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. This document has been issued for information purposes only and is not intended to constitute an investment advice or an offer to sell, or a solicitation of an offer to buy, any securities.
Agenda

1. Key Developments Q3 2018
2. Financials Q3 2018
3. Outlook FY 2018 & Summary
Operating in a heterogeneous environment
Q3 2018 key macroeconomic developments

Strong industrial production
Moderate global GDP growth, IPX remains strong

Currency devaluation
Continued headwinds from key Emerging Market currencies

HPC environment mixed
Markets slightly improving while competitive/pricing pressures persist

Commodity inflation
Increasing direct material price pressure and highly volatile markets

1 Source: IHS Markit Q3 2018
Good profitable growth in Q3 2018

- Good organic sales growth driven by strong performance of Adhesive Technologies
- Consumer goods businesses improved thanks to very strong Emerging Markets performance
- Top and bottom line continued to be adversely impacted by FX
- Strong improvement in Adj. EBIT Margin supported by cost management focus and Adhesive Technologies
- Adjusted EPS above previous year, improving quarter-by-quarter

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT %</th>
<th>Adjusted EPS Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 5.0 bn</td>
<td>+2.7%</td>
<td>€ 926 m</td>
<td>18.4%</td>
<td>+2.6%</td>
</tr>
</tbody>
</table>
Adhesive Technologies
Continued strong performance in Q3 2018 with all business areas contributing

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td><strong>€ 2.4 bn</strong></td>
<td><strong>Organic Growth</strong></td>
<td><strong>+3.8%</strong></td>
</tr>
<tr>
<td><strong>Adjusted EBIT</strong></td>
<td><strong>€ 466 m</strong></td>
<td><strong>Adjusted EBIT Margin</strong></td>
<td><strong>19.6%</strong></td>
</tr>
</tbody>
</table>

LOCTITE  
TECHNOMELT  
TEROSON
Adhesive Technologies
Highlights Q3 2018

- **Industrial Maintenance**
  Significant growth with efficient solutions for repair and overhaul of pipes and machines

- **Semiconductor Packaging**
  Significant growth driven by market trends towards smaller devices and higher functionality

- **Aerospace**
  Double-digit growth with high-performance solutions for aircraft manufacturers
### Beauty Care
Positive organic growth at consistently high profitability level

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 1.0 bn</td>
<td>+0.5%</td>
<td>€ 182 m</td>
<td>18.3%</td>
</tr>
</tbody>
</table>
Beauty Care
Highlights Q3 2018

- **Hair Professional**
  Very strong growth momentum, fueled by Mature and Emerging Markets

- **Eastern Europe**
  Very strong organic growth, driven by key categories Hair and Body

- **got2b Styling and Color**
  Double-digit organic sales growth thanks to successful launches
## Laundry & Home Care

Good organic growth driven by Emerging Markets

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 1.6 bn</td>
<td>+2.5%</td>
<td>€ 294 m</td>
<td>17.9%</td>
</tr>
</tbody>
</table>

- **Persil**
- **all**
- **Purex**
Laundry & Home Care

Highlights Q3 2018

- **Middle East / Africa**
  Double-digit growth driven by continued momentum of premium detergent business

- **Hand Dishwashing**
  Double-digit growth coming from successful Pril relaunch across regions

- **Latin America**
  Double-digit growth and market share expansion thanks to successful launches
Agenda

1. Key Developments Q3 2018
2. Financials Q3 2018
3. Outlook FY 2018 & Summary
Committed to sustainable profitable growth

