

HALF-YEAR REPORT

2018

Beiersdorf

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Business Developments – Overview

Beiersdorf continues profitable growth path

- Group sales rise (organic) 7.7%
- Consumer sales (organic) up 7.0% on the previous year
- tesa sales (organic) up 10.6% on the prior-year figure
- Group EBIT margin increases to 16.2%

Sales forecast for 2018 increased

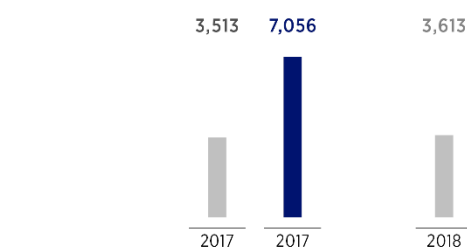
- Consumer sales grow about 5%
- Consumer EBIT margin slightly above the prior-year figure
- tesa sales growth of 5–6%
- tesa EBIT margin slightly below the prior-year level

Beiersdorf at a Glance

		Jan. 1–June 30, 2017	Jan. 1–June 30, 2018
Group sales	(in € million)	3,513	3,613
Change (organic)	(in %)	3.3	7.7
Change (nominal)	(in %)	4.6	2.8
Consumer sales	(in € million)	2,903	2,957
Change (organic)	(in %)	2.3	7.0
Change (nominal)	(in %)	3.8	1.9
tesa sales	(in € million)	610	656
Change (organic)	(in %)	8.5	10.6
Change (nominal)	(in %)	9.0	7.5
Operating result (EBIT, excluding special factors)	(in € million)	561	585
Operating result (EBIT)	(in € million)	561	585
Profit after tax	(in € million)	396	407
Return on sales after tax	(in %)	11.3	11.3
Earnings per share	(in €)	1.71	1.76
Gross cash flow	(in € million)	423	467
Capital expenditure	(in € million)	86	188
Research and development expenses	(in € million)	98	103
Employees	(number as of June 30)	18,442	19,478

Percentage changes are calculated based on thousands of euros.

GROUP SALES (IN € MILLION)

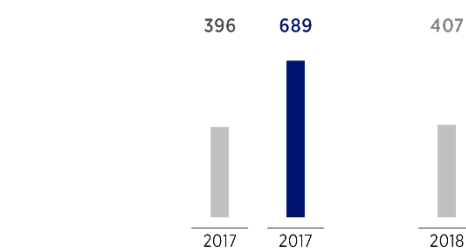


SALES GROWTH
IN %

3.3 4.5 7.7

■ Jan. 1–June 30 ■ Full year

PROFIT AFTER TAX (IN € MILLION)



RETURN ON SALES
AFTER TAX IN %

11.3 9.8 11.3

■ Jan. 1–June 30 ■ Full year

Beiersdorf's Shares

Stock markets began the year 2018 with very favorable economic signals. Strong economic data propelled stock markets to new heights early in the year, while the International Monetary Fund identified Europe and Asia as the driving forces for higher global economic growth and lifted their growth forecasts. Unemployment in the eurozone reached its lowest level for around ten years and the inflation rate approached the 2% target of the European Central Bank (ECB), due to higher commodity prices. In the first half of the year, markets saw further normalization of monetary policy in the eurozone and in the United States. The US Federal Reserve not only implemented two rate hikes, increasing its key interest rate to a level of 2%, but also signaled more rate rises than the market had anticipated. In Europe, the ECB confirmed the tapering of its bond purchase program but also promised to retain an accommodative monetary policy overall. Sentiment on the stock markets deteriorated with new trade tariffs and tariff increases between the United States and China and between the United States and the European Union. There were also discussions about a possible Italian exit from the eurozone following the country's parliamentary elections in March. Capital markets responded with higher risk premiums for Italian government bonds, and stock prices fell. The euro also came under pressure: It fell sharply against other currencies, such as the US dollar, for example, after temporarily reaching the USD 1.25 mark.

Overall, Beiersdorf shares remained steady overall in this environment, and performed well in relation to the German benchmark DAX index. After the share price exceeded the €100 mark and provisional results were published for 2017, profit-taking pushed shares back below €90. In the second quarter, our shares gained ground amid an emerging recovery in the skin care market. However, this trend was subsequently offset by the announcement of the forthcoming change in CEO. Still, our shares went on to partially recover towards the end of the quarter. The Beiersdorf AG Annual General Meeting took place on April 25, with over 1,100 shareholders accepting the invitation to the Hamburg Messehallen.

