

LSEG STREETEVENTS

# EDITED TRANSCRIPT

HNKG\_p.DE - Q1 2026 Henkel AG & Co KGaA Earnings Call

EVENT DATE/TIME: MAY 07, 2026 / 7:00AM GMT

## CORPORATE PARTICIPANTS

**Leslie Iltgen** *Henkel AG & Co KGaA - Head of Investor Relations*

**Carsten Knobel** *Henkel AG & Co KGaA - Chief Executive Officer*

**Marco Swoboda** *Henkel AG & Co KGaA - Executive Vice President - Finance, Purchasing, Global Business Solutions and Member of the Management Board*

## CONFERENCE CALL PARTICIPANTS

**Guillaume Delmas** *UBS AG - Analyst*

**Nicolas Ceron** *Bofa Merrill Lynch Asset Holdings Inc - Research Analyst*

**Wassachon (Fon) Udomsilpa** *RBC Capital Markets Inc - Analyst*

**Christian Faitz** *Kepler Cheuvreux SA - Analyst*

**Tilly Eno** *Morgan Stanley & Co Ltd - Analyst*

**David Hayes** *Jefferies LLC - Analyst*

**Jean-Olivier Nicolai** *Goldman Sachs Group Inc - Analyst*

**Mikheil Omanadze** *Exane Bnp Paribas - Analyst*

## PRESENTATION

**Leslie Iltgen** - *Henkel AG & Co KGaA - Head of Investor Relations*

Good morning and a warm welcome to everyone joining Henkel's Q1 2026 results conference call today. I'm Leslie Iltgen, Head of Henkel's Investor Relations. Today, I'm joined by our CEO, Carsten Knobel, and our CFO, Marco Swoboda. Carsten will begin with an overview of the key developments in the first quarter. Marco will then follow with a more detailed review of the company's financial performance.

As always, following the presentation, we will open up the lines and Carsten and Marco will be happy to take your questions. Before handing over to Carsten, please let me remind you that this call will be recorded and a replay will be made available on our investor relations website shortly after this call.

By asking a question during the Q&A session, you agree to both the live broadcasting as well as the recording of your question including salutation to be published on our website. Also please be reminded that this presentation contains the usual formal disclaimer in regard to forward-looking statements within the meaning of relevant US legislation. It can also be accessed via our website at [henkel.com](https://henkel.com). As always, the presentation and discussion are conducted subject to this disclaimer.

With this, it's my pleasure to hand over to our CEO, Carsten Knobel. Carsten, please go ahead.

---

**Carsten Knobel** - *Henkel AG & Co KGaA - Chief Executive Officer*

Thank you so much, Leslie. A warm welcome also from my side to everyone today joining our conference call. As always, we do appreciate your interest in our Company and we look forward to answering your questions. After walking you through the key developments in the first quarter, we will elaborate on Henkel's business performance and the full-year outlook in more detail.

So, let me move straight into the highlights of the first quarter. In Q1, we delivered good organic sales growth of 1.7% on Group level, equally supported by both business units. We saw continued positive price and volume development in both business units. As a result, volumes have now been in positive territory for three consecutive quarters.

Furthermore, we are making strong progress in executing on our M&A strategy in both business units, and we have recently signed five acquisitions with combined annual sales of around EUR1.6 billion. To date, we have already successfully closed three of these five transactions: Wetherby Laroc, ATP Adhesive Systems in Adhesive Technologies, and Not Your Mother's in Consumer Brands. I will elaborate in more detail on the acquisitions in a minute.

In addition, we have successfully completed our EUR1 billion share buyback program by the end of March, in line with the announced timeline. And finally, our full-year 2026 guidance remains unchanged.

As you are all aware, acquisitions are an integral part of our growth strategy. With the recently announced acquisitions, we are investing a total of nearly EUR5 billion and adding combined annual sales of around EUR1.6 billion. Overall, expected sales growth of the assets we are acquiring is clearly above average.

By 2030, we expect to realize synergies in the high single-digit range as a percentage of sales of the acquired companies, translating into an increase in adjusted EPS of at least 10%. We will provide further information once all transactions have been successfully closed.

While we keep investing into our businesses – organically and non-organically – we also let our shareholders participate in the company's success: through the completed share buyback program of EUR1 billion and dividends of more than EUR800 million paid for 2025, we have returned almost EUR2 billion to our shareholders over the last 12 months.

In Adhesive Technologies, we successfully closed the transaction of ATP Adhesive Systems effective April 1st. With this acquisition, we are entering the highly attractive and fast-growing market for high-performance water-based specialty tapes which currently grows at around 7% and are expanding our portfolio beyond liquid adhesives with solid solutions. Water-based specialty tapes show increasing market penetration and outperform the broader tapes industry with above-average growth rates by offering a more sustainable alternative to traditional solvent-based tapes.

