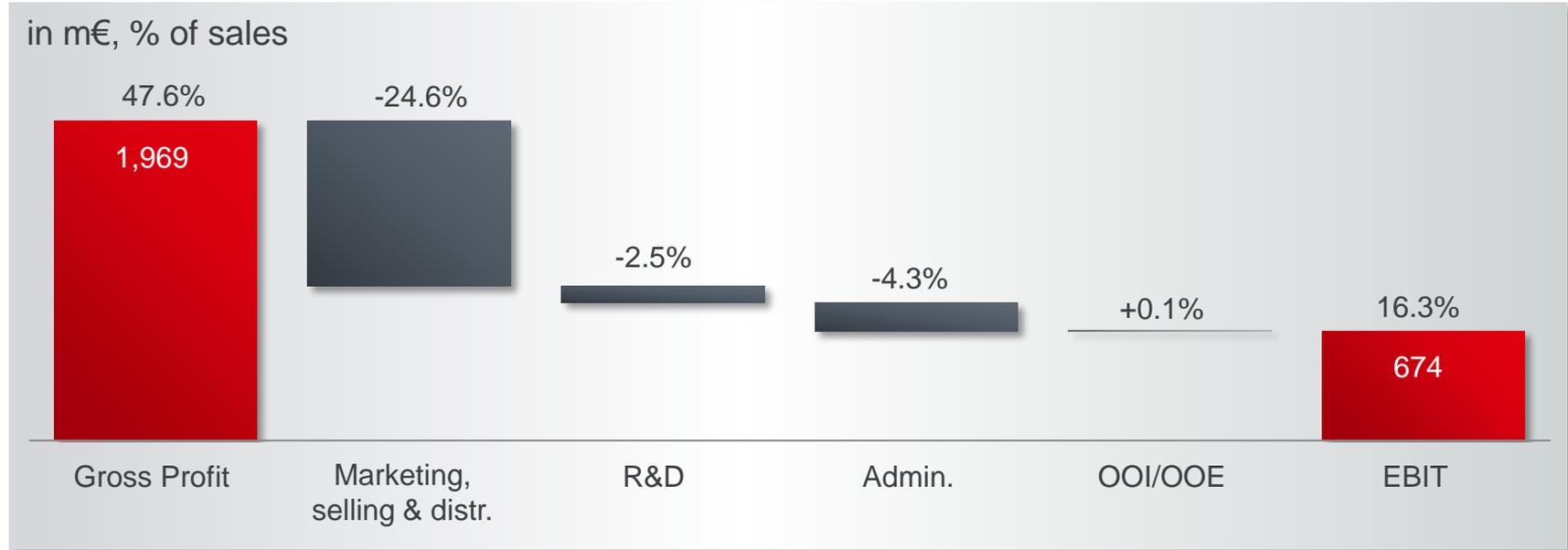
Income statement adjusted



- Gross margin affected by FX, slight increase of direct material prices and intensified promotional pressure

