



Henkel
Q3 2012

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London
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Agenda

- 1 Key Developments Q3/2012**
- 2 Financials Q3/2012
- 3 Summary & Outlook FY 2012

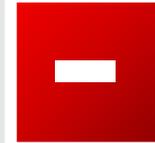
Key Developments Q3/2012

Henkel

- Continued solid growth in HPC
- Further increase in gross margin
- Adj. EBIT margin at all-time high
- Asia-Pacific with strong growth, China double-digit
- Free cash flow significantly improved



- Continued weakness in Southern Europe, especially impacting Adhesives
- Sales growth in Latin America further slowing



Key Financials Q3/2012

	Q3/2011	Q3/2012	Change
Sales (m€) (OSG in %)	4,028	4,294	+ 6.6% (+ 2.5%)
Adjusted gross margin (%)	45.7	47.2	+150bp
Adjusted EBIT (m€)	541	631	+16.7%
Adjusted EBIT margin (%)	13.4	14.7	+130bp
Adj. EPS per pref. share	0.85	0.99	+16.5%
NWC / sales (%)	8.0	6.6	-140bp
Free cash flow (m€)	515	778	+51.1%

 High earnings quality despite reduced growth dynamics

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Sales Growth by Business Sector

Q3/2012 vs. Q3/2011

in %	Total	FX Impact	Organic	Thereof Price/Volume*
Laundry & Home Care	7.6	3.1	4.6	3.4 / 1.2
Beauty Care	5.6	3.8	3.3	1.5 / 1.8
Adhesive Technologies	6.6	5.6	1.0	2.7 / -1.7
Total Henkel	6.6	4.4	2.5	2.6 / -0.1

* new product launches included in price for Laundry & Home Care and Beauty Care and in volume for Adhesive Technologies

Sales Growth by Business Sector

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Total Henkel	6.6	4.4	2.5	2.6 / -0.1

- All regions contributing, Latin America & Eastern Europe very strong
- Laundry with strong growth, Home Care solid

Sales Growth by Business Sector

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Total Henkel	6.6	4.4	2.5	2.6 / -0.1

- Emerging Markets strong, North America strong, Western Europe solid
- Retail with solid growth, Hair Salon slightly below PY quarter

Sales Growth by Business Sector

Q3/2012 vs. Q3/2011

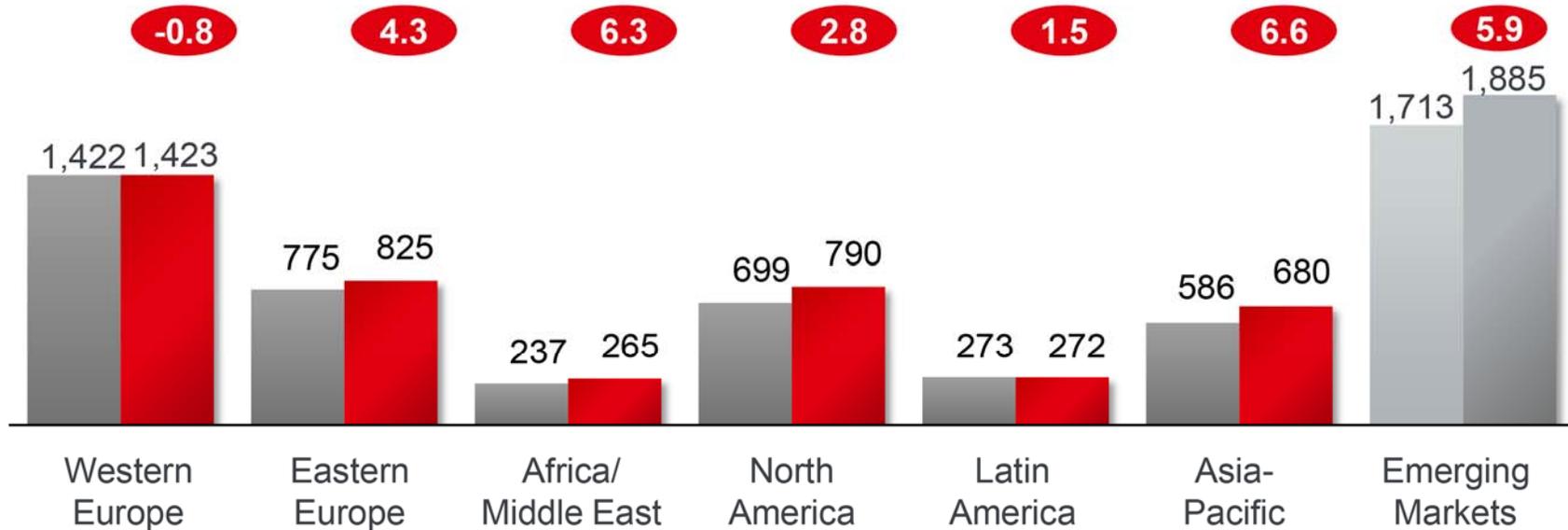
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Total Henkel	6.6	4.4	2.5	2.6 / -0.1

