

HALF-YEAR REPORT

2017

Beiersdorf

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Business Developments – Overview

Beiersdorf continues profitable growth path

- Group sales rise 3.3% (4.4%*)
- Consumer sales up 2.3% (3.4%*) on the previous year
- tesa sales up 8.5% (9.4%*) on the prior-year figure
- Group EBIT margin increases to 16.0%

Outlook for 2017 confirmed

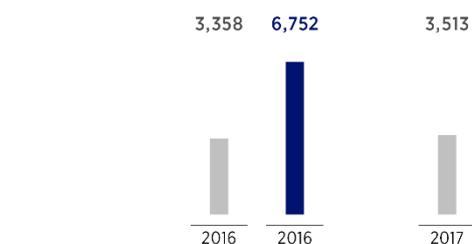
- Consumer sales growth of 3–4%
- Consumer EBIT margin slightly above the prior-year figure
- tesa sales growth of 4–5%
- tesa EBIT margin at the prior-year level

Beiersdorf at a Glance

		Jan. 1–June 30, 2016	Jan. 1–June 30, 2017
Group sales	(in € million)	3,358	3,513
Change (organic)	(in %)	2.8	3.3
Change (nominal)	(in %)	–1.3	4.6
Consumer sales	(in € million)	2,798	2,903
Change (organic)	(in %)	3.3	2.3
Change (nominal)	(in %)	–1.0	3.8
tesa sales	(in € million)	560	610
Change (organic)	(in %)	0.2	8.5
Change (nominal)	(in %)	–2.7	9.0
Operating result (EBIT, excluding special factors)	(in € million)	513	561
Operating result (EBIT)	(in € million)	513	561
Profit after tax	(in € million)	371	396
Return on sales after tax	(in %)	11.0	11.3
Earnings per share	(in €)	1.61	1.71
Gross cash flow	(in € million)	399	423
Capital expenditure	(in € million)	68	86
Research and development expenses	(in € million)	94	98
Employees	(number as of June 30)	17,806	18,442

Percentage changes are calculated based on thousands of euros.

GROUP SALES (IN € MILLION)

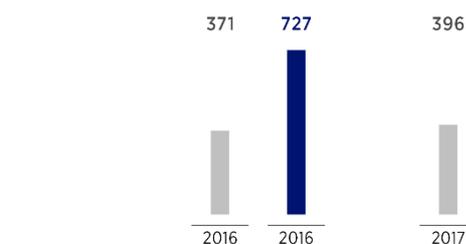


SALES GROWTH IN %

Year	Jan. 1–June 30	Full year
2016	2.8	3.2
2017	3.3	-

■ Jan. 1–June 30 ■ Full year

PROFIT AFTER TAX (IN € MILLION)



RETURN ON SALES AFTER TAX IN %

Year	Jan. 1–June 30	Full year
2016	11.0	10.8
2017	11.3	-

■ Jan. 1–June 30 ■ Full year

* Estimated without the effect of the IT attack and the resulting shift of sales

Beiersdorf's Shares

The stock markets were off to a bright start in 2017 despite global concerns about possible changes in political direction in the United States, the United Kingdom, and France. The US equities index Dow Jones Industrial Average surpassed the 20,000-point mark for the first time in its history. The German benchmark DAX index also hit new heights in the second quarter. Robust labor market data and slightly rising inflation in the United States prompted two further interest rate hikes by the US Federal Reserve. The Fed thus continued the slow normalization of its monetary policy, while the European Central Bank held back from taking similar measures for the euro. One reason for this was the inflation rate in the eurozone, which the ECB expects to remain below its target of 2% in the medium term. This is also attributable to oil prices, which are relevant for inflation. After a substantial recovery in 2016, oil fell back below USD 50 during the reporting period.

