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Agenda

1. Key Developments 2018
2. Financials FY 2018
3. Henkel 2020+ and Targeted Growth Initiatives
4. Summary and Outlook
Henkel with good development in 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>€ 19.9 bn</td>
<td>+2.4%</td>
<td>€ 3.5 bn</td>
<td>17.6%</td>
<td>+2.7% (+7%)</td>
</tr>
</tbody>
</table>

- Good organic sales growth, driven by strong performance of Adhesive Technologies
- North American consumer goods businesses negatively affected by delivery difficulties
- Substantial FX headwinds impacting top line (~€ 1.1 bn) and bottom line
- Improvement in Adjusted EBIT Margin by 30 bps supported by Fund Growth initiatives and synergies
- Adjusted EPS above previous year, up by 7% excluding FX effects
- Record dividend proposal of € 1.85 per preferred share

1 At constant currencies
2 Proposal to shareholders for the AGM on April 8, 2019

FY 2018 - Henkel Investor & Analyst Call February 21, 2019 4
## Adhesive Technologies

Strong profitable growth across all business areas

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 9.4 bn</td>
<td>+4.0%</td>
<td>€ 1.8 bn</td>
<td>18.7%</td>
</tr>
</tbody>
</table>

- **Adhesive Technologies**

- **LOCTITE**
- **TECHNOMELT**
- **TEROSON**
Adhesive Technologies
Highlights FY 2018

- **Aerospace**
  Double-digit growth with high-performance solutions for aircraft manufacturers

- **General Manufacturing**
  Significant growth with Loctite by providing value-accretive solutions to customers across 800 industries

- **Automotive Electronics**
  Double-digit growth with high-impact solutions for connectivity and e-mobility of new generation cars
# Beauty Care

Challenges in Retail in North America, very strong performance in Professional

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 4.0 bn</td>
<td>-0.7%</td>
<td>€ 0.7 bn</td>
<td>17.1%</td>
</tr>
</tbody>
</table>

- Schwarzkopf
- Dial
- syoss
Beauty Care
Highlights FY 2018

- **Hair Professional**
  Significantly accelerated growth momentum across Mature and Emerging Markets

- **Eastern Europe Retail**
  Very strong growth, driven by Hair and Body businesses

- **Hair Coloration**
  Very strong growth and market share expansion across regions
Laundry & Home Care
Good organic growth, Emerging Markets compensating for challenges in North America

<table>
<thead>
<tr>
<th>Sales</th>
<th>Organic Growth</th>
<th>Adjusted EBIT</th>
<th>Adjusted EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 6.4 bn</td>
<td>+1.9%</td>
<td>€ 1.2 bn</td>
<td>18.1%</td>
</tr>
</tbody>
</table>
Laundry & Home Care
Highlights FY 2018

- **Middle East / Africa**
  Double-digit growth driven by outstanding development of premium detergent and dishwashing business

- **Persil**
  Significant growth from successful global innovations and strong local activation

- **Toilet Care**
  Significant growth and market share expansion thanks to successful core portfolio and strong innovations
Agenda

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2. Financials FY 2018
3. Henkel 2020+ and Targeted Growth Initiatives
4. Summary and Outlook
Commitment to sustainable profitable growth

Key Financials FY 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>+2.4%</td>
<td>-60bps</td>
<td>+ 30bps</td>
<td>+2.7%</td>
</tr>
<tr>
<td>20,029</td>
<td>47.1</td>
<td>17.3</td>
<td>5.85</td>
</tr>
<tr>
<td>19,899</td>
<td>46.5</td>
<td>17.6</td>
<td>6.01</td>
</tr>
<tr>
<td>2017</td>
<td>2017</td>
<td>2017</td>
<td>2017</td>
</tr>
<tr>
<td>2018</td>
<td>2018</td>
<td>2018</td>
<td>2018</td>
</tr>
</tbody>
</table>
Commitment to sustainable profitable growth