By increasing our offering and capabilities in the tapes market with a broader range of innovative bonding solutions, we create additional value for our customers and we drive further profitable growth.

With the acquisition of Stahl, we are expanding into the specialty coatings market for flexible materials, and we are adding a highly complementary portfolio that serves various customer segments to our business. This market shows attractive growth rates of 3% to 4%. Stahl also focuses on environmentally responsible, water-based solutions, further underpinning our sustainability commitments.

Building on valuable complementary technology and R&D capabilities and a know-how-based business model with a high degree of customization, this acquisition is a strong strategic fit for our Adhesive Technologies business and will enable us to bring more innovation to our customers.

Together with the previous acquisitions of Critica Infrastructure and Seal for Life, we are further strengthening and expanding our technology portfolio, which is already the broadest in the industry, by adding attractive adjacencies.

As a result, we are not only entering new markets but we are also creating the basis for new technology-led opportunities in our core businesses, unlocking additional growth potential. By further reinforcing our technology-agnostic approach we can drive even more customer-centric innovation, tailored to specific application and performance needs across industries.

A strong example of how our broad solution portfolio positions us as the partner of choice for our customer is NASA's recent Artemis II Mission, where we delivered industry-leading performance and reliability across structural integrity, thermal protection, surface technologies, and safety-critical sealing. Overall, we are supporting space exploration with more than 20 mission-critical solutions, engineered to withstand extreme environments and to enable highly demanding, one-of-a-kind applications.

The proven performance of our Loctite solutions on the Orion spacecraft underscores the relevance of our materials for both today's and future space missions. Another great example of our technology leadership is in paper packaging, where we are expanding our coatings expertise to capture high-growth opportunities in the packaging market. With advanced barrier and heat seal coatings, we are enabling our customers to shift from traditional plastics to recyclable, paper-based packaging solutions.

Furthermore, we are broadening our solution portfolio with our in-house packaging RECYC-LAB, which offers comprehensive recyclability assessments for fibre-based packaging.

Turning now to our Consumer Brands, where we are further expanding our Hair business through attractive M&A opportunities with Not Your Mother's and with OLAPLEX. After having streamlined and cleaned up our portfolio over the past three years, we are now adding back size and scale with a brand that has historically grown clearly above market rates, further strengthening our footprint in North America.

In the meantime, we successfully closed the acquisition of Not Your Mother's effective April 24th. Not Your Mother's is a leading and a fast-growing hair care and styling consumer brand in the U.S. and it allows us to expand our hair footprint in the largest global retail hair market which shows attractive growth rates of around 4%.

Not Your Mother's brings a diversified channel footprint, including mass retail and e-commerce, creating attractive opportunities to accelerate growth in our consumer business. Finally, its complementary capabilities and deep hair expertise further strengthen our innovation engine and power insight-driven product development.

With the acquisition of OLAPLEX, we are expanding our global presence in the premium hair care segment which also offers attractive growth opportunities with a CAGR of around 5%. OLAPLEX is a well-established, globally active premium channel hair care brand, offering a portfolio of science-led, high-performance products. It addresses a diversified premium channel mix across Professional, specialty retail and also e-commerce.

With its strong scientific foundation, we see compelling opportunities for future growth and innovation. Over the last few years, we have been significantly transforming our Consumer Brands' portfolio through strategic refocus and more recently with targeted M&A. There is a clear focus on attractive categories., we have sharpened our brand focus and we are successfully executing on our M&A growth strategy.

When looking at how our Hair portfolio has evolved and considering all transactions will be closed, we will have expanded this business by around EUR1 billion since 2021. In addition, our Hair business has been growing above average over the last years. As a result, we now have a much more balanced portfolio.

Our Hair business in the meantime has nearly now the same size as our Laundry Care business, each accounting for around 40% of Consumer Brands' sales. At the same time, we have enhanced the attractiveness of our Laundry Care business through a clear focus on premium brands in combination with impactful innovations, for example under our strong brands Persil and Perwoll.

With our strong brands, customer-centric innovations and an almost balanced footprint in Consumer and Professional, we are building on a strong foundation to become the Authority in Hair. This ambition is underpinned by our strong growth performance, with a CAGR of more than 6% over the last three years –outperforming our Consumer Brands business by more than 300 basis points.

Finally, the continued strong growth dynamics of our top 10 brands are underscoring our sharpened brand focus. In Q1, the top 10 brands again delivered above average organic sales growth of around 5% driven by a balanced contribution from both price, and volume and we expect their share of sales which currently accounts for around 60% to continue to increase going forward.