After giving notice of its intention to leave the European Union, the government of the United Kingdom announced new elections. The vote in June resulted in no overall majority for any party. By contrast, the presidential and parliamentary elections in France saw a clear win for the pro-European candidate Macron. The unexpectedly large margin of his victory noticeably eased the situation on the capital markets. The DAX subsequently reached a new high of almost 13,000 points, supported by increased growth expectations for the world economy.

Beiersdorf's shares considerably outperformed the DAX over the first six months of the year and neared the €100-per-share mark with an intraday high of €98.49. Investors and analysts viewed the implementation of the Blue Agenda very positively. The growth focus on Eucerin (dermocosmetics), La Prairie (selective cosmetics), and plaster brands attracted great attention. Particularly in the light of the current difficult market environment, the previous year's sales growth and increased margins were well received by shareholders attending the Annual General Meeting at the Hamburg Messe on April 20.

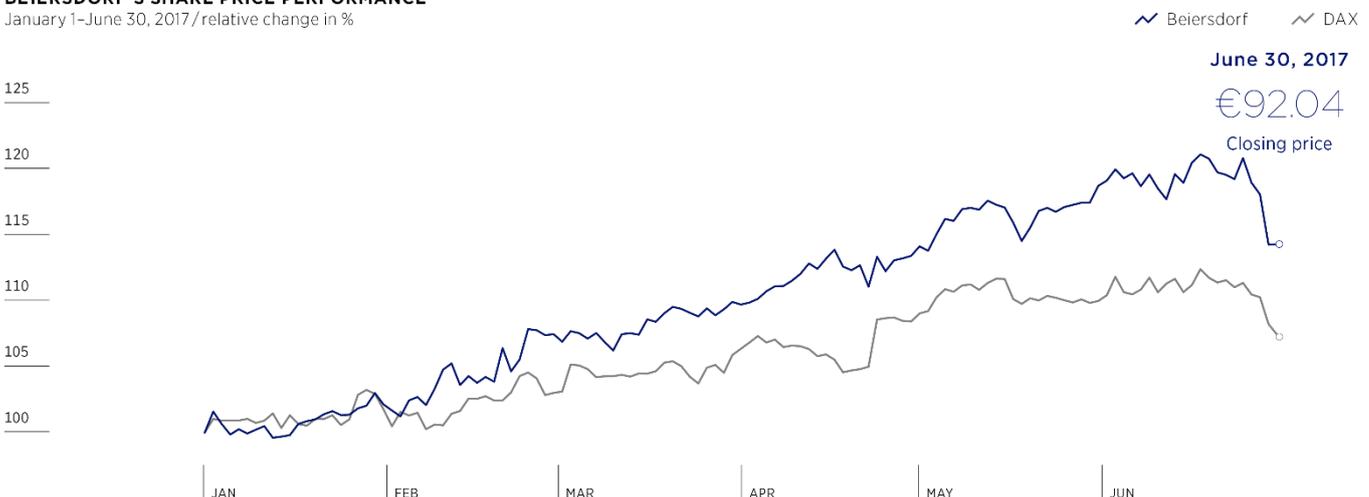
Beiersdorf's shares ended the second quarter at €92.04.

KEY FIGURES - SHARES

		2016	2017
Earnings per share as of June 30	(in €)	1.61	1.71
Market capitalization as of June 30	(in € million)	21,392	23,194
Closing price as of June 30	(in €)	84.89	92.04
Closing high for the period Jan. 1–June 30	(in €)	85.56	97.51
Closing low for the period Jan. 1–June 30	(in €)	76.38	80.28

BEIERSDORF'S SHARE PRICE PERFORMANCE

January 1–June 30, 2017 / relative change in %



Interim Management Report – Group Results of Operations – Group

- Group sales up by 3.3% (4.4%*)
- EBIT margin increases to 16.0%
- Profit after tax of €396 million

Beiersdorf has achieved above-market sales growth in the first six months of 2017, recording particularly strong growth in the second quarter. This has been achieved in the face of continuously difficult conditions for the consumer goods industry and despite an attack on Beiersdorf's IT systems at the end of June. As a result of this attack, parts of the second quarter's sales were shifted to the third quarter. With respect to the first half year, we estimate the effect on sales to be approximately €35 million for the Group. Of this amount, €30 million relate to the Consumer Business Segment and €5 million to the tesa Business Segment. We confirm the forecast for sales development and EBIT for the full year 2017.