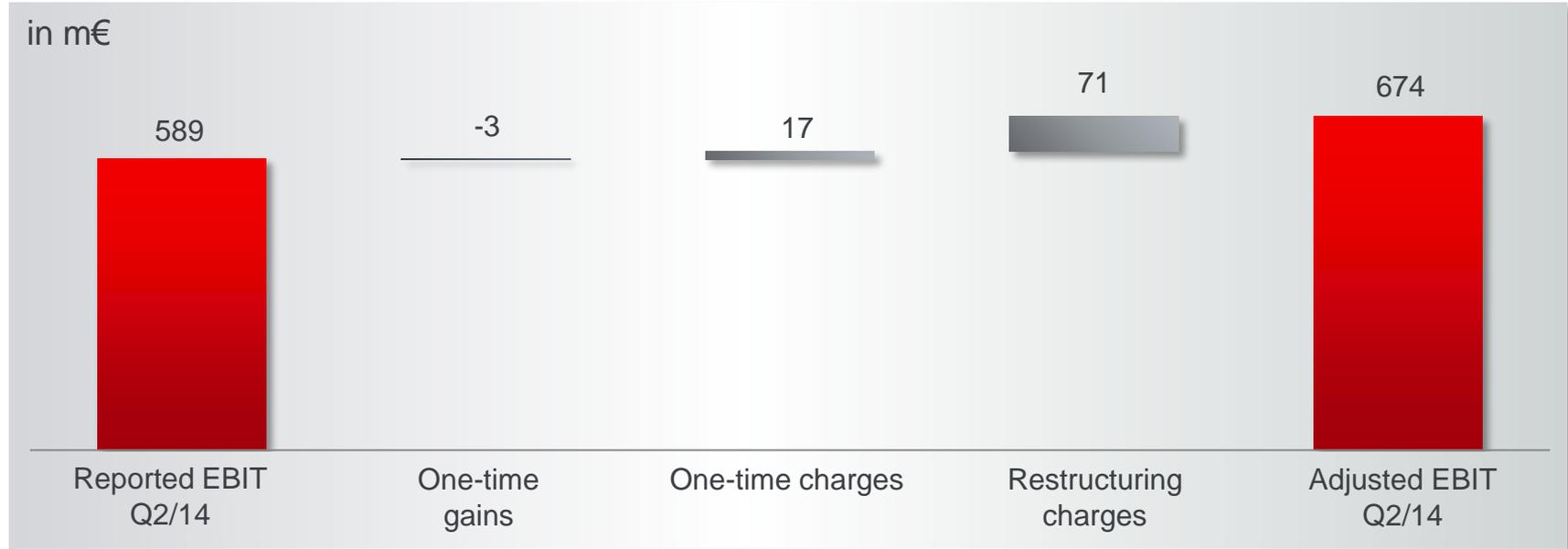
Very strong adj. EBIT margin increase, plus 90bp