In this context, let me also highlight the strong results of our premium Laundry Care brands Persil and Perwoll, mentioned before – a clear proof that our focus on premium brands with strong innovations pays off: On Persil, we delivered mid-single digit growth in Q1. In 2025, Persil was the market leader in Germany, gaining 200 basis points in market share. And Perwoll achieved high single-digit growth in Q1, underpinned by strong market share dynamics with gains of 170 basis points globally in our active markets in 2025.

And now turning to our full-year outlook, which remains unchanged. For the Group, we continue to expect organic sales growth of 1% to 3%, an adjusted EBIT margin in the range of 14.5% to 16%, and adjusted EPS to increase in the low to high single-digit percentage range.

With this let me hand over now to Marco, who will lead you now through the key financials in more detail.

---

**Marco Swoboda** - Henkel AG & Co KGaA - Executive Vice President - Finance, Purchasing, Global Business Solutions and Member of the Management Board

Thanks, Carsten – and good morning to everyone in the call also from my side. Building on what Carsten already shared, let me provide some more color on the drivers of the Group sales performance in the first three months of 2026. We delivered good organic sales growth of 1.7% with both price and volume in positive territory.

On Group level, volume development contributed with 1% and pricing with 0.7%. Acquisitions and divestments reduced sales by roughly 2%, still reflecting the Retailer Brands divestment in North America, which was closed in April 2025.

FX effects were a strong headwind of minus 5% mainly due to the significantly weakened dollar and related currencies in comparison to Q1 last year. While Q1 came in below the full year guidance, we expect currency headwinds to moderate for the remainder of the year and to come in within the negative low single-digit percentage range.

In nominal terms, sales amounted to EUR5 billion. Turning to the drivers in the respective regions in more detail. Starting with Europe, where sales were down 3.4% year on year, reflecting a weaker business performance in both business units.

In Adhesive Technologies, markets remained muted across all business areas. And in Consumer Brands, particularly Laundry continued to face a challenging environment, while Hair delivered above average growth. In North America, organic sales growth was positive, clearly driven by Consumer Brands, whereas Adhesive Technologies remained flat.

Within Adhesives, the good growth in Mobility & Electronics was offset by an adverse development in Packaging & Consumer Goods, while Craftsmen, Construction & Professional remained stable. In Consumer Brands, the development was driven by very strong growth in Hair and significant growth in Other Consumer Businesses, while Laundry & Home Care remained below prior-year.

Moving on to Asia Pacific, organic sales growth recorded 10.3% growth supported by both business units. Double-digit growth in Adhesive Technologies was again driven by Electronics and Industrials, with Packaging & Consumer Goods also contributing strongly. Consumer Brands achieved very strong growth led by Hair, while Laundry & Home Care posted good growth.

India, Middle East, Africa also showed double-digit growth of 12.8%, which was supported by both business units. Finally, in Latin America sales were below prior-year due to Adhesive Technologies while Consumer Brands showed good growth.

Back to the global level, and now turning to Adhesive Technologies in more detail. In the first quarter, we achieved sales of EUR2.6 billion with organic sales growth of 1.7%. Overall, Adhesive Technologies showed good growth development in the first quarter supported by positive pricing and positive volume of 0.4% and 1.3% respectively. Organic sales growth came in slightly stronger than expected.

Volume development was also supported by forward buying effects related to current geopolitical uncertainties and anticipated price increases – mainly in our Packaging & Consumer Goods business. On business level, Electronics and Industrials continued to be the main growth drivers.

Overall, Mobility & Electronics achieved 6.7% organic sales growth in Q1, driven by double-digit growth in Electronics and very strong growth in Industrials. Automotive demand was muted across different key markets, also reflected in the light vehicle production outlook for 2026, which is currently expected to decline by almost 2%. This compares to a flattish expectation at the beginning of the year.

Packaging & Consumer Goods recorded positive growth of 0.5% in the first quarter. Consumer Goods achieved good growth – also supported by forward buying effects. Packaging was below prior year reflecting the persistent muted demand situation.

Finally, sales in Craftsmen, Construction & Professional came in below prior-year. While Manufacturing & Maintenance showed positive growth, Consumer & Construction was negative due to the challenging market environment.

Effective as of April 1st, we combined our strategic business unit Construction and our strategic business unit, Consumers & Craftsmen. From now on, we have two regionally focused units, Consumer & Construction Eurasia & Africa plus Consumer & Construction Americas. This enables us to accelerate growth and strengthen our market position while working more closely with local customers and partners.

Turning to Consumer Brands. The business generated sales of EUR2.3 billion with an organic sales growth of 1.8%. Consumer sentiment remains muted, nevertheless, we achieved good growth in sales. Both, price and volume development were in positive territory, with 1.1% and 0.7%, respectively.

With this, I would also like to highlight that volume development was positive for three consecutive quarters. Hair continued to be the main growth driver, delivering organic sales growth of around 5% with very strong volume contribution.

And – as Carsten already mentioned –also the top 10 brands contributed with consistent above-average topline growth of around 5%, with balanced pricing and volume in Q1.