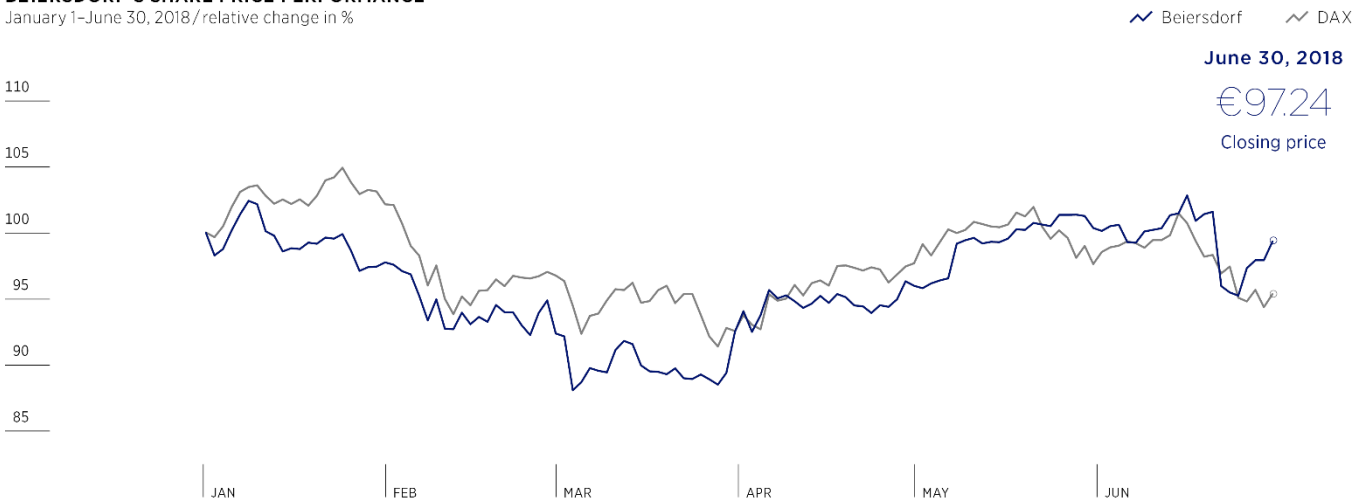
Having considerably outperformed the DAX, Beiersdorf's shares ended the first six months of the year at €97.24.

KEY FIGURES - SHARES

		2017	2018
Earnings per share as of June 30	(in €)	1.71	1.76
Market capitalization as of June 30	(in € million)	23,194	24,504
Closing price as of June 30	(in €)	92.04	97.24
Closing high for the period Jan. 1-June 30	(in €)	97.51	100.70
Closing low for the period Jan. 1-June 30	(in €)	80.28	86.08

BEIERSDORF'S SHARE PRICE PERFORMANCE

January 1-June 30, 2018/relative change in %



Interim Management Report – Group Results of Operations – Group

- Organic group sales up by 7.7%
- EBIT margin increases to 16.2%
- Profit after tax of €407 million

GROUP SALES (IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018	Change (in %)	
			nominal	organic
Europe	1,835	1,913	4.3	6.0
Americas	614	589	–4.1	6.2
Africa/Asia/Australia	1,064	1,111	4.3	11.5
Total	3,513	3,613	2.8	7.7

Organic Group sales in the first six months of 2018 were up 7.7% on the previous year. Nominal Group sales rose by 2.8% year on year to €3,613 million (previous year: €3,513 million). The Consumer Business Segment increased sales by 7.0%, and tesa by 10.6%. In the previous year, the cyber attack led to a shift in sales for Consumer and tesa that amounted to around 1 percentage point from the first half of the year to the second.

In **Europe**, sales were up 6.0% on the same period of the previous year. In nominal terms, sales amounted to €1,913 million (previous year: €1,835 million), 4.3% higher than the previous year's figure. Growth in the **Americas** region was 6.2%. Nominal sales fell by 4.1% to €589 million (previous year: €614 million). The **Africa/Asia/Australia** region reported growth of 11.5%. Sales rose in nominal terms by 4.3% to €1,111 million (previous year: €1,064 million).