Income statement adjusted

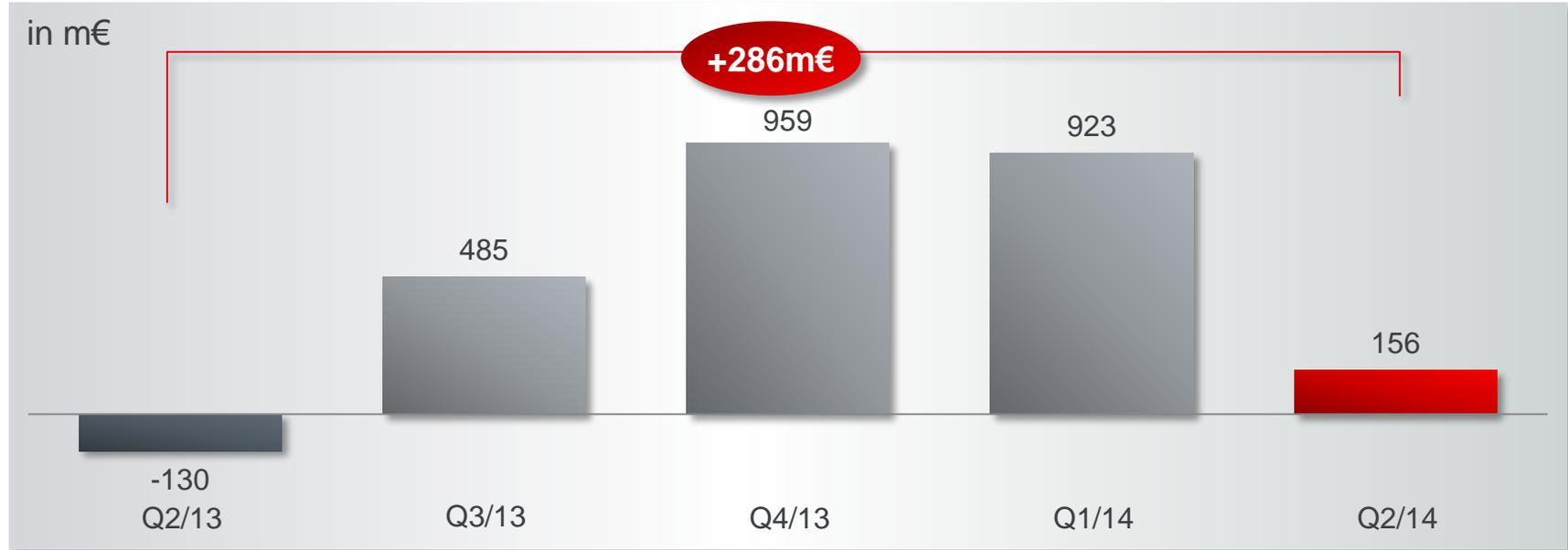


- Marketing, selling & distribution expenses affected by FX
- Efficiency gains in Selling & Distribution, Marketing affected by shift to promotions

Continuous adaptation of our structures to the market



Improvement of net financial position



- Significant increase despite acquisitions, higher dividend payout & CAPEX

Agenda

1

Key developments Q2 2014

2

Financials Q2 2014

3

Summary & outlook FY 2014

Q2 2014 - Good performance in a challenging environment

- Solid organic sales growth, driven by all business units
- Emerging Markets with strong OSG, Western Europe solid
- Very strong increase in adj. EBIT margin
- High single-digit adj. EPS growth
- Increased dividend payout & compelling acquisitions in HPC

Challenging quarters ahead

- Increased geo-political tensions expected to impact business
- Persisting FX headwind, at least until end of Q3 2014
- Strong focus on cost optimization
- Focused and balanced investment in growth initiatives
- Strong innovation pipeline across all business units
- Slower EPS growth in second half vs. first half year

Guidance FY 2014 confirmed despite challenges

	Guidance FY 2014
Organic Sales Growth <ul style="list-style-type: none">- Laundry & Home Care- Beauty Care- Adhesive Technologies	3 - 5% All Business Units 3 - 5%
Emerging Markets sales share	Slight increase
Adjusted EBIT Margin <ul style="list-style-type: none">- Laundry & Home Care- Beauty Care- Adhesive Technologies	~15.5% All Business Units contributing
Adjusted EPS Growth	High single-digit

 We will continue to adapt our structures to the market

Full commitment to execute on our strategy & achieve 2016 targets

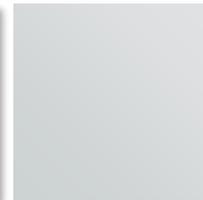


Upcoming events

- November 11th, 2014
Q3 2014 Financials
- March 4th, 2015
FY 2014 Financials
- April 13th, 2015
Annual General Meeting



Thank You!



Additional Information

Excellence in value creation

Recent acquisitions with strong country / category positions

Laundry & Home Care



- Leading brands (Spotless Group) with high margins in attractive laundry & home care segments
- Leverage strength in Western Europe while closing white spots