Turning to the performance by business area. Laundry & Home Care showed a stable development. In Home Care, we saw positive organic sales growth which was primarily driven by double-digit growth in hand dishwashing. Laundry Care came in slightly negative, mainly due to Fabric Cleaning, while Persil stood out with very strong growth. Fabric Care showed significant growth supported by our top brand Perwoll.

Hair achieved 5.1% organic sales growth, which was driven by both the Consumer and the Professional business. In the Consumer business, the strongest contribution came from Coloration. Here, our megabrand Schwarzkopf showed significant growth, also supported by the recently launched innovations like, for example, Creme Supreme.

The Professional business recorded very strong growth amongst others supported by strong growth in our key region North America. Finally, Other Consumer Businesses recorded positive organic sales growth of 0.5% driven by North America.

Closing this chapter with our outlook for fiscal 2026: Our guidance ranges for organic sales growth, adjusted EBIT margin, and adjusted EPS growth at constant currencies remain unchanged. Of course, the crisis in the Middle East is a challenge for everyone – in particular the impact it has on direct material prices and logistics which have increased notably since beginning of the conflict.

We are working intensively on comprehensive countermeasures to mitigate the increased direct material price and logistics headwinds, for example through supplier renegotiations, pricing actions and intensified cost management. Taking this into consideration, as of today, the broad guidance ranges – which we choose to cater for the volatile environment – cover the current headwinds.

With that, back to you, Carsten.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

Thank you, Marco. So let me wrap up today's presentation: We delivered good organic sales growth of 1.7% on Group level, equally supported by both business units. We saw continued positive price and volume development in both business units. And as a result, volumes have been in positive territory for three consecutive quarters now.

We are making strong progress in executing on our M&A strategy in both business units by adding highly attractive assets. We have already successfully closed three out of the five acquisitions, which in total will add annual sales of around EUR1.6 billion and which are expected to deliver above average sales growth.

We have successfully completed our EUR1 billion share buyback program by the end of March, in line with the announced timeline. And last but not least, our full-year 2026 guidance remains unchanged.

With that, we would like to thank you for your attention and we are now happy to take your questions.

---

## QUESTIONS AND ANSWERS

### Operator

(Operator Instructions) Guillaume Delmas, UBS.

---

### Guillaume Delmas - UBS AG - Analyst

One very quick housekeeping and then one question. The housekeeping is, Marco, you mentioned some forward buying effects in Adhesive Technologies in the first quarter. I was just wondering if you could maybe quantify this impact on your Q1 organic sales growth.

And then my question is on your margin guidance, because you kept it unchanged despite now expecting high single digits percentage inflation in your commodity cost. Can you maybe talk about the mitigating factors you've got in place, and that you will implement to offset this additional cost?

And I guess, related to that, should we therefore expect a year of organic sales growth that could be more price-led as opposed to volume-led? Thank you very much.

---

### Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer

Morning, Guillaume. And I take your second question, and I start with that, and Marco takes the first one. So when your question is regarding margin guidance unchanged and the context of higher material prices, let me explain it in a way that. One thing is clear, of course, the crisis in the Middle East is a challenge for everyone and in particular, the impact on the direct material prices, where you have been referring to and also the logistic costs, which have increased notable since the beginning of the conflict and which also led to the change from the low single-digit originally now to the high single-digit.

And one thing is clear, we are working on that intensively on comprehensive countermeasures to mitigate the increase, the direct material prices and also the logistic headwinds. For example with three areas.

The one thing is supplier renegotiations, the second is pricing actions, and here, especially in Henkel Adhesive Technologies, we have taken learnings versus the COVID situation where we have been starting with this price increases earlier than at that time. That's the second part. The third one is an intensified cost management approach because we all don't know what is happening and how long these crisis are with us.

And taking this into consideration, as of today the broad guidance ranges which we have been giving at our full-year call for 2025 and giving the outlook for 2026, which were more broad, which we have chosen to cater for the volatile environment and cover also the current headwinds. For sure at that time, we did not know that there would be a crisis or a war within the Middle East.

And on the other side, Guillaume, if you look at the guidance which is in terms of consensus, I think this is already reflected recalling that and showing how that is related to that. Maybe that's on your question for the margin guidance.

On top you have on the OSG, the topic of pricing and volume for the full year. Yes, if you look at the quarter one, I think we have a good balance between price and volume even we had with 0.7% price and 1.0% volume, even a higher volume start into the year.

On the other side, you need what I just said in terms of the price situation in Adhesive Technologies that most probably over the course of the year will have a higher impact than what you have just seen in the quarter one. So we assume that for the full year we will see positive pricing and volume on Group level.