Key Financials Q4 2018

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales in € m, OSG in %</td>
<td>4,886</td>
<td>4,884</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Margin Adj. in %</td>
<td>45.9</td>
<td>44.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT Margin Adj. in %</td>
<td>16.4</td>
<td>16.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPS Pref. Adj. in €</td>
<td>1.35</td>
<td>1.42</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Very strong FX-adjusted EPS growth

<table>
<thead>
<tr>
<th></th>
<th>Full Year 2018</th>
<th>Q4 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj. EPS 2017</td>
<td>5.85</td>
<td>1.35</td>
</tr>
<tr>
<td>Organic / Inorganic</td>
<td>+7.0%</td>
<td>+7.4%</td>
</tr>
<tr>
<td>FX</td>
<td>-4.3%</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Adj. EPS 2018</td>
<td>6.01</td>
<td>1.42</td>
</tr>
</tbody>
</table>

Substantial headwinds from adverse FX movements throughout the year
Adjusted for currency effects, very strong adjusted EPS performance both in full year 2018 and Q4
Strong top line adversely impacted by FX

Sales in € m, changes in %

Sales 2017: 20,029

- Volume: +0.5%
- Price: +1.9%
- M&A: +2.4%
- FX: -5.4% (-€1.1 bn)

Sales 2018: 19,899
## Organic growth driven by Emerging Markets

### FY 2018

<table>
<thead>
<tr>
<th>Region</th>
<th>2018 Abs. in € m</th>
<th>Share of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North America</strong></td>
<td>€ 5,040 m</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>-1.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Western Europe</strong></td>
<td>€ 6,107 m</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>+0.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Eastern Europe</strong></td>
<td>€ 2,843 m</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>+7.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Latin America</strong></td>
<td>€ 1,181 m</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>+9.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Africa/Middle East</strong></td>
<td>€ 1,286 m</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>+11.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Asia-Pacific</strong></td>
<td>€ 3,314 m</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>+0.9%</td>
<td></td>
</tr>
</tbody>
</table>

### Emerging Markets:
- +6.3% to € 8,071 m, 40% of Group Sales

### Mature Markets:
- -0.4% to € 11,700 m

**OSG in %**
- abs. in € m (share of total)

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FY 2018 - Henkel Investor & Analyst Call
February 21, 2019
Adhesive Technologies
Strong performance driven by accelerated pricing and continued cost focus

Sales in € m, OSG¹ in %

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€ m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9,387</td>
</tr>
<tr>
<td>2018</td>
<td>9,403</td>
</tr>
</tbody>
</table>

Drivers of Performance

Strong organic sales growth driven by all business areas and positive pricing and volume

Continued margin expansion thanks to accelerated pricing and Fund Growth initiatives despite strong direct material and currency headwinds

EBIT Margin Adj. in %

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin Adj. (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>18.5</td>
</tr>
<tr>
<td>2018</td>
<td>18.7</td>
</tr>
</tbody>
</table>

¹ Volume: 1.2% Price: 2.8%
### Beauty Care

Challenges in Retail in North America, very strong performance in Professional

<table>
<thead>
<tr>
<th>Sales in € m, OSG(^1) in %</th>
<th>Drivers of Performance</th>
<th>EBIT Margin Adj. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>-0.7%</td>
<td></td>
<td>-10bps</td>
</tr>
<tr>
<td>3,868</td>
<td>Organic sales development impacted by NA retail business, partially compensated by very strong Professional and coloration / styling</td>
<td>17.2 17.1</td>
</tr>
<tr>
<td>3,950</td>
<td>Stable profitability level thanks to continued cost management focus</td>
<td>2017 2018</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td>2018</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Volume: 0.0% Price: -0.7%
Laundry & Home Care

Good performance driven by both Laundry Care and Home Care

<table>
<thead>
<tr>
<th>Sales in € m, OSG¹ in %</th>
<th>Drivers of Performance</th>
<th>EBIT Margin Adj. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,651</td>
<td>Good organic sales growth driven by significant Emerging Market growth</td>
<td>17.6</td>
</tr>
<tr>
<td>+1.9%</td>
<td>Very strong margin expansion thanks to realization of synergies and accelerated pricing despite strong direct material and currency headwinds</td>
<td>18.1</td>
</tr>
<tr>
<td>6,419</td>
<td></td>
<td>2017</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td>2018</td>
</tr>
</tbody>
</table>