- Emerging Markets solid, N. America solid, W. Europe below PY quarter
- Electronics & Transport/Metal solid, Consumer Adh. slightly below PY quarter

Sales Growth by Region

Q3/2012 vs. Q3/2011

XX Organic, percent



- Emerging Markets sales share at all-time high with 44%
- Latin America with mixed development
- Asia-Pacific strong with double-digit contribution from China

Adjusted EBIT by Business Sector

Q3/2012 vs. Q3/2011

	Adjusted EBIT		Adjusted EBIT Margin	
	in m€	Change in %	in %	Change in bp
Laundry & Home Care	173	+11.3	14.5	+50
Beauty Care	133	+8.6	14.7	+40
Adhesive Technologies	345	+18.3	16.0	+160
Total Henkel	631	+16.7	14.7	+130

- Impact from higher input costs counteracted by pricing and innovation
- Portfolio focus shifting towards high-margin segments
- Ongoing costs and efficiency measures contributing

Income Statement Adjusted

Sales to Gross Profit

in m€	Q3/2011	Q3/2012	Change
Sales	4,028	4,294	+6.6%
Cost of sales	-2.187	-2.269	+3.7%
Gross profit	1.841	2.025	+10.0%
Gross margin (in%)	45.7	47.2	+150bp

- Significant increase in GM despite negative impact of ~150bp from COGS
- Disciplined execution of countermeasures

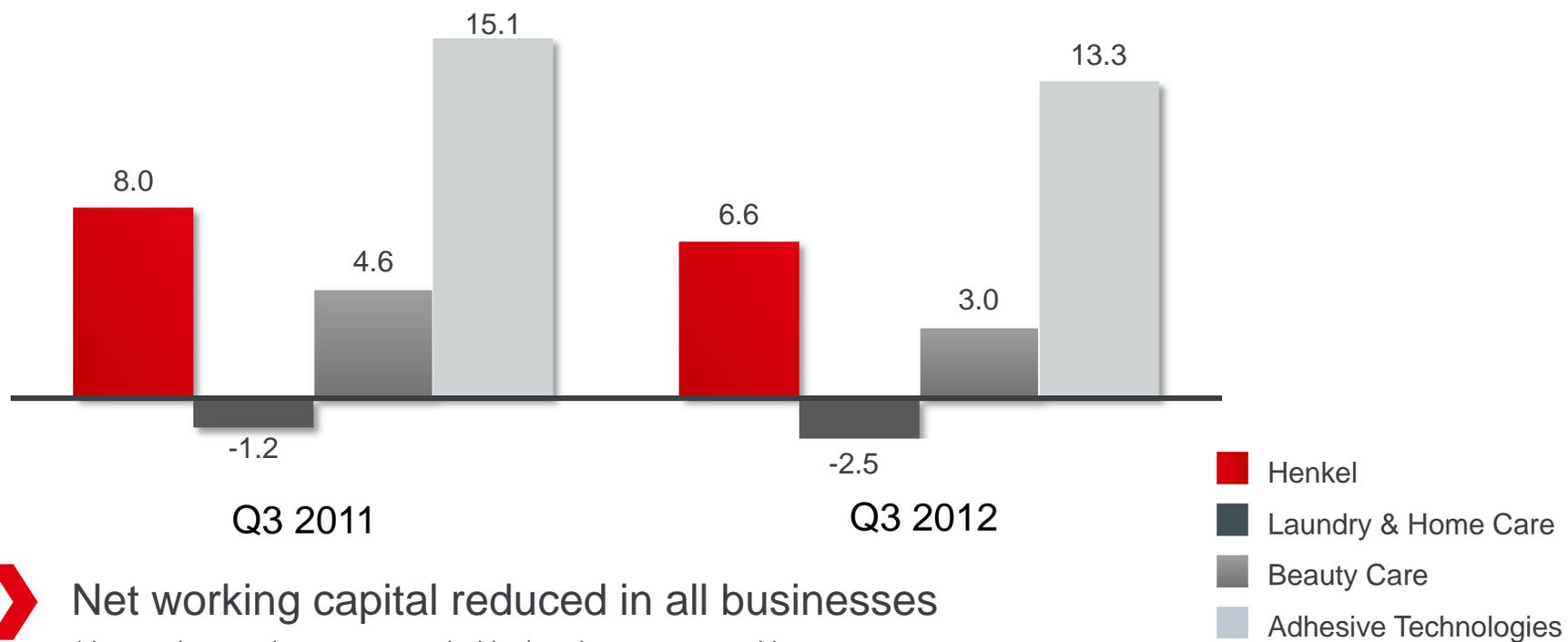
Income Statement Adjusted Sales to Adjusted EBIT