Beauty Care

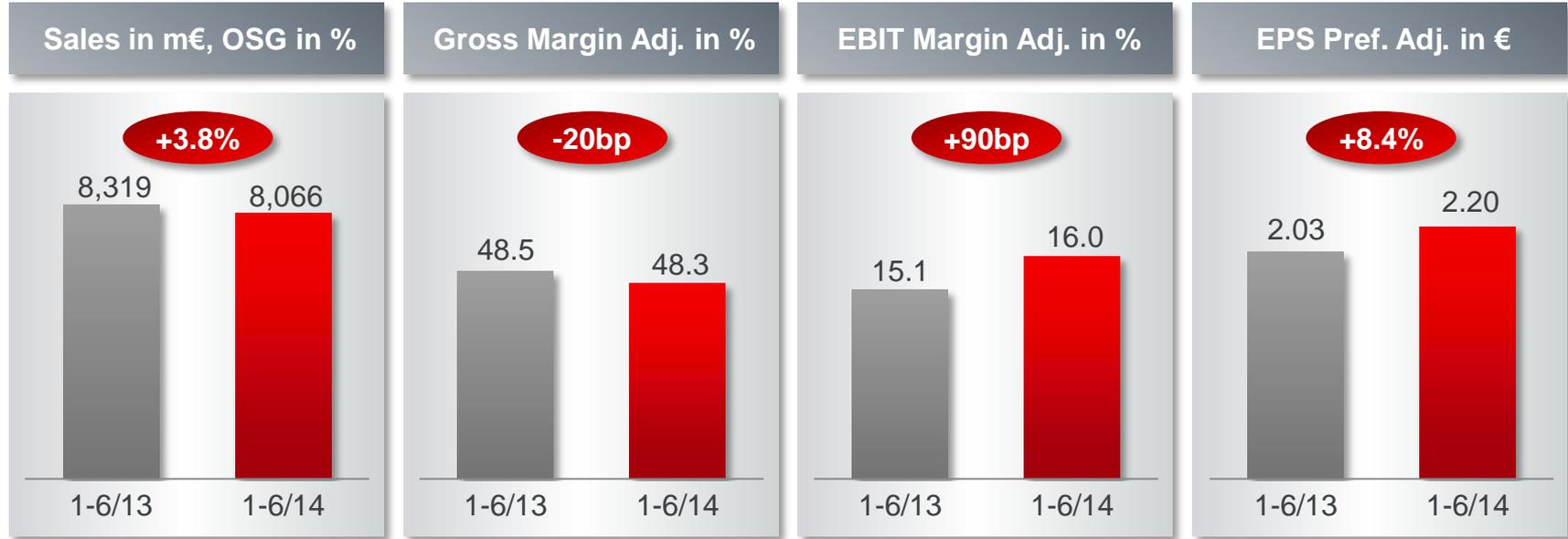


- Professional: High-performance and high-quality brands complementing current color portfolio in US
- Retail: Brand with local heritage strengthening core Hair business in Latin America, especially Mexico