¹ Volume: 0.2% Price: 1.7%
Adjusted Gross Profit to Adjusted EBIT

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

46.5% -0.6pp

-22.6% +0.7pp

-2.4% -0.1pp

-4.4% -0.1pp

+0.5% +0.4pp

17.6% +0.3pp

Adjusted Gross Profit
Marketing, selling & distribution
R&D
Admin
OOI/OOE
Adjusted EBIT
Adaptation of our structures to the market

Focus of restructuring measures in FY 2018 on go-to-market approach and optimizing structures
Restructuring expenses of € 200 – 250 m expected in FY 2019
Continuously strong cash management focus
Disciplined approach to capital allocation

- Good progress in Net Working Capital management towards year-end
- Free Cash Flow improved to strong € 1.9 bn in full year 2018
- Very strong balance sheet providing substantial investment optionality
- Focused CapEx investments in all business units, particularly focusing on growth
- M&A remaining integral part of strategy, complemented by Venture Capital activities
- Continued focus on shareholder value creation – record dividend proposal of € 1.85\(^1\)

\(^1\) Proposal per preferred share to shareholders for the AGM on April 8, 2019
Good progress in NWC management towards year-end

Net Working Capital of Adhesive Technologies mainly driven by higher inventories
Strong improvement in Laundry & Home Care, Beauty Care driven by portfolio effects from acquisitions
Strong Free Cash Flow further improved

Free Cash Flow above prior-year level despite technology investment in Q1 2018
Continued focus on Free Cash Flow expansion as integral element of mid- to long-term financial ambition

2 Including payments on account
Continuously strong balance sheet

Net financial position

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Dec 31, 2017</td>
<td>-3,222</td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>+1,917</td>
<td></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>-788</td>
<td></td>
</tr>
<tr>
<td>Payments for</td>
<td>-429</td>
<td></td>
</tr>
<tr>
<td>Other(^2)</td>
<td>-373</td>
<td></td>
</tr>
<tr>
<td>At Dec 31, 2018</td>
<td>-2,895</td>
<td></td>
</tr>
</tbody>
</table>

€ +327 m

Equity Ratio

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>55.2(^1)</td>
<td>57.7</td>
</tr>
</tbody>
</table>

Equity Ratio +2.5pp

\(^1\) Prior-year figures amended
\(^2\) Including allocations to pension funds

FY 2018 - Henkel Investor & Analyst Call
February 21, 2019
Focused CapEx investments in all business units

~€ 850 m spent in 2018

- **Adhesive Technologies**
  Europe – Spain
  New production facility for aerospace

- **Beauty Care**
  Eastern Europe – Russia
  Capacity expansion

- **Laundry & Home Care**
  North America – USA
  Expansion of detergent capsule production
Acquisitions remain integral part of strategy

~€ 400 m invested in 2018

- **Adhesive Technologies**
  Expanded footprint in Emerging Markets

- **Beauty Care**
  Successfully integrated Hair Professional acquisitions

- **Laundry & Home Care**
  Position in North America further strengthened

- **Venture Capital**
  Strengthening digital and technological expertise by investments in start-ups and VC funds
Strong track record of increasing dividend

~€ 800 m distributed in 2018

- Record dividend proposal of € 1.85\(^1\) per preferred share
- 30.9% payout ratio in line with target range
- More than € 4 bn paid out since 2012 via dividends
- Increase of target dividend payout range from 25 - 35% to 30 - 40% from fiscal 2019

\(^1\) Proposal to shareholders for the AGM on April 8, 2019
Agenda

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Henkel 2020+
Continued strong progress in the implementation of our strategic priorities