INCOME STATEMENT (IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018	Change in %
Sales	3,513	3,613	2.8
Cost of goods sold	–1,417	–1,504	6.1
Gross profit	2,096	2,109	0.6
Marketing and selling expenses	–1,233	–1,248	1.2
Research and development expenses	–98	–103	5.2
General and administrative expenses	–196	–201	2.8
Other operating result	–8	28	–
Operating result (EBIT, excluding special factors)	561	585	4.3
Special factors	–	–	–
Operating result (EBIT)	561	585	4.3
Financial result	–4	–19	–
Profit before tax	557	566	1.6
Income taxes	–161	–159	–1.5
Profit after tax	396	407	2.9
Basic/diluted earnings per share (in €)	1.71	1.76	–

The operating result (EBIT, excluding special factors) increased to €585 million (previous year: €561 million). Excluding special factors, the EBIT margin for the first six months of 2018 was 16.2% (previous year: 16.0%). The Beiersdorf Group's results of operations are determined on the basis of the operating result (EBIT) excluding special factors. This figure is not part of IFRS and

should be treated merely as voluntary additional information. No special factors required recognition in the first six months of 2018 or in the comparison period.

The financial result amounted to €-19 million (previous year: €-4 million) due to a negative other financial result.

Profit after tax increased to €407 million (previous year: €396 million). The return on sales after tax was 11.3% (previous year: 11.3%). Earnings per share were €1.76, calculated on the basis of 226,818,984 shares (previous year: €1.71).

Results of Operations – Business Segments

Consumer

CONSUMER SALES (IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018	Change (in %)	
			nominal	organic
Europe	1,491	1,543	3.5	5.5
Western Europe	1,203	1,247	3.7	5.0
Eastern Europe	288	296	2.7	7.5
Americas	518	488	-5.8	4.5
North America	206	211	2.3	12.5
Latin America	312	277	-11.2	-0.7
Africa/Asia/Australia	894	926	3.6	11.2
Total	2,903	2,957	1.9	7.0

The **Consumer** Business Segment recorded organic sales growth of 7.0% in the first six months of the year.

The strength of the euro against most of the currencies material to the consolidated financial statements created negative exchange rate effects, reducing growth by 5.1 percentage points. In nominal terms, sales therefore rose by 1.9% to €2,957 million (previous year: €2,903 million).

NIVEA sales increased by 3.5% on the prior-year figure. The **Derma** business unit, which includes the Eucerin and Aquaphor brands, increased sales by 9.5%. Sales in **Healthcare**, which includes the Hansaplast and Elastoplast brands, were up 0.9% on the previous year. **La Prairie** continued its excellent performance and achieved a 55.9% rise in sales.

Europe

Organic sales in the **Europe** region grew by 5.5%. At €1,543 million, nominal sales were up 3.5% year on year (previous year: €1,491 million).

In **Western Europe**, sales were up 5.0% on the previous year. Solid growth was achieved particularly in Germany and the United Kingdom, while the sales in France suffered under the challenging conditions of the French market. In **Eastern Europe**, sales were up 7.5% on the previous year. Growth here was mainly driven by the very healthy trend in Russia.

Americas

Organic sales in the **Americas** region increased by 4.5%. At €488 million, nominal sales were down 5.8% on the previous year (€518 million) due to exchange rate changes affecting the US dollar and the key South American currencies.

North America lifted sales by 12.5% with a solid performance in all companies. In **Latin America**, sales were 0.7% down on the same period of the previous year. Healthy growth was achieved in Mexico, while Brazil sales were among others negatively influenced by the trucker's strike.

Africa/Asia/Australia

The **Africa/Asia/Australia** region recorded an 11.2% growth in organic sales. The poor performance of almost all of the region's currencies against the euro meant that the growth in nominal terms was 3.6%, taking sales to €926 million (previous year: €894 million). We reported strong growth in India, while in China sales were slightly down year on year.

EBIT in the Consumer Business Segment rose to €472 million (previous year: €451 million), while the EBIT margin increased to 15.9% (previous year: 15.5%).

tesa

tesa SALES (IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018	Change (in %)	
			nominal	organic
Europe	344	370	7.6	8.2
Americas	96	101	5.4	15.6
Africa/Asia/Australia	170	185	8.3	13.0
Total	610	656	7.5	10.6

Sales in the **tesa** Business Segment recorded a substantial organic increase of 10.6%. In nominal terms, sales rose by 7.5% to €656 million (previous year: €610 million).

The **Direct Industries** division, which encompasses direct business with industrial customers, and the **Trade Markets** division, which comprises the consumer business, both contributed to the upward sales trend. In the Americas, the very positive trend in applications for the automotive industry continued. Sales in Asia were up substantially on the weaker prior-year period.