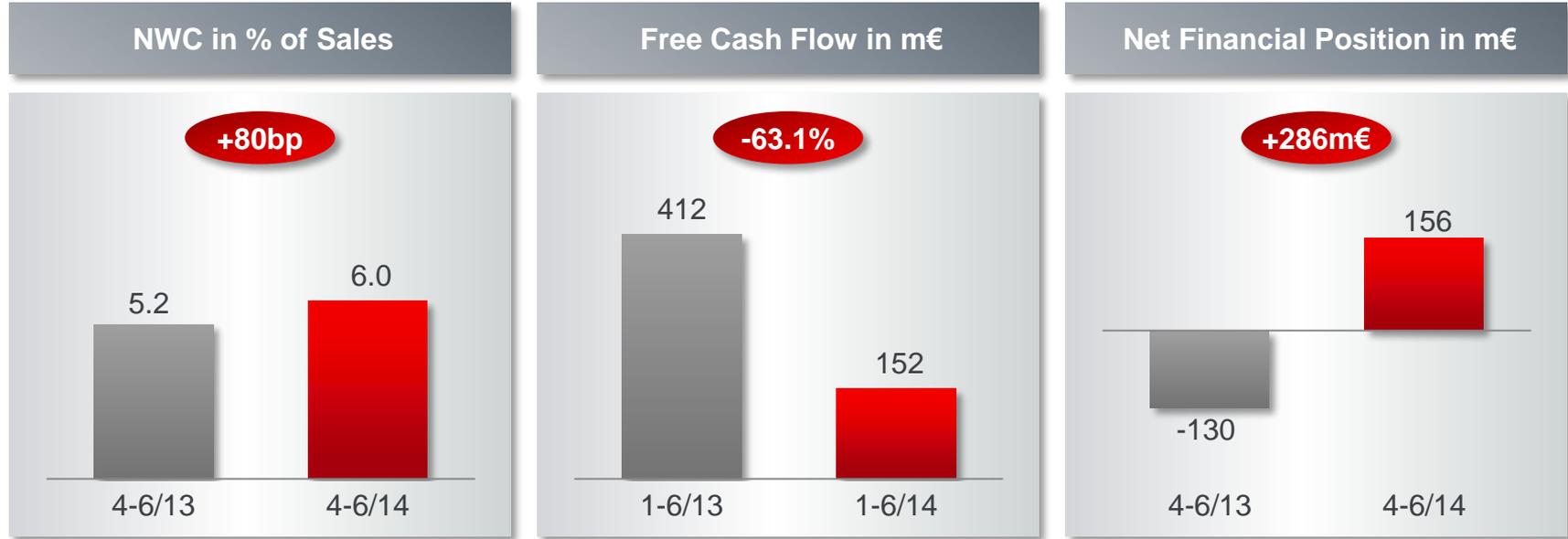
Guidance FY 2014 for selected KPIs

	Guidance FY 2014
Price increase total direct materials	Moderate price increase
Restructuring charges	At prior-year level
CAPEX	~500-550 m€

Key financials YTD 1-6 2014 (1/2)

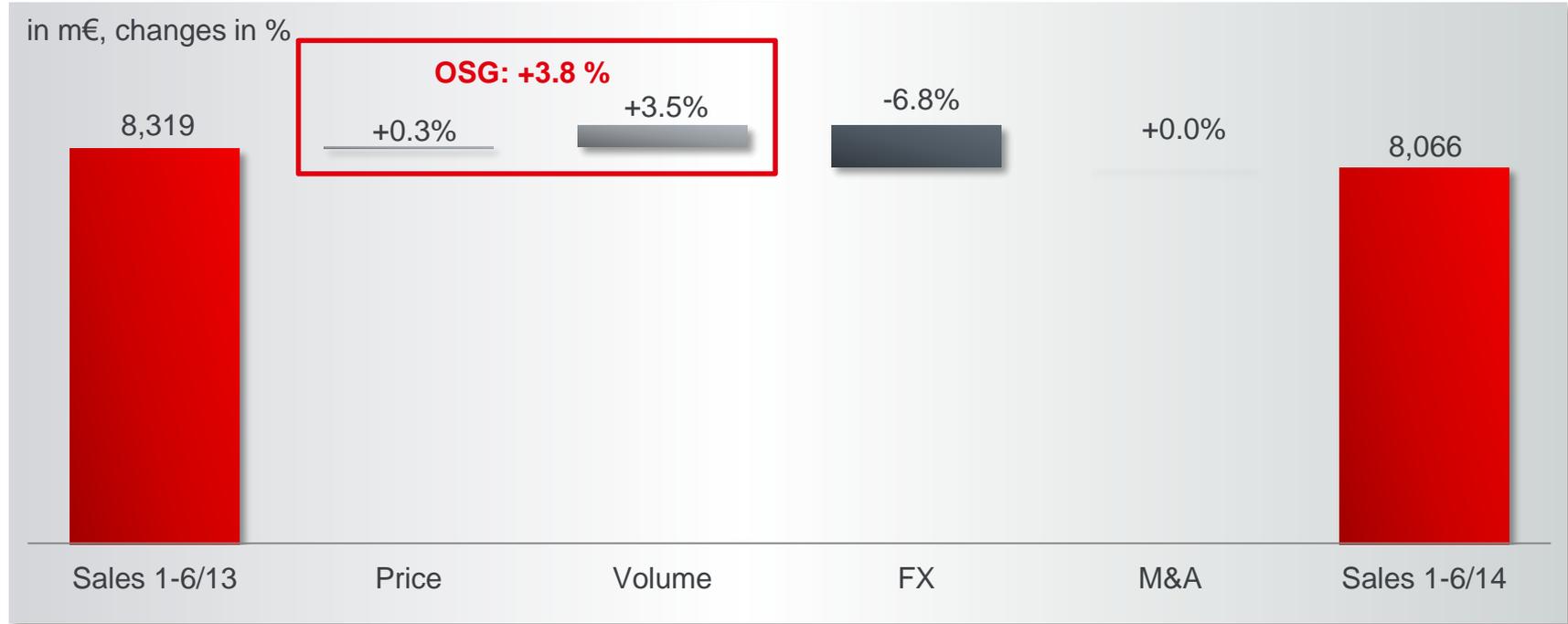


Key financials YTD 1-6 2014 (2/2)