- **Fund Growth**
  - Value-creating Resource Allocation
  - Net Revenue Management
  - Most Efficient Structures
  - ONE! Global Supply Chain

- **Drive Growth**
  - Superior Customer and Consumer Engagement
  - Leading Brands and Technologies
  - Exciting Innovations and Services
  - New Sources of Growth

- **Increase Agility**
  - Energized and Empowered Teams
  - Fastest Time-to-Market
  - Smart Simplicity

- **Accelerate Digitalization**
  - Drive Digital Business
  - Leverage Industry 4.0
  - eTransform Organization
Drive growth, accelerate digitalization

- Outperform by leveraging scale and breadth of the Adhesive Technologies portfolio
- Accelerate growth in Beauty Care Retail, continue momentum in Professional
- Leverage strong innovation program in Laundry & Home Care
- Advance to next level of digitalization
Drive growth in Adhesive Technologies
Focus on future growth trends

- **Mobility: Enabler of industry transformation**
  Alternative Drives – Autonomous Driving – Lightweight

- **Connectivity: New functions & designs required**
  Mobile Devices – Internet of Things – Digital Infrastructure

- **Sustainability: Drive change along the value chain**
  Renewable Feedstock – Efficient Production – Circular Economy
Drive growth in Beauty Care

- **Drive superior growth in Hair**
  Holistic innovation plan across all Hair segments addressing key trends and target groups

- **Back to growth in North America**
  Targeted growth plan with strong initiatives in Body Care and Hair Coloration

- **Continue to outperform in Professional**
  Sustain very strong growth momentum
Drive superior growth in Hair
Selection of innovations with launch in H1 2019

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schauma</td>
<td>relaunch of biggest family brand</td>
</tr>
<tr>
<td>Nature Box</td>
<td>rollout in new markets</td>
</tr>
<tr>
<td>OnlyLove</td>
<td>launch of new brand</td>
</tr>
<tr>
<td>Vegan formulas</td>
<td>with micronutrients, no silicones and parabens</td>
</tr>
<tr>
<td>100% natural oil</td>
<td>cold pressed oils, ‘free-from’ formulas</td>
</tr>
<tr>
<td>Eco-certified</td>
<td>formula – no ammonia, silicone and alcohol</td>
</tr>
</tbody>
</table>

Vegan formulas with micronutrients, no silicones and parabens

100% natural cold pressed oils, ‘free-from’ formulas

Eco-certified formula – no ammonia, silicone and alcohol
Back to growth in North America
Selection of innovations with launch in H1 2019

**Dial – strong line extensions**
- Strong new lines in moisturizing body wash and antibacterial handwash

**Keratin Color – strong new subline**
- Launch new Keratin Color variants for multi-ethnic target groups

**got2b – expansion into new categories**
- New trend color offerings and extension of male line in hair care
Continue to outperform in Professional
Selection of innovations with launch in H1 2019

Authentic Beauty Concept – launch of premium brand

Creation of new premium vegan OTC brand with pure recognizable ingredients

IGORA Vibrance – global relaunch

Leveraging technology leadership in Hair Coloration

Launch new B2B eShop

Driving sales via convenience and end-to-end customer experiences
Drive growth in Laundry & Home Care

- **Innovation offensive for leading megabrand Persil**
  Accelerate market share gains with cutting-edge and exclusive technologies

- **Turn around North America**
  Strong innovations, caps initiatives and brand relaunches for new growth momentum

- **Expand Home Care to strengthen profitable growth**
  Leveraging blockbuster brands and key trends
Relaunch of leading megabrand Persil
Selection of innovations with launch in H1 2019

**Persil Deep Clean – global relaunch**
- New cutting-edge Deep Clean Technology with exclusive advanced enzyme mix

**Persil DISCS – launch of 4-chamber caps**
- Patented technology and unique enzyme blend for superior performance

**eCommerce offensive**
- Formula and packaging innovations with up to 2x concentrated formulas, SIOCs\(^1\) for optimized logistics