EBIT in the tesa Business Segment increased compared with the weaker first half of 2017 to €113 million (previous year: €110 million). The EBIT margin was 17.3% (previous year: 18.1%).

Net Assets – Group

NET ASSETS (IN € MILLION)			
Assets	Dec. 31, 2017	June 30, 2017	June 30, 2018
Non-current assets	3,926	3,558	3,955
Inventories	854	809	939
Other current assets	2,524	2,698	2,804
Cash and cash equivalents	901	847	792
	8,205	7,912	8,490
Equity and liabilities	Dec. 31, 2017	June 30, 2017	June 30, 2018
Equity	5,125	4,899	5,335
Non-current provisions	780	727	765
Non-current liabilities	80	70	66
Current provisions	427	424	423
Current liabilities	1,793	1,792	1,901
	8,205	7,912	8,490

Non-current assets increased by €29 million as against December 31, 2017, to €3,955 million. Long-term securities were reclassified due to shorter maturities, and new purchases were made. Capital expenditure on property, plant, and equipment and on intangible assets in the first six months of 2018 amounted to €188 million (previous year: €86 million). Of this amount, €147 million was attributable to the Consumer Business Segment (previous year: €51 million), primarily for securing the future of the Beiersdorf sites and expanding capacity at the production locations. Capital expenditure by the tesa Business Segment was €41 million (previous year: €35 million). Depreciation and impairment losses amounted to €71 million (previous year: €69 million). Inventories rose by €85 million as against December 31, 2017, to €939 million. Other current assets increased by €280 million as against December 31, 2017, to €2,804 million. This item includes short-term securities of €866 million, an increase of €96 million as against year-end 2017. Trade receivables increased by €221 million compared with the figure for December 31, 2017, to €1,547 million. This was due to seasonal effects.

Cash and cash equivalents decreased by €109 million as against December 31, 2017, to €792 million. Net liquidity (cash, cash equivalents, and long- and short-term securities less current liabilities to banks) decreased by €190 million compared with the figure for December 31, 2017, to €3,999 million. Current liabilities to banks increased by €31 million and amounted to €45 million on the reporting date.

Total non-current provisions and liabilities have decreased by €29 million since December 31, 2017, to €831 million, mainly due to a higher discount rate for pension provisions. The growth in current liabilities to €1,901 million was primarily due to the €75 million increase in trade payables.

FINANCING STRUCTURE (IN %)



Financial Position – Group

CASH FLOW STATEMENT (IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018
Gross cash flow	423	467
Change in working capital	–39	–227
Net cash flow from operating activities	384	240
Net cash flow from investing activities	–208	–168
Free cash flow	176	72
Net cash flow from financing activities	–176	–172
Other changes	–25	–9
Net change in cash and cash equivalents	–25	–109
Cash and cash equivalents as of Jan. 1	872	901
Cash and cash equivalents as of June 30	847	792

Gross cash flow amounted to €467 million, up €44 million on the prior-year value. The net cash outflow from the change in working capital was €227 million (previous year: €39 million). An increase in inventories by €86 million and in receivables and other assets by €234 million was offset by a rise of €93 million in liabilities and provisions. Overall, the net cash flow from operating activities totaled €240 million (previous year: €384 million).

The net cash outflow from investing activities amounted to €168 million (previous year: €208 million). Interest and other financial income received of €34 million and proceeds of €26 million from the sale of intangible assets and property, plant, and equipment were offset by net cash outflows of €40 million for the purchase of securities as well as capital expenditure of €188 million for property, plant, and equipment and intangible assets.

Free cash flow was therefore €72 million, down by €104 million on the prior-year value (€176 million). The net cash outflow from financing activities amounted to €172 million (previous year: €176 million).

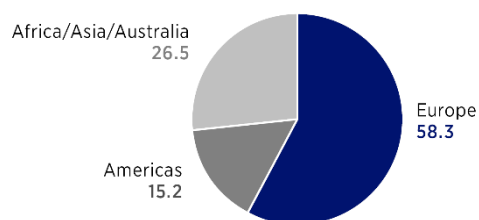
Cash and cash equivalents amounted to €792 million (previous year: €847 million).

Employees

The number of employees increased by 544 compared with the figure on December 31, 2017, from 18,934 to 19,478. As of June 30, 2018, 14,845 employees worked in the Consumer Business Segment and 4,633 at tesa.