in m€	Q3/2011	Q3/2012	Q3/2012 in %	Change in bp
Sales	4,028	4,294	100.0	
Cost of sales	-2.187	-2.269	-52.8	
Gross profit	1.841	2.025	47.2	
Marketing, selling & distrib. exp.	-1.018	-1.096	-25.5	+20
Research & development exp.	-94	-99	-2.3	
Administrative exp.	-179	-186	-4.3	-10
Net other oper. income/charges	-9	-13	-0.4	
Adjusted EBIT	541	631	14.7	+130

- Increased marketing expenses due to higher investments in our brands
- Further decrease of administrative expenses in % of sales

Net Working Capital*

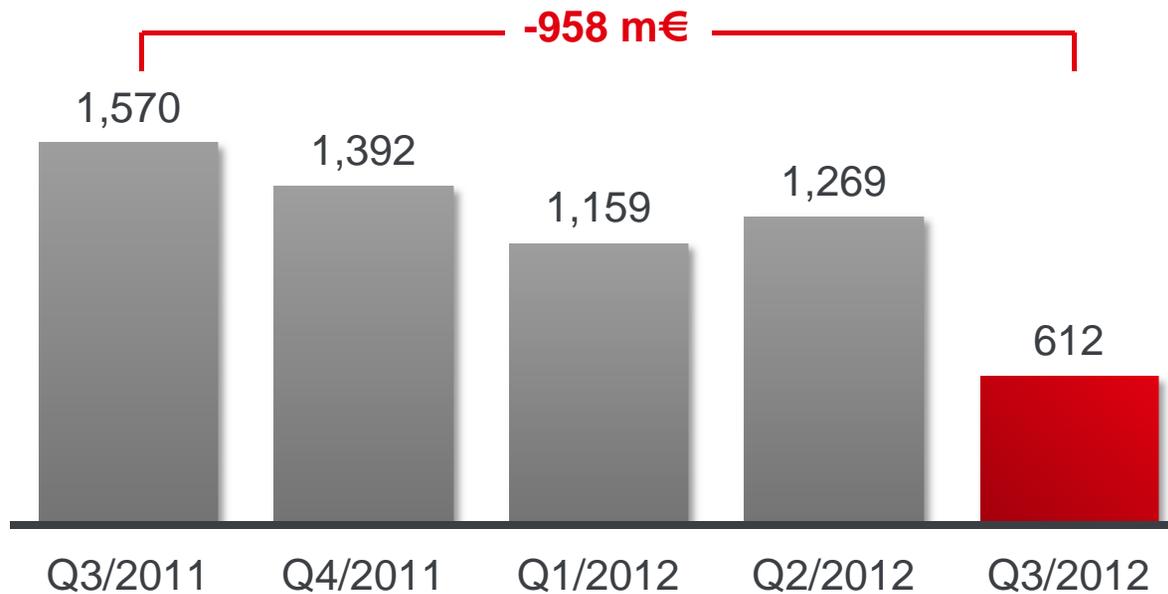
NWC/Sales Ratio in %



Net working capital reduced in all businesses

* Inventories + trade accounts receivable ./ trade accounts payable

Net Debt* Development in m€



Net debt significantly reduced

* All figures above are calculated according to adapted net debt definition, now also including marketable securities and time deposits.