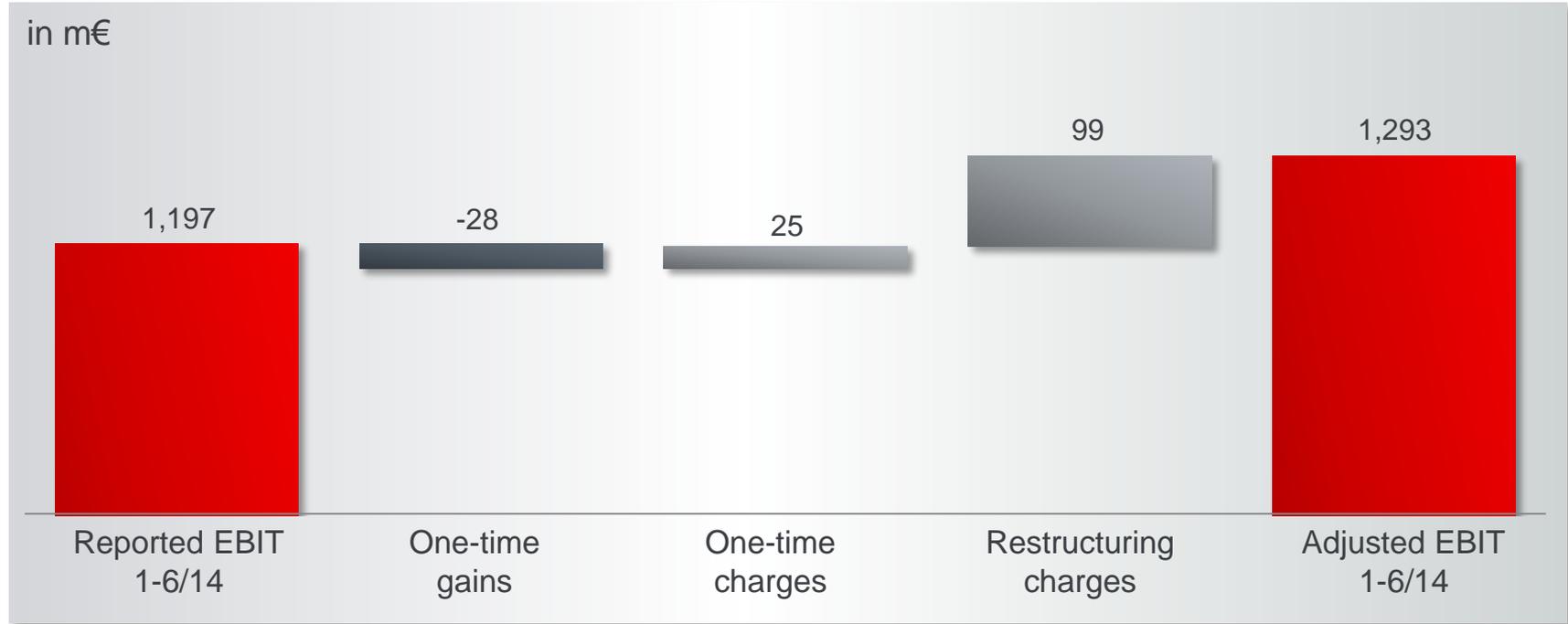


Sales growth

Henkel

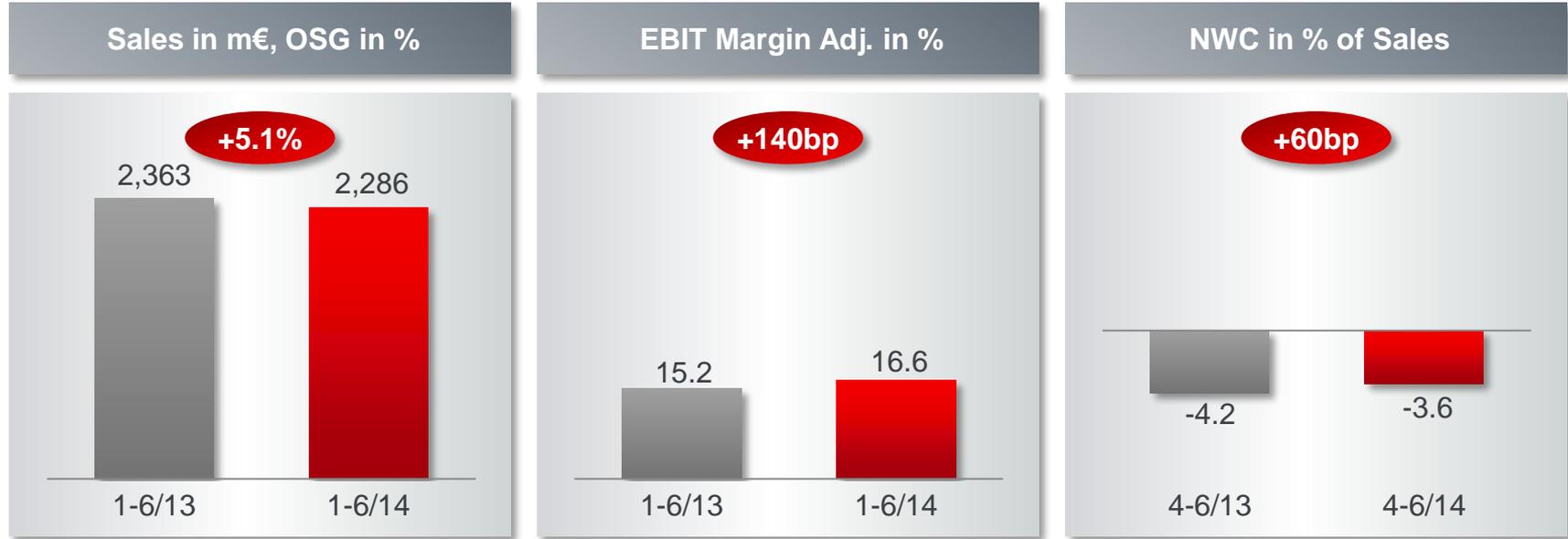


Reported to Adjusted EBIT



Laundry & Home Care