EMPLOYEES BY REGION (IN %)

as of June 30, 2018; total 19,478 employees



Opportunities and Risks

For more information on opportunities and risks, please refer to our Risk Report in the Group Management Report as of December 31, 2017. There were no significant changes in opportunities and risks as of June 30, 2018.

Outlook for 2018

Expected Macroeconomic Developments

The positive growth trend in the **global economy** continues in 2018, driven both by the industrialized countries and the emerging markets. The geopolitical unrest, separatist, anti-EU movements in Europe, the uncertainty about the outcome of the exit negotiations with the United Kingdom and the long-term consequences of Brexit, as well as the future economic policy of the United States are, however, continuing to generate considerable uncertainty with regard to the development of the global economy.

In **Europe**, we expect to see sound growth slightly short of the prior-year level. In addition to a downturn in consumer spending, a backlog of reforms in some countries and political tensions are having a negative impact on the growth rate. The long-term impact of Brexit and a possible change in European Central Bank policy are an additional source of uncertainty.

In **Germany**, we also anticipate good growth, though slightly short of the previous year's level. Investment and exports will probably be the main economic growth drivers. However, the slight rise in inflation is likely to dampen consumer sentiment somewhat.

We anticipate that the **US economy** will continue its growth trend on the back of a further reduction in unemployment and sustained strong consumer sentiment. Growth impetus is also expected to come from investments. The tax cuts also boost sentiment among both consumers and companies. Uncertainty is primarily due to the future course of economic policy.

In **Japan**, we expect a slower growth rate in 2018 after marked economic upturn in 2017. Consumer spending, the mainstay of the Japanese economy, is likely to grow only moderately despite favorable consumer confidence. The pace of investment is also expected to lose momentum. Demographic trends and the high level of government debt pose risks to economic growth.

In the **emerging markets**, we expect economic prospects to improve slightly overall, although a large number of risks and uncertainties are slowing growth there. For the **Chinese** economy, we expect growth to be slightly below the prior-year level, underpinned by an expansionary fiscal policy. Uncertainty is being caused by the threat of an overheating real estate market and the continued high indebtedness of state-owned enterprises. In **India**, we expect that the negative implications of the reforms carried out in previous years will largely subside, allowing the economy to experience strong growth again. In the **Middle East**, we expect trade barriers and other protectionist measures to continue to slow economic growth in the region. For the **Southeast Asian** emerging markets, we expect growth to be roughly at the prior-year level. In **Brazil**, we expect the economy to continue to stabilize and achieve growth above the prior-year level fueled by consumer spending. The political uncertainty, continued high unemployment, and private debt are counteracting a significant upturn, however. We believe that the **Russian** economy will continue its positive economic trend and that the growth rate will pick up slightly. However, Russia's strong dependence on oil production and prices, continuing international sanctions, a lack of structural reforms, and a continuing lack of investor confidence stand in the way of a strong recovery.

Our expectation of slightly increasing prices within the commodity markets relevant for Beiersdorf remains unchanged for 2018.

Business Developments

In light of our macroeconomic forecasts, Beiersdorf anticipates sales growth in the **Consumer** Business Segment at around 5% in fiscal year 2018. The EBIT margin from operations is expected to slightly exceed the prior-year figure.

In the **tesa** Business Segment, we are predicting sales growth of 5-6% in 2018. The EBIT margin from ongoing operations is expected to be slightly below the prior-year level.

Based on the forecasts for the two business segments, we are expecting **Group** sales growth at around 5%. The consolidated EBIT margin from operations is expected to remain at the prior-year level.

We firmly believe we are well positioned for the future thanks to our internationally successful brand portfolio, our innovative and high-quality products, and our dedicated employees.

Hamburg, August 2018
Beiersdorf AG

The Executive Board

Interim Consolidated Financial Statements

Income Statement

(IN € MILLION)

	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018
Sales	3,513	3,613
Cost of goods sold	–1,417	–1,504
Gross profit	2,096	2,109
Marketing and selling expenses	–1,233	–1,248
Research and development expenses	–98	–103
General and administrative expenses	–196	–201
Other operating result	–8	28
Operating result (EBIT)	561	585
Interest income	16	19
Interest expense	–1	–4
Net pension result	–6	–6
Other financial result	–13	–28
Profit before tax	557	566
Income taxes	–161	–159
Profit after tax	396	407
Of which attributable to		
– Equity holders of Beiersdorf AG	388	399
– Non-controlling interests	8	8
Basic/diluted earnings per share (in €)	1.71	1.76