Cash Flow Generation

in m€	Q3/2011	Q3/2012	Change
Cash flow from operating activities	676	937	+261
Free cash flow	515	778	+263

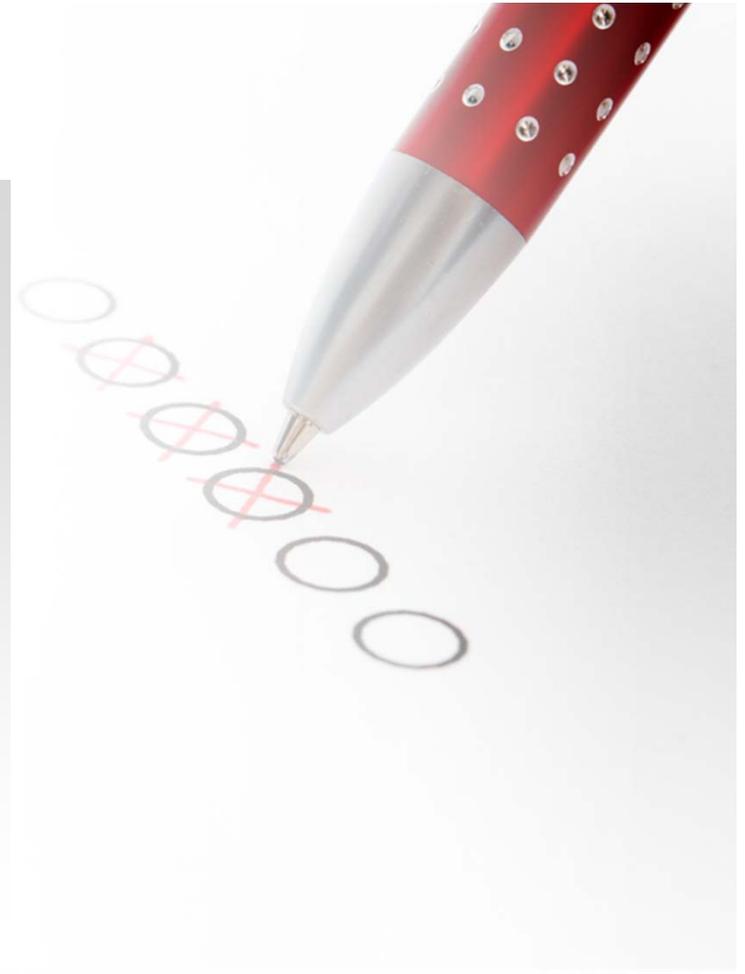
 Continued strong cash flow generation

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Summary Q3/2012

- Fully committed to hit 14% adj. EBIT margin
- All KPIs well on track to reach FY guidance
- Solid organic sales growth
- Adj. EBIT margin at all-time high
- Emerging Markets strong, Mature Markets flat
- Net working capital further reduced
- Free cash flow significantly improved (>+50%)



Guidance FY 2012

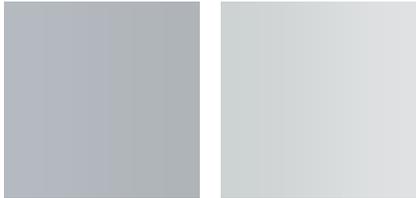
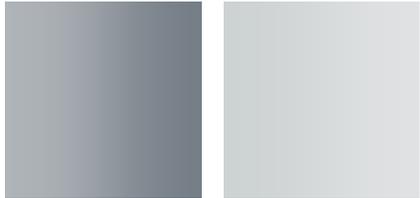
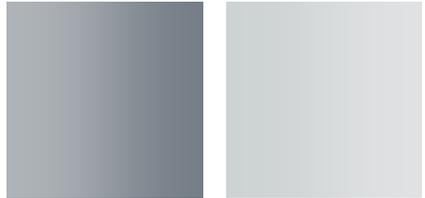
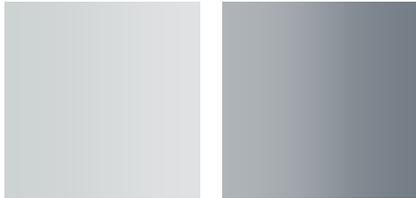
Organic sales growth	3-5%
Adjusted EBIT margin	14%
Adjusted EPS growth	~15%

Upcoming Events

- March 6, 2013
FY 2012 Financials & Guidance FY 2013
- April 15, 2013
Annual General Meeting
- May 8, 2013
Q1 2013 Financials
- June 18, 2013
Investor & Analyst Day Adhesive Technologies
- August 8, 2013
Q2 2013 Financials
- November 12, 2013
Q3 2013 Financials



Thank You!