Key Financials Q3 2018

<table>
<thead>
<tr>
<th>Sales in €m, OSG in %</th>
<th>Gross Margin Adj. in %</th>
<th>EBIT Margin Adj. in %</th>
<th>EPS Pref. Adj. in €</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q3/17</strong></td>
<td><strong>Q3/17</strong></td>
<td><strong>Q3/17</strong></td>
<td><strong>Q3/17</strong></td>
</tr>
<tr>
<td>4,981</td>
<td>46.9</td>
<td>18.0</td>
<td>1.54</td>
</tr>
<tr>
<td><strong>Q3/18</strong></td>
<td><strong>Q3/18</strong></td>
<td><strong>Q3/18</strong></td>
<td><strong>Q3/18</strong></td>
</tr>
<tr>
<td>5,037</td>
<td>46.8</td>
<td>18.4</td>
<td>1.58</td>
</tr>
</tbody>
</table>

**Sales in €m, OSG in %:**
- Q3/17: 4,981, Q3/18: 5,037 (2.7% increase)

**Gross Margin Adj. in %:**
- Q3/17: 46.9, Q3/18: 46.8 (10 basis points decrease)

**EBIT Margin Adj. in %:**
- Q3/17: 18.0, Q3/18: 18.4 (40 basis points increase)

**EPS Pref. Adj. in €:**
- Q3/17: 1.54, Q3/18: 1.58 (2.6% increase)
Focus on disciplined cash management

Key Financials Q3 2018

<table>
<thead>
<tr>
<th></th>
<th>Q3/17</th>
<th>Q3/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NWC in % of Sales</strong></td>
<td>5.6</td>
<td>6.6</td>
</tr>
<tr>
<td>+100bp</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Q3/17</th>
<th>Q3/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Free Cash Flow in €m</strong></td>
<td>536</td>
<td>484</td>
</tr>
<tr>
<td>€ - 52 m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31.12.17</th>
<th>30.09.18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Financial Position in €m</strong></td>
<td>-3,225</td>
<td>-3,248</td>
</tr>
<tr>
<td>€ - 23 m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Strong top line adversely impacted by FX

Sales in €m, changes in %

- Sales Q3/17: 4,981
- Volume: +0.4%
- Price: +2.3%
- M&A: +1.6%
- FX: -3.2%
- Sales Q3/18: 5,037
### FX headwinds from key EM currencies

**Top 10 non-€ countries\(^1\), Q3 FX development\(^2\)**

<table>
<thead>
<tr>
<th>Country</th>
<th>FX Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>+1.0%</td>
</tr>
<tr>
<td>China</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Russia</td>
<td>-9.1%</td>
</tr>
<tr>
<td>Mexico</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Turkey</td>
<td>-37.3%</td>
</tr>
<tr>
<td>Poland</td>
<td>-1.1%</td>
</tr>
<tr>
<td>S. Korea</td>
<td>+1.9%</td>
</tr>
<tr>
<td>UK</td>
<td>+0.7%</td>
</tr>
<tr>
<td>Japan</td>
<td>+0.5%</td>
</tr>
<tr>
<td>UAE</td>
<td>+1.0%</td>
</tr>
</tbody>
</table>

\(^1\) in order of 2017 group revenue share  
\(^2\) vs. Euro; Q3 avg. exchange rate vs. PY (Source: ECB), depreciation in red, appreciation in green

**Key developments**

- FX headwinds of -3.2% on top line
- Headwinds in Q3 driven by key Emerging Market currencies
- Slight tailwind from US-Dollar in Q3
- Key Emerging Market currencies with high volatility and negative impact on results
Growth driven by Emerging Markets

Q3 2018

North America
-0.8%
€ 1,305 m (26%)

Western Europe
+0.6%
€ 1,518 m (30%)

Eastern Europe
+7.1%
€ 730 m (14%)

Latin America
+11.5%
€ 292 m (6%)

Africa/Middle East
+13.1%
€ 321 m (6%)

Asia-Pacific
+1.2%
€ 841 m (17%)

Emerging Markets: +6.8% to € 2,045 m, 40% of Group Sales
Mature Markets: -0.1% to € 2,962 m
Adhesive Technologies
Key Financials Q3 2018