And please understand that we are not giving more details in terms of on the BU level part. Maybe that's a little bit broader the answer, hope that covers your two questions. With that, I'm handing over to Marco to your first question with this topic of forward buying.

Marco?

---

**Marco Swoboda** - Henkel AG & Co KGaA - Executive Vice President - Finance, Purchasing, Global Business Solutions and Member of the Management Board

Yes. Guillaume also good morning to you from my side. Yes, indeed we have seen some pre-buying or forward buying of customers in that in particular developed in the course of March and that is closely related what Carsten explained. We were relatively fast in also announcing certain price increases in parts of the business and that of course also resulted then in some pre-buying in particular the second half of March. So that came relatively late in the quarter and was also a bit surprising the magnitude to us.

We do estimate that that effect has roughly 80 basis points on our organic sales growth in the first quarter and we see that, for example, in our Packaging & Consumer Goods business where I did also comment on that before and more in Asia Pacific than in some of the other regions.

Roughly 80 basis points effect on HAT in the first quarter. What is also important when we look forward, of course nobody knows how that can continue. We can probably not assume that that is going to continue now in second quarter in that magnitude. But what we also see is that in Q2, at least in Adhesive Technologies, we see some benefit coming from a positive working day impact in the second quarter. Also that has to be taken into consideration when we think now how would that all develop going forward.

---

**Operator**

Nicolas Ceron, Bank of America Global Research.

---

**Nicolas Ceron** - BofA Merrill Lynch Asset Holdings Inc - Research Analyst

Could you talk about your IMEA region? I think there's been a bit of a slowdown if you compare to Q4 last year. So maybe, if you could talk about what country or what category drove the slowdown and if you've seen any strong impact on your Middle East business. Thank you.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

Good morning, Nicolas. Thank you for the question. First of all, I think the slowdown, I would call it if you have a double-digit performance in a region of IMEA with this situation in which we are currently confronted with means the crisis, I think that is a good result.

And why is it a good result? Because we need to have a differentiated picture on that because, for sure we have some countries within IMEA which are impacted by the war and showing also not the same performance as we had in 2025, but there are countries like India and Turkey which are part of the IMEA region which are showing significant positive developments and maybe to differentiate that a little bit, the performance is supported by both business units.

And if we maybe start with Adhesives, we delivered a very strong growth in Q1, mainly driven by the Mobility & Electronics division, as well as Packaging & Consumer Goods, both of which showed double-digit growth rates. And if we look at the Consumer Brands, here we recorded also double-digit growth in Q1, particularly driven by a double-digit growth in both in Laundry & Home Care and in Hair. So therefore, in general, a quite good performance despite the situation which we are confronted with. And I think that brings it quite good across.

Hope that helps, Nicolas.

---

**Operator**

Fon Udomsilpa, RBC.

---

**Wassachon (Fon) Udomsilpa - RBC Capital Markets Inc - Analyst**

Just another one on pricing action, please. You touched on how you plan price negotiation for Adhesive Technologies, but could you also help us think about the consumer business? Are there any upcoming innovation that will be support price negotiation for the remainder of the year?

---

**Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer**

Morning, Fon. So yes, I think it is clear that the pricing, as I explained it, is for sure not only in quarter one, but especially also for the full year, is more driven by Henkel Adhesive Technologies. As I mentioned it before, we have been already implementing certain price measures in that part, which is seen in Q1, but also will be seen during the next quarters.

If we move to the consumer part of our business, the pricing was 1.1%, and by that remained in positive territory in the Q1, despite the muted consumer sentiment globally and in particular the intense competitive environment in Laundry & Home Care. Q1 pricing was also supported by specific pricing initiatives related to strong launches and also relaunches, and pricing measures in specific markets.

And pricing in that context was positive in Laundry & Home Care and also on Other Consumer Businesses, while slightly below the prior year. We constantly look at pricing opportunities, which you are referring to when you talk about innovations which are upcoming, in alignment with the market conditions and the reasonable implementation. And the commercial teams are closely monitoring all scopes for further potential price increases. Also considering the recent dynamics from rising input costs.

I hope that helps the answer on your question, Fon.

---

**Operator**

Christian Faitz, Kepler Cheuvreux.

**Christian Faitz** - *Kepler Cheuvreux SA - Analyst*

One question, please. How concerned are you about consumers downtrading to private label brands due to inflationary trends left and right? I'm aware that you have a broad portfolio, including lower priced brands, yet there seems to be a trend of consumers seeing it as chic to shop for dedicated private label brands. Any comments would be welcome.

---

**Carsten Knobel** - *Henkel AG & Co KGaA - Chief Executive Officer*

So good morning, Christian, and thanks for your question. So I think, first of all, the point of that consumers trading down, I think that's something whenever you and I think I've talked about that and you know that whenever we are coming into a crisis situation or when our concerns about the sentiment, I think that has an impact on Consumer Brands businesses.