Additional Information

Further FY 2012 Guidance for Selected KPIs (updated)

- Direct materials:
increase in low single-digit percentage range

- Restructuring charges:
~125 m€

previously:
~100 m€

- CAPEX on PPE:
below 400m€

previously:
slightly above 400 m€



Reported to Adjusted EBIT

Q3/2012 vs. Q3/2011

in m€	Q3/2011	Q3/2012	Change in %
EBIT (as reported)	451	586	+29.8%
One-time gains	0	0	
One-time charges	0	0	
Restructuring charges	90	45	-50.0%
Adjusted EBIT	541	631	+16.7%



Continuous adaptation of structures to market

Innovations as Driver of Revenues & Margin



**Persil
Duo-Caps**



**Schwarzkopf
Color Mask**



**Loctite
Hybrid Glue**

Key Financials 1-9/2012

	1-9/2011	1-9/2012	Change
Sales (m€) (OSG in %)	11,804	12,508	+ 6.0% (+ 3.7%)
Adjusted gross margin (%)	46.1	47.3	+120bp
Adjusted EBIT (m€)	1,528	1,791	+17.3%
Adjusted EBIT margin (%)	12.9	14.3	+140bp
Adj. EPS per pref. share	2.37	2.83	+19.4%
NWC / sales (%)	8.0	6.6	-140bp
Free cash flow (m€)	725	1,338	+84.6%

 High earnings quality and solid growth

Sales Growth by Business Sector 1-9/2012 vs. 1-9/2011

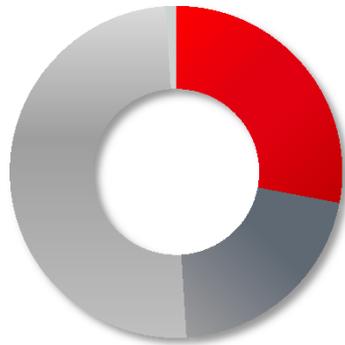
in %	Total	FX Impact	Organic	Thereof Price/ Volume*
Laundry & Home Care	5.8	1.6	4.8	4.0 / 0.8
Beauty Care	5.0	2.8	3.4	2.0 / 1.4
Adhesive Technologies	6.6	3.9	3.3	4.3 / -1.0
Total Henkel	6.0	3.0	3.7	3.7 / 0.0

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Sales Split and Profitable Growth Path

Henkel 1-9/2012

Sales by Business Sector

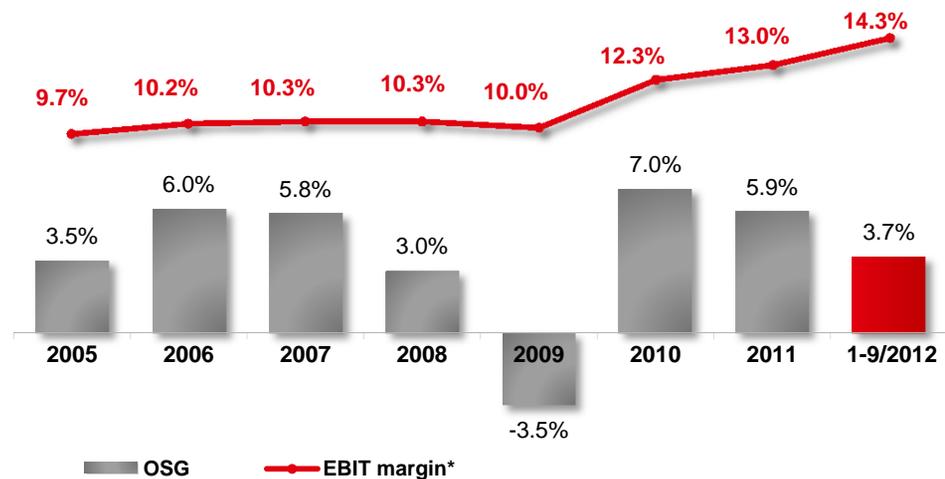


- 28 % Laundry & Home Care
- 21 % Beauty Care
- 50 % Adhesive Technologies
- 1 % Corporate

Corporate = sales and services not assignable to the individual business sectors.

* As of 2008, EBIT margin adjusted for one-time charges/gains and restructuring charges.