<table>
<thead>
<tr>
<th>Sales in €m, OSG¹ in %</th>
<th>Regional Performance</th>
<th>EBIT Margin Adj. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>+3.8%</td>
<td></td>
<td>+50bp</td>
</tr>
<tr>
<td>2,373 (Q3/17)</td>
<td></td>
<td>19.1 (Q3/17)</td>
</tr>
<tr>
<td>2,373 (Q3/18)</td>
<td></td>
<td>19.6 (Q3/18)</td>
</tr>
</tbody>
</table>

Mature Markets: good, driven by North America
Emerging Markets: very strong, driven by Eastern Europe and Latin America

Strong organic sales growth driven by all business areas
Very strong increase in profitability due to continued implementation of price increases and cost focus

¹ Volume: 0.2% Price: 3.6%
Beauty Care
Key Financials Q3 2018

Sales in €m, OSG\(^1\) in %

\[+0.5\%\]

Q3/17: 941
Q3/18: 993

Regional Performance

Mature Markets: negative, driven by North America

Emerging Markets: very strong, driven by Middle East/Africa and Eastern Europe

EBIT Margin Adj. in %

\[+20bp\]

Q3/17: 18.1
Q3/18: 18.3

Positive top line growth and consistently high profitability level
Very strong performance in Hair Professional

\(^1\) Volume: 0.1% Price: 0.4%
Laundry & Home Care
Key Financials Q3 2018

Sales in €m, OSG\(^1\) in %

<table>
<thead>
<tr>
<th></th>
<th>Q3/17</th>
<th>Q3/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,636</td>
<td>1,641</td>
</tr>
</tbody>
</table>

+2.5%

Regional Performance

Mature Markets: negative, Western Europe positive, North America negative

Emerging Markets: double-digit growth, driven by Middle East / Africa and Latin America

EBIT Margin Adj. in %

<table>
<thead>
<tr>
<th></th>
<th>Q3/17</th>
<th>Q3/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17.9</td>
<td>17.9</td>
</tr>
</tbody>
</table>

+/- 0bp

Good organic sales growth driven by Emerging Markets
Consistently high profitability level

\(^1\) Volume: 1.1% Price: 1.4%
Adjusted Gross Profit to Adjusted EBIT

in % of sales
Impact on Adjusted EBIT Margin in pp vs. PY

- Adjusted Gross Profit: 46.8% (-0.1pp)
- Marketing, selling & distribution: -22.4% (-0.2pp)
- R&D: -2.3% (+/-0pp)
- Admin: -4.1% (+/-0pp)
- OOI/OOE: +0.4% (+0.7pp)
- Adjusted EBIT: 18.4% (+0.4pp)
Adaptation of our structures to the market

in €m

Focus of restructuring measures on optimizing structures in administration and operations
Restructuring expenses of € 200 to 250 million expected in FY 2018
Ongoing strong FX-adjusted EPS growth

Continued headwinds from adverse FX movements in the third quarter
Adjusted for currency effects, ongoing strong Adjusted EPS performance
Net Working Capital above prior year

- Net Working Capital of Adhesive Technologies mainly driven by temporary operational effects, leading to higher inventory levels
- Increase in Beauty Care driven by acquisitions
- Consumer goods businesses remain on normal service levels in North America, Net Working Capital further recovering
Strong Free Cash Flow generation

<table>
<thead>
<tr>
<th>Operating CF</th>
<th>CapEx</th>
<th>Other</th>
<th>FCF</th>
</tr>
</thead>
<tbody>
<tr>
<td>688</td>
<td>-172</td>
<td>-32</td>
<td>484</td>
</tr>
<tr>
<td>-83</td>
<td>+21</td>
<td>+10</td>
<td>-52</td>
</tr>
</tbody>
</table>

Free Cash Flow in €m, Δ PY in €m

Net Financial Position in €m

-3,336
30.09.17
-3,225
31.12.17
-3,248
30.09.18

Strong Free Cash Flow in Q3, but below previous year due to increase in net working capital
Free Cash Flow 1-9/2018 almost on prior-year level despite technology investment in Q1 2018
Agenda