As we always pointed out, more on Laundry & Home Care than in the Hair segment. Maybe a little bit more in detail, after having shown some recovery in the Jan, Feb of this year versus the muted levels at the end of 2025, consumer sentiment has most recently weakened again in some key markets.

So competitive pressure and the muted sentiment continue to be most pronounced in the laundry market, as I mentioned it just, but that is not surprising or new. And for example, in the U.S., consumer sentiment has dropped again recently and has even fallen below the 2025 levels. In Europe, consumer sentiment has stabilized at lower levels and in Germany towards the end of 2025, but has recently weakened with the war of Middle East.

You know, the answer of all of that is always innovations. You know, that is the purpose of a branded consumer goods company, to convince the consumer with innovations. And I made, I think, two references during our call today. The one is on our top 10 brands. Not only that they are at the 60% level in terms of total sales, but they're outperforming in terms of growth rates.

And again, I think in both, in price or with a good mix of price and volume. And I think that is something which we have been had also some pain over the last years because we have been adjusting our portfolio more to the areas of stronger growing categories and segments.

Also, as I have been alluding to that, in the meantime, now the Hair category, if you would add the two acquisitions or would you assume the closing of the two acquisitions, the Hair category in our retail business would be as big as our Laundry category.

And I think that is showing that our strategy is absolutely working and we are executing that not only from an organic perspective, but also from an investment philosophy now with recent years before with Vidal Sassoon and Shiseido Professional and now with Not Your Mother's being already closed and OLAPLEX being signed and for sure, we expect that this will be closed within this year.

And I think that is exactly in line of what we are doing. I hope that gives you a little bit of a glance of what is happening and how we are seeing the situation. And that is for sure, as I said, right strategy and executing against that.

---

**Christian Faitz** - *Kepler Cheuvreux SA - Analyst*

Yes, good luck managing your overall portfolio through this unprecedented crisis.

---

**Carsten Knobel** - *Henkel AG & Co KGaA - Chief Executive Officer*

Yes. But, Christian, we are used to that crisis situations, I would say now it's in 6.5 years. We take it always as a challenge, and I think we have shown that we have a resilient team and also resilient businesses that are able to, I would say, compete and develop also in these really challenging times in which we are in.

---

**Operator**

Tilly Eno, Morgan Stanley.

---

**Tilly Eno - Morgan Stanley & Co Ltd - Analyst**

The first is just on, you've mentioned Laundry, it's still quite challenging in terms of the competitive environment. Could you give us any more color on the most recent developments there? Have you seen any let-up in promo activity given the rising cost pressures that you're seeing?

And then, my second question just on Hair. Just to clarify, I think you mentioned in one of the previous answers that pricing was down slightly year on year. Could I just check that, that was correct? Could you give a little bit more color on the dynamics there if that was the case?

Thanks very much.

---

**Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer**

I have not 100% your second question, I understood that was on Hair, correct?

---

**Tilly Eno - Morgan Stanley & Co Ltd - Analyst**

Yes. I think in one of the previous answers, you mentioned that pricing was down slightly in hair care. If that was the case, just wanted to double-check, and if so, could you just give a bit more color on what was driving that?

---

**Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer**

Good. So maybe first on clarifying that. My answer was only related on IMEA pricing, which was below prior year, not on the global setup of Hair. Maybe that as a clarifying part before I come back now to your two questions, how is Laundry doing? How is Hair doing? Okay?

---

**Tilly Eno - Morgan Stanley & Co Ltd - Analyst**

Perfect.

---

**Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer**

Good. Maybe starting with Laundry & Home Care. So Laundry & Home Care showed a slightly positive development in Q1 despite challenging market dynamics and an intense competitive environment. So Laundry came in slightly below the prior year. Home Care recorded really a positive growth set up.

Within Laundry, I think it's especially Fabric Finishers and Fabric Care who contributed very positively. I mentioned in my presentation that the core brands such as Perwoll even showed very strong organic sales growth, and I think that is worth mentioning.

Home Care recorded positive OSG in Q1 with the strongest contribution coming from Dishwashing. From that part, I think that's from my point of view on the Laundry part. If I now move to the Hair business, Hair continued its strong growth trajectory and even showed a further

acceleration versus the Q4 2025, now reaching a very strong growth rate of above 5% in Q1, and that was driven by both, by Consumer Professional.

And I think the other one, I think is important why is that? That is for sure, not only while the market is attractive and showing good growth rates, but it's also related that we are, I would say, hitting the needs and the wishes of consumers. One example is our Creme Supreme from Schwarzkopf. I've mentioned that also during our AGM last week. I think it's a really fantastic innovation, bringing also a new trend into the Coloration business in a market which is for sure also very dynamic.