1 Ship in own container

FY 2018 - Henkel Investor & Analyst Call    February 21, 2019    38
Turn around North America
Selection of innovations with launch in H1 2019

Caps offensive – win in fast growing segment

Strong caps initiatives across all price tiers: premium, mid-tier and value-for-money

‘all relaunch – boost growth of largest US brand

New advanced formulas leveraging global technology expertise for #1 sensitive skin brand

Snuggle Scent Shakes – US market launch

Entry in premium fragrance segment with leading fabric finisher brand
Expand Home Care to strengthen profitable growth

Selection of innovations with launch in H1 2019

Somat All-in-1 Gel –
launch of next generation

Bref DeLuxe –
line extension

Pro Nature –
ewn product lines

Strengthen leadership in the
fast growing gel segment

New premium line with new
premium DeLuxe scents

Eco-certified formulas and
sustainable plastic strategy
Drive growth, accelerate digitalization

- Stepping up investments in brands, technologies, innovations and key markets
- Accelerating top-line growth with focus on consumer goods businesses
- Driving the digital transformation across the entire company
- Full focus on rigorous execution
Agenda

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Henkel with good development in 2018

Driven by strong global team

- Good organic sales growth with nominal sales of around € 20 bn
- Profitability and earnings improved in a challenging environment, supported by Fund Growth initiatives and synergies
- Strong Free Cash Flow and Balance Sheet, continued focus on shareholder value creation
Henkel 2020+
Executing our strategy

▪ Generate profitable growth and attractive returns
▪ Become more customer-focused, innovative and agile
▪ Lead digital transformation in all business activities
▪ Promote sustainability across the entire value chain
▪ Advance our portfolio with value-adding acquisitions
Mid-to long-term financial ambition
Committed to sustainable profitable growth

- Achieve organic sales growth of 2-4%
- Deliver mid to high single-digit % adjusted EPS growth at constant currencies
- Continued focus on Free Cash Flow expansion
- Pursue compelling growth opportunities with superior execution
- Maintain rigorous cost discipline and focus on margin
Current market environment

Mixed market dynamics with ongoing negative effects from currencies and commodities

**Industrial Production**

Slowing growth momentum, but still good growth of IPX

**Devaluing EM currencies**

Lower currency headwinds, though still negatively affecting top and bottom line

**Mixed HPC markets**

Persisting difficult conditions and ongoing competitive/pricing pressures

**Pressure from Direct Material prices**

High volatility and uncertainty on commodity markets with ongoing cost pressure
## Guidance 2019

<table>
<thead>
<tr>
<th></th>
<th>Henkel Group</th>
<th>2 - 4%</th>
<th>All Business Units within Group range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic Sales Growth</td>
<td>Henkel Group</td>
<td>16 - 17%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adhesive Technologies</td>
<td>18 - 19%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Beauty Care</td>
<td>15 - 16%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Laundry &amp; Home Care</td>
<td>16.5 - 17.5%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBIT Margin</td>
<td>Mid single digit % below PY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted EPS (constant currencies)</td>
<td></td>
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</tbody>
</table>
Business Priorities 2019

- Continue momentum of Adhesive Technologies in a lower growth environment
- Execute strong innovation strategy with higher investments in Consumer Goods businesses
- Advance to next level of digitalization
- Continue our strong focus on cost discipline, drive efficiency and adapt structures
- Strong focus on Working Capital improvement and Free Cash Flow expansion
- Enhance value proposition of portfolio organically and via acquisitions
Key points you heard from us today

- Henkel with good performance in 2018
- Clear business priorities for fiscal 2019 to reinforce growth momentum
- Outlook for 2019 reflecting higher growth investments while maintaining high cost discipline
- Committed to long-term sustainable value creation and attractive returns
Upcoming Events

- April 8, 2019       Annual General Meeting
- May 7, 2019        Q1 2019 Earnings Release
- July 2, 2019       Investor & Analyst Day Adhesive Technologies
- August 13, 2019    Q2 2019 Earnings Release
- November 14, 2019  Q3 2019 Earnings Release &
                      Investor & Analyst Day Consumer Businesses
Thank You
## FY 2019: Additional input for selected KPIs