1. Key Developments Q3 2018
2. Financials Q3 2018
3. Outlook FY 2018 & Summary
Good development in 1-9 2018

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT %</th>
<th>Adjusted EPS Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 15.0 bn</td>
<td>+2.4%</td>
<td>€ 2.7 bn</td>
<td>17.9%</td>
<td>+2.0%</td>
</tr>
</tbody>
</table>

Organic Growth by Business Unit

- Adhesive Technologies: +4.6%
- Beauty Care: -1.2%
- Laundry & Home Care: +1.6%

Adjusted EBIT % by Business Unit

- Adhesive Technologies: 18.9%
- Beauty Care: 17.7%
- Laundry & Home Care: 18.1%
## Guidance 2018 confirmed

<table>
<thead>
<tr>
<th>FY 2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Henkel</strong>: 2 - 4%</td>
<td></td>
</tr>
<tr>
<td>Adhesive Technologies: 4 - 5%</td>
<td></td>
</tr>
<tr>
<td>Beauty Care: 0 - 2%</td>
<td></td>
</tr>
<tr>
<td>Laundry &amp; Home Care: 2 - 4%</td>
<td></td>
</tr>
<tr>
<td><strong>Improvement to a level of around 18%</strong></td>
<td></td>
</tr>
<tr>
<td><strong>3 - 6%</strong></td>
<td>Reflecting currency development</td>
</tr>
</tbody>
</table>

### Organic Sales Growth
- Henkel: 2 - 4%
- Adhesive Technologies: 4 - 5%
- Beauty Care: 0 - 2%
- Laundry & Home Care: 2 - 4%

### Adjusted EBIT Margin
- Improvement to a level of around 18%

### Adjusted EPS Growth
- 3 - 6%
- Reflecting currency development
Committed to driving profitable growth

- Build on strong momentum in Adhesive Technologies with continued price implementation
- Drive growth with innovations and winning execution in Beauty Care and Laundry & Home Care
- Leverage full acquisition synergy potential
- Advance implementation of Fund Growth initiatives
- Focus on reducing Net Working Capital
Key take-aways

- Good organic sales growth in Q3 driven by Emerging Markets and Adhesive Technologies
- Strong improvement of Adj. EBIT Margin thanks to accelerated pricing and cost management
- Increase in Adj. EPS despite continued adverse currency effects
- 2018 guidance confirmed
Upcoming Events

- February 21, 2019       FY 2018 Earnings Release
- April 8, 2019          Annual General Meeting
- May 7, 2019            Q1 2019 Earnings Release
- June 27, 2019          Investor & Analyst Day Adhesive Technologies
- August 13, 2019        Q2 2019 Earnings Release
- November 14, 2019      Q3 2019 Earnings Release
Thank You
FY 2018: Additional input for selected KPIs

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prices for Direct Materials</td>
<td>Moderate increase vs. the level of the prior year</td>
</tr>
<tr>
<td>Restructuring Charges</td>
<td>€ 200 – 250 m</td>
</tr>
<tr>
<td>CapEx</td>
<td>€ 750 – 850 m</td>
</tr>
</tbody>
</table>
Committed to sustainable profitable growth

Key Financials 1-9/2018

<table>
<thead>
<tr>
<th></th>
<th>Sales in €m, OSG in %</th>
<th>Gross Margin Adj. in %</th>
<th>EBIT Margin Adj. in %</th>
<th>EPS Pref. Adj. in €</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15,143</td>
<td>47.5</td>
<td>17.6</td>
<td>4.50</td>
</tr>
<tr>
<td>1-9/17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>15,015</td>
<td>47.1</td>
<td>17.9</td>
<td>4.59</td>
</tr>
<tr>
<td>1-9/18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+2.4%  -40bp  +30bp  +2.0%
Focus on disciplined cash management