So that's on that part. If I give you a little bit more now, glance also when I split the Hair business, the styling recorded a significant growth in Q1 of this year with strong regions, and the strongest performance or support was from North America.

In that context, Colorants, besides what I just said, related to Creme Supreme, was also with significant growth rates, especially strong in Europe and a double-digit growth in IMEA and in APAC. And the Care part came in slightly below the prior year with significant growth in IMEA, offset by Europe. And our professional, I mentioned it before, more or less the same growth rate as also in the retail, very strong, in Q1, and here all regions are really contributing very positively.

And you may have seen now with the two acquisitions, we are heading to means Not Your Mother's and also OLAPLEX. Both are very strong in the Care segment, which is the segment where we, I would say, in comparison to Styling and Colorants, are not as strong in Care.

And, I think here we would like to close the gaps from a regional perspective, but also premium-wise, bringing solutions to that. Therefore, we have quite good positive thoughts when we take these two acquisitions into our portfolio. Hopefully, the one already with Not Your Mother's, the other, hopefully quite soon.

Hope that helps you, Tilly.

---

**Operator**

David Hayes, Jefferies.

---

**David Hayes - Jefferies LLC - Analyst**

My question is in focus HCB. So just to understand whether there was any pre-buy dynamics in the first quarter. Some of your competitors have called out, there was some buying ahead of price increase risks. I guess how that nets off with, I guess, what was that? I think you talked about a sell in ahead, a sell out in the fourth quarter due to innovation timing. So did that all sort of net off and we there was no effect, or whether it was some sort of net dynamic?

And related to that, just in terms of the second quarter, much more difficult comp, certainly at face value in the second quarter for HCB. So do you think that's still a positive growth level in the second quarter in terms of that comp stepping up? Thank you.

---

**Carsten Knobel - Henkel AG & Co KGaA - Chief Executive Officer**

Thank, David, your two questions. So let me, I would say, Marco, you take first, the pre-buying question.

**Marco Swoboda** - Henkel AG & Co KGaA - Executive Vice President - Finance, Purchasing, Global Business Solutions and Member of the Management Board

As we had commented, we see that very clearly in our Adhesive Technologies business, that customers were on pre-buy. We could not observe that so clearly in our HCB business. But there are some reasons when we look at the development in the first quarter first, of course, we had quite soft comps in the year before, so that is one driver that has to be taken into consideration.

And then, secondly, we came out even a bit stronger than we expected in HCB, because in particular, our Middle East business has proven to be more resilient than initially thought. These are basically the two key considerations for HCB in the first quarter. But again, pre-buying is mainly what we could see more clearly in our Adhesives business.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

David, on your second question, I fully understand your question, but I hope you also understand, in general, I would say we don't expect that consumer sentiment, or we do expect the consumer sentiment to remain subdued, and the overall market environment to remain quite volatile.

Also in Q2 things are changing from day to day. On the other side, you know that we are not guiding and giving detailed information on quarters. You know, as I said, things are changing even from a week to week basis in that context. So our guidance range for the business units expect that different developments are happening.

So yes, you're right that, for sure, the Q2 comparables are higher than the other ones. I think that is also one of the reasons the 1.8% has been impacted also by lower comparables for Q1 of last year with the minus 3.5% we had at that point.

And yes, we have tougher comps in Q2, but on the other side, I think that is the reason why our guidance remains unchanged, means for our Consumer business, it is between 0.5% and 2.5%. Therefore, we are for sure we are working as much as possible to further develop our business.

As I mentioned it with the questions of Tilly before, in the segment, I think we have good launches and innovations at hand, but the situation is not an easy one.

Hope that helps, David.

---

**Operator**

Nicolai Olivier, Goldman Sachs.

---

**Jean-Olivier Nicolai** - Goldman Sachs Group Inc - Analyst

It's Nicolai Olivier from Goldman Sachs. Just one question, Hair Care. That was very strong in Q1. Can you give us a bit more details by region in term of growth rates? And then, you have some successful product launch in Q1. Can you give us a bit of an idea of how much of a boost it was? Is there any phasing impact we should be aware for the rest of the year? Thank you.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

Good morning, Olivier. Sorry for that. I had a noise in the line. Can you repeat the second question, please?

---

**Jean-Olivier Nicolai** - *Goldman Sachs Group Inc - Analyst*

The whole question was on Hair Care. So remained very strong in Q1. Can you give us a bit more color on the growth rate by region? And then, how much of a boost in sales growth was driven by the new launches you have in Q1? Is there any phasing impact we should be aware for the rest of the year? Thank you.

---

**Carsten Knobel** - *Henkel AG & Co KGaA - Chief Executive Officer*

Good. Thanks for the question. Maybe I didn't want to hear the second question. But to answer that on the first, please understand, we don't quantify what is the impact of innovations or differentiate between what is the impact of running business and innovations in percentages.