Organic Group sales in the first six months of 2017 were up 3.3% (4.4%*) on the prior year. Nominal Group sales rose by 4.6% as against the prior-year figure to €3,513 million (previous year: €3,358 million). The Consumer Business Segment increased sales by 2.3% (3.4%*), while the tesa Business Segment increased sales by 8.5% (9.4%*).

The following comments on business performance are based on amounts posted.

GROUP SALES (IN € MILLION)

	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017	Change (in %)	
			nominal	organic
Europe	1,803	1,835	1.8	1.4
Americas	574	614	7.0	2.4
Africa/Asia/Australia	981	1,064	8.4	7.7
Total	3,358	3,513	4.6	3.3

In **Europe**, sales were up 1.4% on the prior year. In nominal terms, sales amounted to €1,835 million (previous year: €1,803 million), 1.8% higher than the prior-year figure. Growth in the **Americas** region was 2.4%. Nominal sales rose by 7.0% to €614 million (previous year: €574 million). The **Africa/Asia/Australia** region reported growth of 7.7%. Nominal sales rose by 8.4% to €1,064 million (previous year: €981 million).

* Estimated without the effect of the IT attack and the resulting shift of sales

INCOME STATEMENT (IN € MILLION)

	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017	Change in %
Sales	3,358	3,513	4.6
Cost of goods sold	-1,372	-1,417	3.4
Gross profit	1,986	2,096	5.5
Marketing and selling expenses	-1,217	-1,233	1.3
Research and development expenses	-94	-98	4.6
General and administrative expenses	-172	-196	13.8
Other operating result	10	-8	-
Operating result (EBIT, excluding special factors)	513	561	9.3
Special factors	-	-	-
Operating result (EBIT)	513	561	9.3
Financial result	6	-4	-
Profit before tax	519	557	7.3
Income taxes	-148	-161	8.7
Profit after tax	371	396	6.7
Basic/diluted earnings per share (in €)	1.61	1.71	-

The operating result (EBIT, excluding special factors) increased to €561 million (previous year: €513 million). Excluding special factors, the EBIT margin for the first six months of 2017 was 16.0% (previous year: 15.3%). 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 2017 or in the comparison period.

The financial result amounted to €-4 million (previous year: €6 million). The decrease was attributable to the negative other financial result.

Profit after tax increased to €396 million (previous year: €371 million). The corresponding return on sales after tax was 11.3% (previous year: 11.0%). Earnings per share were €1.71, calculated on the basis of 226,818,984 shares (previous year: €1.61).

Results of Operations – Business Segments

Consumer

CONSUMER SALES (IN € MILLION)

	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017	Change (in %)	
			nominal	organic
Europe	1,466	1,491	1.7	1.1
Western Europe	1,207	1,203	-0.3	0.6
Eastern Europe	259	288	11.1	3.5
Americas	491	518	5.7	0.8
North America	205	206	0.7	-1.1
Latin America	286	312	9.2	2.1
Africa/Asia/Australia	841	894	6.2	5.3
Total	2,798	2,903	3.8	2.3

The **Consumer** Business Segment achieved organic sales growth of 2.3% (3.4%*) in the first six months of the year.

The weaker euro against most of the currencies significant to the consolidated financial statements led to an increase in sales growth of 1.7 percentage points as a result of positive exchange rate effects. Structural effects reduced growth by 0.2 percentage points. In nominal terms, sales therefore rose by 3.8% to €2,903 million (previous year: €2,798 million).