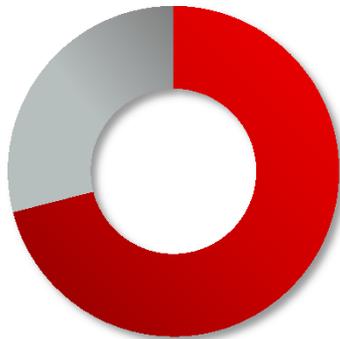
Profitable Growth Path



Sales Split and Profitable Growth Path

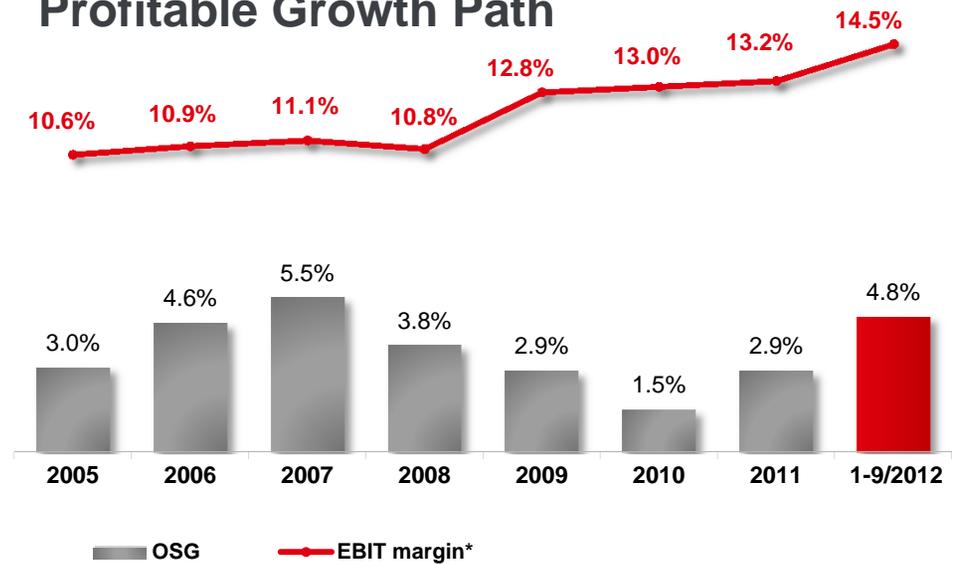
Laundry & Home Care 1-9/2012

Segment Split



- 71 % Laundry
- 29 % Home Care

Profitable Growth Path

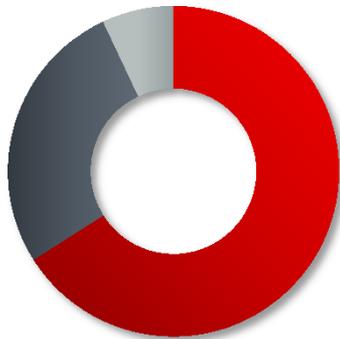


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Sales Split and Profitable Growth Path