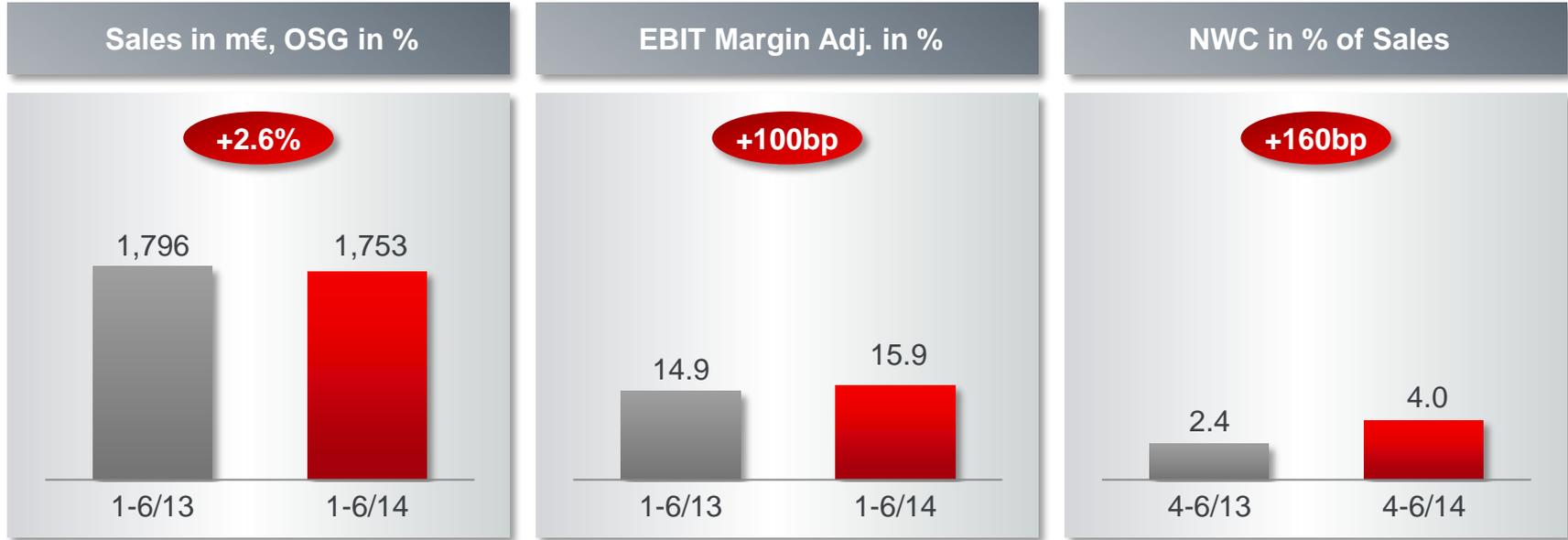
Key figures YTD 1-6 2014



- OSG driven by 6.1% in volume, price -1.0%

Beauty Care

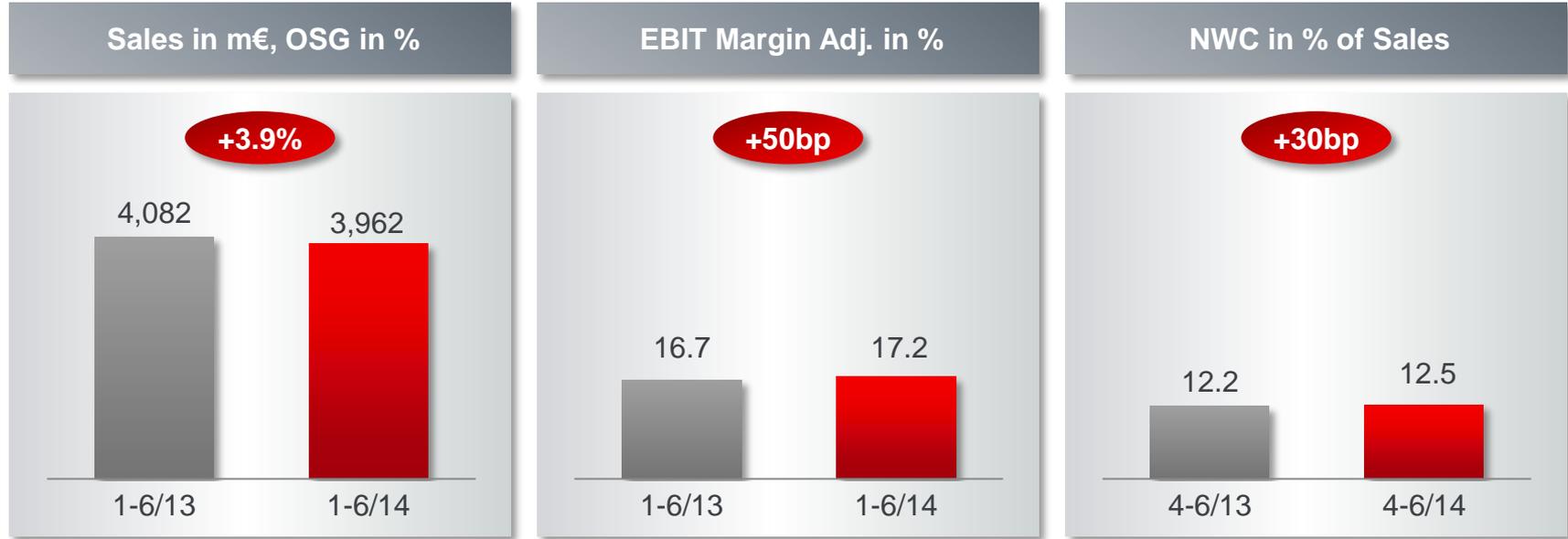
Key figures YTD 1-6 2014



- OSG driven by 2.1% in volume and 0.5% in price

Adhesive Technologies

Key figures YTD 1-6 2014



- OSG driven by 3.0% in volume and 0.9% in price