Statement of Comprehensive Income

(IN € MILLION) *

	2017	2018
Result after tax	396	407
Other comprehensive income that will be reclassified subsequently to profit or loss	-53	-27
Remeasurement cash flow hedges	18	-1
Remeasurement securities	-3	-4
Exchange differences	-68	-22
Other comprehensive income that will not be reclassified subsequently to profit or loss*	52	7
Remeasurement defined benefit pension plans	52	7
Other comprehensive income	-1	-20
Total comprehensive income	395	387
Of which attributable to		
- Equity holders of Beiersdorf AG	388	378
- Non-controlling interests	7	9

* net of tax

Balance Sheet

(IN € MILLION)			
Assets	Dec. 31, 2017	June 30, 2017	June 30, 2018
Intangible assets	140	130	160
Property, plant, and equipment	1,026	1,035	1,112
Non-current financial assets/securities	2,532	2,162	2,386
Other non-current assets	23	28	85
Deferred tax assets	205	203	212
Non-current assets	3,926	3,558	3,955
Inventories	854	809	939
Trade receivables	1,326	1,419	1,547
Other current financial assets	151	154	116
Income tax receivables	108	119	98
Other current assets	169	169	177
Securities	770	837	866
Cash and cash equivalents	901	847	792
Current assets	4,279	4,354	4,535
	8,205	7,912	8,490
Equity and liabilities	Dec. 31, 2017	June 30, 2017	June 30, 2018
Equity attributable to equity holders of Beiersdorf AG	5,104	4,885	5,321
Non-controlling interests	21	14	14
Equity	5,125	4,899	5,335
Provisions for pensions and other post-employment benefits	659	634	641
Other non-current provisions	121	93	124
Non-current financial liabilities	4	1	4
Other non-current liabilities	2	2	2
Deferred tax liabilities	74	67	60
Non-current liabilities	860	797	831
Other current provisions	427	424	423
Income tax liabilities	162	146	173
Trade payables	1,420	1,422	1,495
Other current financial liabilities	109	97	106
Other current liabilities	102	127	127
Current liabilities	2,220	2,216	2,324
	8,205	7,912	8,490

Cash Flow Statement

(IN € MILLION)	Jan. 1–June 30, 2017	Jan. 1–June 30, 2018
Profit after tax	396	407
<i>Reconciliation of profit after tax to net cash flow from operating activities</i>		
Income taxes	161	159
Financial result	4	19
Income taxes paid	-186	-160
Depreciation and amortization	69	71
Change in non-current provisions (excluding interest components and changes recognized in OCI)	-6	-12
Gain/loss on disposal of property, plant, and equipment, and intangible assets	-15	-17
Gross cash flow	423	467
Change in inventories	-70	-85
Change in receivables and other assets	-162	-235
Change in liabilities and current provisions	193	93
Net cash flow from operating activities	384	240
Investments in property, plant, and equipment, and intangible assets	-86	-188
Proceeds from the sale of property, plant, and equipment, and intangible assets	28	26
Payments to acquire securities	-764	-428
Proceeds from the sale/final maturity of securities	598	388
Interest received	11	18
Proceeds from dividends and other financing activities	5	16
Net cash flow from investing activities	-208	-168
Free cash flow	176	72
Proceeds from loans	38	35
Loan repayments	-24	-4
Interest paid	-1	-4
Other financing expenses paid	-16	-24
Cash dividends paid (Beiersdorf AG)	-159	-159
Cash dividends paid (non-controlling interests)	-14	-16
Net cash flow from financing activities	-176	-172
Effect of exchange rate fluctuations and other changes on cash held	-25	-9
Net change in cash and cash equivalents	-25	-109
Cash and cash equivalents as of Jan. 1	872	901
Cash and cash equivalents as of June 30	847	792

Statement of Changes in Equity

(IN € MILLION)

	Share capital	Additional paid-in capital	Retained earnings*	Accumulated other comprehensive income			Total attributable to equity holders	Non-controlling interests	Total
				Currency translation adjustment	Hedging instruments from cash flow hedges	Debt and Equity Securities			
Jan. 1, 2017	252	47	4,416	-41	-16	-2	4,656	21	4,677
Total comprehensive income for the period	–	–	440	-67	18	-3	388	7	395
Dividend of eiersdorf AG for previous year	–	–	-159	–	–	–	-159	–	-159
Dividend of non-controlling interests for previous year	–	–	–	–	–	–	–	-14	-14
June 30, 2017	252	47	4,697	-108	2	-5	4,885	14	4,899
Jan. 1, 2018	252	47	4,969	-169	–	5	5,104	21	5,125
Restatement IFRS 9	–	–	-2	–	–	–	-2	–	-2
Jan. 1, 2018	252	47	4,967	-169	–	5	5,102	21	5,123
Total comprehensive income for the period	–	–	406	-23	-1	-4	378	9	387
Dividend of Beiersdorf AG for previous year	–	–	-159	–	–	–	-159	–	-159
Dividend of non-controlling interests for previous year	–	–	–	–	–	–	–	-16	-16
June 30, 2018	252	47	5,214	-192	-1	1	5,321	14	5,335