Key Financials 1-9/2018

<table>
<thead>
<tr>
<th></th>
<th>NWC in % of Sales</th>
<th>Free Cash Flow in €m</th>
<th>Net Financial Position in €m</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+100bp</td>
<td>€ - 30 m</td>
<td>€ - 23 m</td>
</tr>
<tr>
<td>7-9/17</td>
<td>5.6</td>
<td>1,153</td>
<td>-3,225</td>
</tr>
<tr>
<td>7-9/18</td>
<td>6.6</td>
<td>1,123</td>
<td>-3,248</td>
</tr>
</tbody>
</table>

Q3 2018 - Henkel Investor & Analyst Call  November 15, 2018
Topline growth impacted by currencies

Sales in €m, changes in %

- Organic & inorganic: +5.2%
  - Volume: +0.9%
  - Price: +1.5%
  - M&A: +2.8%
- FX: -6.0%

Sales 1-9/17: 15,143
Sales 1-9/18: 15,015
Emerging Markets driving growth
1-9/2018

North America
-0.9%
€ 3,749 (25%)

Western Europe
+0.3%
€ 4,672 m (31%)

Eastern Europe
+7.6%
€ 2,164 m (14%)

Latin America
+8.3%
€ 872 m (6%)

Africa/Middle East
+8.6%
€ 963 m (6%)

Asia-Pacific
+2.4%
€ 2,502 m (17%)

Emerging Markets: +6.4% to € 6,090 m, 40% of Group Sales
Mature Markets: -0.3% to € 8,832 m

OSG in %
abs. in €m
(share of total)

Q3 2018 - Henkel Investor & Analyst Call
November 15, 2018
Adhesive Technologies
Key Financials 1-9/2018

Sales in €m, OSG\(^1\) in %

<table>
<thead>
<tr>
<th></th>
<th>1-9/17</th>
<th>1-9/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,039</td>
<td>7,075</td>
</tr>
</tbody>
</table>

Regional Performance

Mature Markets: good, driven by North America and Western Europe

Emerging Markets: very strong, driven by Eastern Europe and Latin America

EBIT Margin Adj. in %

<table>
<thead>
<tr>
<th></th>
<th>1-9/17</th>
<th>1-9/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.8</td>
<td>18.9</td>
</tr>
</tbody>
</table>

\(^1\) Volume: 2.2% Price: 2.4%
Beauty Care
Key Financials 1-9/2018

<table>
<thead>
<tr>
<th>Sales in €m, OSG(^1) in %</th>
<th>Regional Performance</th>
<th>EBIT Margin Adj. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>-1.2%</td>
<td></td>
<td>+ 10bp</td>
</tr>
<tr>
<td>2,948</td>
<td></td>
<td>17.6</td>
</tr>
<tr>
<td>2,993</td>
<td>Mature Markets: negative, due to North America</td>
<td>17.7</td>
</tr>
<tr>
<td>1-9/17</td>
<td>Emerging Markets: very strong, driven by Eastern Europe and Middle East / Africa</td>
<td>1-9/18</td>
</tr>
</tbody>
</table>

\(^1\) Volume: -1.4% Price: 0.2%
Laundry & Home Care

Key Financials 1-9/2018

Sales in €m, OSG\(^1\) in %

\[\begin{array}{c|c}
\text{1-9/17} & 5,065 \\
\text{1-9/18} & 4,854 \\
\end{array}\]

+1.6%

Regional Performance

Mature Markets: slightly negative, due to North America

Emerging Markets: significant growth, driven by Middle East / Africa and Eastern Europe

EBIT Margin Adj. in %

\[\begin{array}{c|c|c}
\text{1-9/17} & 17.6 & \text{1-9/18} & 18.1 \\
\end{array}\]

+50bp

\(^1\) Volume: 0.6% Price: 1.0%