<table>
<thead>
<tr>
<th>Category</th>
<th>Input Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency Impact on Sales</td>
<td>Low single digit % negative&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Prices for Direct Materials</td>
<td>Low single digit % increase&lt;sup&gt;1&lt;/sup&gt;</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>

<sup>1</sup> versus the prior year
Broad-based FX headwinds in full year 2018

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

<table>
<thead>
<tr>
<th>Country</th>
<th>FX Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>-4.6%</td>
</tr>
<tr>
<td>China</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Russia</td>
<td>-12.3%</td>
</tr>
<tr>
<td>Mexico</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Poland</td>
<td>-0.1%</td>
</tr>
<tr>
<td>S. Korea</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Turkey</td>
<td>-38.5%</td>
</tr>
<tr>
<td>UK</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Canada</td>
<td>-4.4%</td>
</tr>
<tr>
<td>Japan</td>
<td>-2.9%</td>
</tr>
</tbody>
</table>

\(^1\) in order of 2018 group revenue share
\(^2\) vs. Euro; FY 2018 avg. exchange rate vs. PY (Source: ECB), depreciation in red, appreciation in green

Key developments

- Currency headwinds of ~€ 1.1 bn (-5.4%) on top-line in full year 2018
- All of Henkel’s top 10 non-€ currencies depreciated vs. the Euro
- Key Emerging Market currencies with high volatility and negative impact on results
- US-Dollar also posed headwind in full year, despite turning to a slight tailwind from Q3
Key Financials Q4 2018
### Q4 2018 Key Financials

Good organic growth and stable margin despite continued headwinds

<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>+2.2%</td>
<td>-110bps</td>
<td>+/- 0bps</td>
<td>+5.2%</td>
</tr>
<tr>
<td>Q4/17: 4,886</td>
<td>Q4/17: 45.9</td>
<td>Q4/17: 16.4</td>
<td>Q4/17: 1.35</td>
</tr>
<tr>
<td>Q4/18: 4,884</td>
<td>Q4/18: 44.8</td>
<td>Q4/18: 16.4</td>
<td>Q4/18: 1.42</td>
</tr>
</tbody>
</table>
Q4 2018 Key Financials
Focus on disciplined cash management

<table>
<thead>
<tr>
<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>+30bps</td>
<td>€ + 246 m</td>
<td>€ + 327 m</td>
</tr>
</tbody>
</table>

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<tbody>
<tr>
<td>2017</td>
<td>4.8</td>
<td>5.1</td>
<td>548</td>
<td>794</td>
<td>-3,222¹</td>
<td>-2,895</td>
</tr>
<tr>
<td>31.12.17</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>31.12.18</td>
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</table>

¹ Prior-year figures amended
Topline growth impacted by currencies

Sales in € m, changes in %

4,886

Sales Q4/17

+/- 0.0%

Organic & inorganic

+3.5%

Volume

-0.8%

Price

+3.0%

M&A

+1.3%

FX

-3.5%

4,884

Sales Q4/18
<table>
<thead>
<tr>
<th>Region</th>
<th>OSG in %</th>
<th>abs. in € m (share of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>-1.6%</td>
<td>€ 1,291 m (26%)</td>
</tr>
<tr>
<td>Western Europe</td>
<td>+0.2%</td>
<td>€ 1,435 m (29%)</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>+7.5%</td>
<td>€ 679 m (14%)</td>
</tr>
<tr>
<td>Latin America</td>
<td>+12.2%</td>
<td>€ 309 m (6%)</td>
</tr>
<tr>
<td>Africa/Middle East</td>
<td>+19.8%</td>
<td>€ 324 m (7%)</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>-3.6%</td>
<td>€ 812 m (17%)</td>
</tr>
</tbody>
</table>

**Emerging Markets:** +6.1% to € 1,981 m, 40% of Group Sales  
**Mature Markets:** -0.7% to € 2,868 m