* The cost of treasury shares amounting to €955 million has been deducted from retained earnings.

Segment Reporting

Business Developments by Business Segment

NET SALES (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of total		% of total	nominal	organic
Consumer	2,903	82.6	2,957	81.9	1.9	7.0
tesa	610	17.4	656	18.1	7.5	10.6
Total	3,513	100.0	3,613	100.0	2.8	7.7

EBITDA (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of sales		% of sales	nominal	
Consumer	501	17.3	522	17.6	4.1	
tesa	129	21.0	134	20.4	4.4	
Total	630	18.0	656	18.0	3.5	

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS)* (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of sales		% of sales	nominal	
Consumer	451	15.5	472	15.9	4.7	
tesa	110	18.1	113	17.3	2.8	
Total	561	16.0	585	16.2	4.3	

GROSS CASH FLOW (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of sales		% of sales	nominal	
Consumer	335	11.5	371	12.5	11.0	
tesa	88	14.4	96	14.7	10.0	
Total	423	12.0	467	12.9	11.0	

Regional Reporting

NET SALES (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of total		% of total	nominal	organic
Europe	1,835	52.2	1,913	53.0	4.3	6.0
Americas	614	17.5	589	16.3	–4.1	6.2
Africa/Asia/Australia	1,064	30.3	1,111	30.7	4.3	11.5
Total	3,513	100.0	3,613	100.0	2.8	7.7

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS)* (IN € MILLION)	Jan. 1–June 30, 2017		Jan. 1–June 30, 2018		Change in %	
		% of sales		% of sales	nominal	
Europe	332	18.1	332	17.4	0.1	
Americas	54	8.7	59	9.9	9.1	
Africa/Asia/Australia	175	16.4	194	17.5	10.8	
Total	561	16.0	585	16.2	4.3	

* For details regarding the special factors please refer to chapter "Results of Operations – Group" of the Interim Management Report – Group.

Selected Explanatory Notes

Information on the Company and on the Group

The registered office of Beiersdorf AG is located at Unnastrasse 48 in Hamburg (Germany), and the company is registered with the commercial register of the Hamburg Local Court under the number HRB 1787. Beiersdorf AG is included in the consolidated financial statements of maxingvest ag. The activities of Beiersdorf AG and its affiliates (“Beiersdorf Group”) consist primarily of the manufacture and distribution of branded consumer goods in the area of skin and body care, and of the manufacture and distribution of technical adhesive tapes.

Basis of Preparation

The interim consolidated financial statements for the period from January 1 to June 30, 2018, were prepared in accordance with IAS 34 “Interim Financial Reporting.” The interim consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 31, 2017.

Accounting Policies

The figures disclosed in this interim report were prepared in accordance with the International Financial Reporting Standards (IFRS). The same accounting policies were used in the interim consolidated financial statements as in the annual consolidated financial statements for 2017, with the exception of the following standards applied by the Group since January 1, 2018.

o IFRS 9 “Financial Instruments”

The new standard has been applied for the first time since January 1, 2018. It harmonizes guidance on the classification and measurement of financial assets and financial liabilities, and introduces a new impairment model for financial assets. In addition, the new hedge accounting requirements published in November 2013 were included in the final version of IFRS 9. These replace the requirements of IAS 39. The adoption of IFRS 9 has no material impact on the classification and measurement of our financial assets in the balance sheet. Due to our low-risk and short-term investment structure and the low risk related to trade receivables, the new calculation for impairment does not have a material impact on assets or equity. The adoption of the new hedge accounting requirements also has no material impact on the consolidated financial statements.

o IFRS 15 “Revenue from Contracts with Customers”

The new standard for recognizing revenue is being applied retrospectively for the first time from January 1, 2018. The standard includes a five-step model that must be applied when recognizing revenue from all contracts with customers. It determines the point in time (or period over time) and amount at which revenue must be recognized. We have analyzed our contracts with customers with regard to any changes that may be required, in particular relating to returns, customer loyalty programs (coupon campaigns, options to purchase additional goods), and the point in time at which control is transferred. In doing so, we have considered the unique aspects of different distribution channels – the mass market, pharmacies, business online, and with distributors. As expected, there was no impact on sales.