But, let me first maybe, and that helps maybe a little bit, to give you more glance or input on how the Hair business has been in Q1. So first, I said it, very strong growth for both Consumer and Professional performance in Q1 was above 5%, to be precise, 5.1%.

If you look at the different segments, which is Styling, Colorants, and Care. So Styling recorded significant OSG which came across the regions, but the strongest contribution was coming from North America. Hair Colorants, also a significant OSG in the Q1, with strongest growth or with strong growth in Europe and a double-digit growth in IMEA and in APAC.

And here, I mentioned before the innovation of Creme Supreme, which has a quite significant innovative impact, because that is a little bit to your second question, where the innovations play quite a significant role. And Hair care came in slightly below the prior year. Here we had quite good growth or significant growth in IMEA, with being offset by Europe.

And on the other side, what I can tell you for Creme Supreme, that it delivered double-digit growth and Hair is positive across all the regions. If you now add Care, Styling and Color together, I think that is for me a real significant positive sign that what we are doing.

And you know, because David asked, I think about comparables. We have always now, since the last couple of years, always high comparables in Hair, but we are always in the situation to outperform that. So we are really having a good run in that business based on organic developments, but also about the acquisitions we have done in the past with also Vidal Sassoon, Shiseido Professional.

Also from a technological point, again, to your innovation questions, we have taken also innovations which we have, or technology which we acquired via the Shiseido Professional into the rest of our portfolio and in that context, really looking forward to a business which is very strong, and I mentioned it in the meantime, also as big as our laundry from a global perspective.

Hope that helps.

---

**Operator**

Mikheil Omanadze, BNP Paribas.

---

**Mikheil Omanadze** - *Exane Bnp Paribas - Analyst*

One follow-up and two quick questions from me, please. On the follow-up, on Adhesives, you referred that there will be likely moderation of pre-buying benefit in Q2, but also that there will be a working day benefit and more pricing. Net-net, do you expect organic sales growth to step up in Adhesives in Q2 versus Q1? Should we expect any working day impacts in Q3 versus Q2?

And my two questions, one would be on the raw mats. So the guidance that you provided, could you please share some color whether you assume a step-up in raw materials to be more material in Adhesives versus Consumer Brands or vice versa? The last one would be on your EPS guide. What do you currently factor in, in terms of the tailwind from your acquisitions? Thank you.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

Mikheil, thank you for your three questions or follow-up in questions. The follow-up topic regarding pre-buying and also the second in terms of raws, Marco will take these.

From an EPS perspective, I think it is quite clear, as I said, the guidance or as we said, the guidance is unchanged. You have heard us saying that in total, the acquisitions will realize synergies in a high single-digit of sales related to the acquisitions we are doing, and we have also given in terms of full swing, when we have integrated all the acquisitions until 2030, there will be an impact of at least 10%.

You know, the impact within this year, we would like then to quantify if we have also closed all the acquisitions and you know there is. We will not speculate when will that happen, but most probably we can do that in the half-year call when we are in August.

And with that, handing over to Marco for your follow-up question and for your follow-up and the questions. Marco?

---

**Marco Swoboda** - Henkel AG & Co KGaA - Executive Vice President - Finance, Purchasing, Global Business Solutions and Member of the Management Board

Indeed, you had a question on HAT, so Adhesive Technologies, impacts from pre-buying, working day effect and pricing. Pre-buying, I did quantify that we do expect that with roughly 80 basis points impact in the first quarter. Then, we also commented that we see a positive working day effect in the second quarter. Here, order of magnitude is 100 to 150 basis points impact that can have positive in the second quarter, then some positive pricing. But all that is, I would say, yet difficult to predict what the net-net is out of that.

I would refrain now from saying whether how that compares second quarter to first quarter. That's too early to say, in particular in that volatile environment. In regards to the working day effect, for the second half or Q3, Q4, we see that there is no major working day effect that we do expect in the second half of the year that I can say.

Then on the raw material guidance question that you had is how I understood it, is it more impacting HAT, Adhesive Technologies or Consumer Brands? We see that in fact, more skewed towards Adhesive Technologies. So headwinds roughly more hitting Adhesives with two-third and HCB with one-third of the impact.

---

**Operator**

Thank you, ladies and gentlemen. I would now like to hand over to Mr. Knobel for his closing remarks.

---

**Carsten Knobel** - Henkel AG & Co KGaA - Chief Executive Officer

First of all, thank you so much for your questions. And with that, let me close today's call with reminding you of the upcoming financial reporting dates. We are looking forward to connecting with you again, I mentioned before, in August, when we will publish our half-year report.

And with this, I would like to thank you for joining our call today. Marco and myself wish you a good day. Take care and also goodbye. See you soon.

---

**DISCLAIMER**

LSEG reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES LSEG OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2026, LSEG. All Rights Reserved.