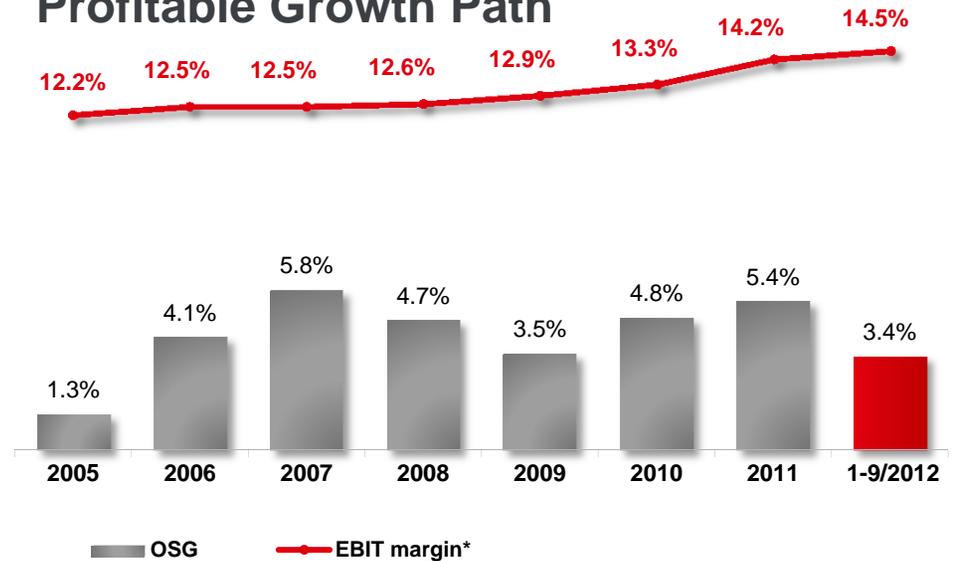
Beauty Care 1-9/2012

Segment Split



- 66 % Hair Care
- 27 % Body Care
- 7 % Skin/Oral

Profitable Growth Path

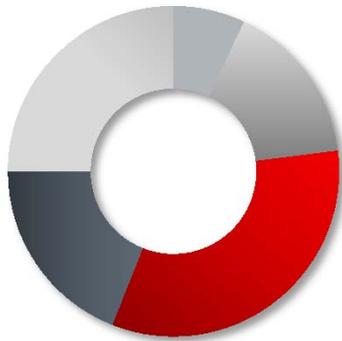


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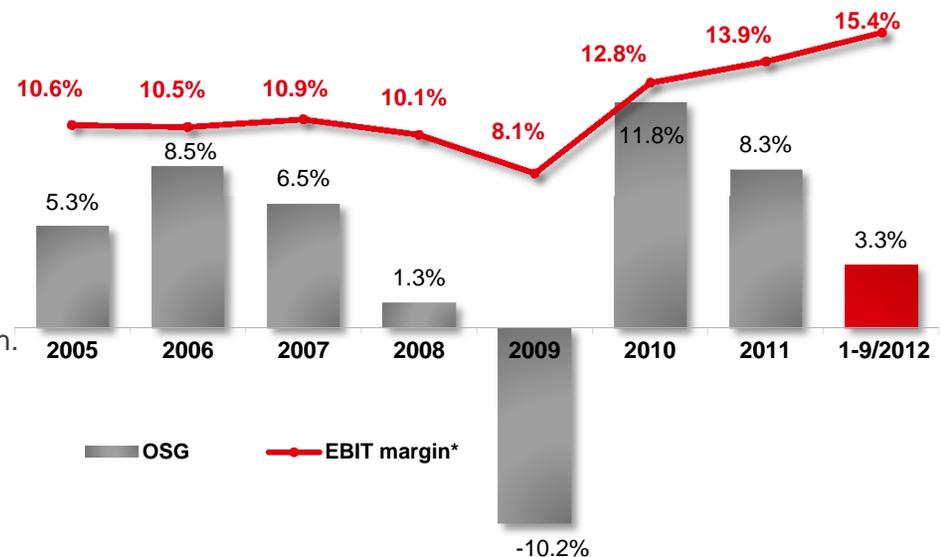
Adhesive Technologies 1-9/2012

Segment Split



- 33 % Packaging, Consumer Goods & Construction Adh.
- 19 % Transport and Metal
- 25 % Adh. for Consumers, Craftsmen and Building
- 7 % Electronics
- 16 % General Industry

Profitable Growth Path

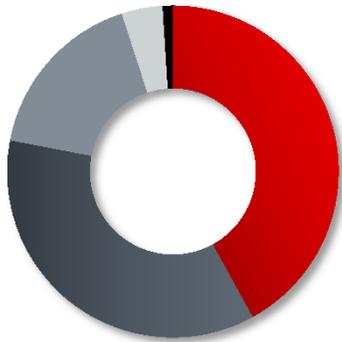


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Sales & Employees by Region

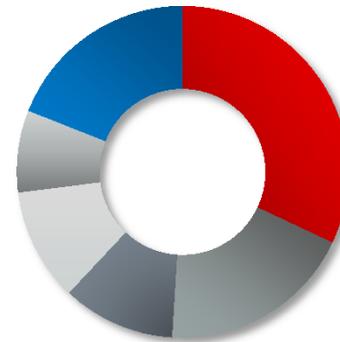
Henkel 1-9/2012

Sales by Region



- 43 % Emerging markets*
- 34 % Western Europe
- 19 % North America
- 3 % Japan/Australia/New Zealand
- 1 % Corporate

Employees by Region



- 31 % Western Europe
- 20 % Eastern Europe
- 11 % Africa/Middle East
- 11 % North America
- 8 % Latin America
- 19 % Asia/Pacific

* Eastern Europe, Africa/Middle East, Latin America, Asia (excluding Japan).