The intraperiod income tax expense was calculated on the basis of the estimated effective tax rate for the full year.

Related Party Disclosures

Please refer to the consolidated financial statements as of December 31, 2017, for related party disclosures. There were no significant changes as of June 30, 2018.

Consolidated Group, Acquisitions, and Divestments

Effective March 1, 2018, tesa SE acquired the “Twinlock” product division from “Polymount International BV,” based in Nijkerk (the Netherlands). With this acquisition, tesa is strengthening its printing industry products business. “Polymount” was founded in 2002 and the Twinlock product division employs 70 people. Effective May 18, 2018, tesa acquired “Functional Coatings, Inc.,” based in Newburyport, MA (United States). The innovative adhesive tape and sealing products from “Functional Coatings, Inc.” complement the existing tesa product range in the building supply segment. The company was founded in 1989 and employs 80 people. Effective May 24, 2018, tesa also acquired “FormFormForm Ltd.,” based in London (United Kingdom), along with the kneadable glue Sugru. “FormFormForm” was founded in 2004. In 2017, it employed 60 people and generated more than half of its sales online. Sugru is also available in retail stores in Europe, the United States, and Canada. In total, the acquired companies generated sales of almost €50 million in 2017. The purchase price paid until now for all these acquisitions is around €90 million. The purchase price allocation on the balance sheet is currently provisional.

Corporate Governance

The declaration of compliance with the recommendations of the German Corporate Governance Code issued by the Supervisory Board and the Executive Board for fiscal year 2017 in accordance with § 161 *Aktiengesetz* (German Stock Corporation Act, *AktG*) was published in December 2017 and is permanently available on our website at WWW.BEIERSDORF.COM/INVESTORS/CORPORATE-GOVERNANCE/DECLARATION-OF-COMPLIANCE.HTML.

Events after the Reporting Date

No significant effects occurred after the balance sheet date that would have a material effect on the Beiersdorf Group’s business development.

Review Report

To Beiersdorf Aktiengesellschaft

We have reviewed the interim condensed consolidated financial statements, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity and selected explanatory notes, and the interim group management report of Beiersdorf Aktiengesellschaft, Hamburg, for the period from January 1 to June 30, 2018, which are part of the six-monthly financial report pursuant to Sec. 115 *WpHG* [*Wertpapierhandelsgesetz*: German Securities Trading Act]. The preparation of the interim condensed consolidated financial statements in accordance with IFRS [International Financial Reporting Standards] on interim financial reporting as adopted by the EU and of the group management report in accordance with the requirements of the *WpHG* applicable to interim group management reports is the responsibility of the company's management. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the *Institut der Wirtschaftsprüfer* [Institute of Public Auditors in Germany] (*IDW*). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRS on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the *WpHG* applicable to interim group management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRS on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the *WpHG* applicable to interim group management reports.

Hamburg, August 3, 2018

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Ludwig	Jeschonneck
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]


Responsibility Statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group in the remainder of the fiscal year.

Hamburg, August 2018

Beiersdorf AG

The Executive Board



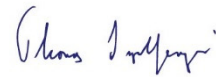
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Chairman of the
Executive Board



STEFAN DE LOECKER
Member of the
Executive Board



RALPH GUSKO
Member of the
Executive Board



THOMAS INGELFINGER
Member of the
Executive Board



ZHENGRONG LIU
Member of the
Executive Board



DESSI TEMPERLEY
Member of the
Executive Board



VINCENT WARNERY
Member of the
Executive Board

Financial Calendar

2018

October 30

—
**Quarterly Statement
 January to September 2018**

2019

January

—
**Publication of
 Preliminary Group Results 2018 (Sales)**

March

—
**Publication of Annual Report 2018,
 Annual Accounts Press Conference,
 Financial Analyst Meeting**

April

—
Annual General Meeting

May

—
**Quarterly Statement
 January to March 2019**

August

—
**Half-Year Report
 2019**

October

—
**Quarterly Statement
 January to September 2019**

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www.beiersdorf.com

→ Note

The Half-Year Report is also available in German.

The online version is available at WWW.BEIERSDORF.COM/INTERIM_REPORT.