NIVEA sales rose by 2.2% on the prior-year figure. **Eucerin** sales were up 1.3%, **Hansaplast** increased sales by 2.2%. **La Prairie** continued its strong performance and achieved a 10.2% rise in sales.

Europe

Organic sales in the **Europe** region grew by 1.1%. At €1,491 million, nominal sales were up 1.7% on the prior-year period (€1,466 million) mainly due to the performance of the Russian ruble.

In **Western Europe**, sales were up 0.6% on the previous year. There was good growth particularly in Germany and the Netherlands. However, sales in France and Italy did not match their prior-year level. In **Eastern Europe**, sales were up 3.5% on the previous year. Growth was driven primarily by the healthy trend in Kazakhstan and Ukraine.

Americas

Organic sales in the **Americas** region grew by 0.8%. At €518 million, nominal sales were up 5.7% on the previous year (€491 million) due to exchange rate changes of the US dollar and key South American currencies.

Sales in **North America** were 1.1% lower than in the prior-year period. Sales in **Latin America** were up by 2.1%, fueled by good growth rates in Mexico and Argentina. Sales in Brazil were lower than the prior-year period.

Africa/Asia/Australia

Organic sales grew by 5.3% in the **Africa/Asia/Australia** region. In nominal terms, this was an increase of 6.2% to €894 million (previous year: €841 million) due to the positive development of almost all of the currencies against the euro. Growth was mainly driven by the healthy trend in Australia, India, South Africa, Indonesia and Turkey. In China, sales increased slightly compared with the previous year.

EBIT in the Consumer Business Segment rose to €451 million (previous year: €424 million), and the EBIT margin increased to 15.5% (previous year: 15.1%).

* Estimated without the effect of the IT attack and the resulting shift of sales

tesa

tesa SALES (IN € MILLION)

	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017	Change (in %)	
			nominal	organic
Europe	337	344	2.3	1.9
Americas	83	96	15.0	12.1
Africa/Asia/Australia	140	170	21.5	22.3
Total	560	610	9.0	8.5

The **tesa** Business Segment achieved significant organic growth of 8.5% (9.4%)*. In nominal terms, sales rose by 9.0% to €610 million (previous year: €560 million).

The **Direct Industries** Segment, which encompasses direct business with industrial customers, and the **Trade Markets** Segment, which also includes 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 weak prior-year period.

EBIT in the tesa Business Segment increased compared to weaker first six months of 2016 to €110 million (previous year: €89 million). The EBIT margin was 18.1% (previous year: 16.0%).

* Estimated without the effect of the IT attack and the resulting shift of sales

Net Assets – Group

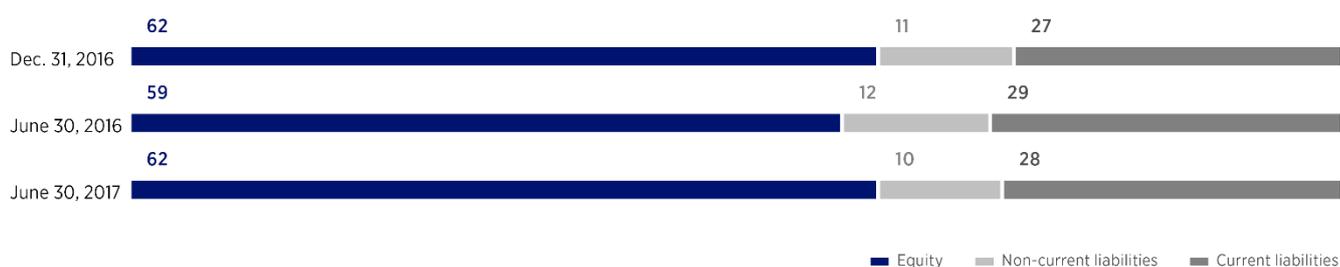
NET ASSETS (IN € MILLION)			
Assets	Dec. 31, 2016	June 30, 2016	June 30, 2017
Non-current assets	3,297	3,022	3,558
Inventories	739	741	809
Other current assets	2,665	2,631	2,698
Cash and cash equivalents	872	828	847
	7,573	7,222	7,912
Equity and liabilities	Dec. 31, 2016	June 30, 2016	June 30, 2017
Equity	4,677	4,278	4,899
Non-current provisions	802	846	727
Non-current liabilities	58	45	70
Current provisions	440	381	424
Current liabilities	1,596	1,672	1,792
	7,573	7,222	7,912

Non-current assets increased by €261 million as against December 31, 2016, to €3,558 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 2017 amounted to €86 million (previous year: €68 million). Of this amount, €51 million was attributable to the Consumer Business Segment (previous year: €48 million) and €35 million to the tesa Business Segment (previous year: €20 million). Depreciation and impairment losses amounted to €69 million (previous year: €67 million). Due to higher preproduction, inventories increased by €70 million as against December 31, 2016, to €809 million. Other current assets increased by €33 million as against December 31, 2016, to €2,698 million. This item includes short-term securities of €837 million, a decrease of €121 million as against year-end 2016. Trade receivables increased by €126 million compared with the figure for December 31, 2016, to €1,419 million. This was due to seasonal effects.

Cash and cash equivalents decreased by €25 million as against December 31, 2016, to €847 million. Net liquidity (cash, cash equivalents, and long- and short-term securities less current liabilities to banks) increased by €112 million compared with the figure for December 31, 2016, to €3,820 million. Current liabilities to banks increased by €13 million and amounted to €26 million on the reporting date.

Total non-current provisions and liabilities have decreased by €63 million since December 31, 2016, to €797 million, mainly due to a higher discount rate for pension provisions. The growth in current liabilities to €1,792 million was primarily due to the €178 million increase in trade payables.

FINANCING STRUCTURE (IN %)



Financial Position – Group

CASH FLOW STATEMENT (IN € MILLION)

	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017
Gross cash flow	399	423
Change in working capital	8	–39
Net cash flow from operating activities	407	384
Net cash flow from investing activities	–276	–208
Free cash flow	131	176
Net cash flow from financing activities	–223	–176
Other changes	2	–25
Net change in cash and cash equivalents	–90	–25
Cash and cash equivalents as of Jan. 1	918	872
Cash and cash equivalents as of June 30	828	847

Gross cash flow amounted to €423 million, up €24 million on the prior-year value. The net cash outflow from the change in net current assets was €39 million (previous year: inflow of €8 million). An increase in inventories by €70 million and in receivables and other assets by €162 million was offset by a rise of €193 million in liabilities and provisions. Overall, the net cash flow from operating activities totaled €384 million (previous year: €407 million).

The net cash outflow from investing activities amounted to €208 million (previous year: €276 million). Interest and other financial income received of €16 million and proceeds of €28 million from the sale of intangible assets and property, plant, and equipment were offset by net cash outflows of €166 million for the purchase of securities as well as capital expenditure of €86 million for property, plant, and equipment and intangible assets.

Free cash flow was therefore €176 million, up €45 million on the prior-year value (€131 million). The net cash outflow from financing activities amounted to €176 million (previous year: €223 million).

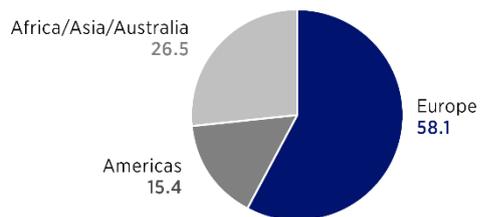
Cash and cash equivalents amounted to €847 million (previous year: €828 million).

Employees

The number of employees increased by 508 compared with the figure on December 31, 2016, from 17,934 to 18,442. As of June 30, 2017, 14,125 employees worked in the Consumer Business Segment and 4,317 at tesa.

EMPLOYEES BY REGION (IN %)

as of June 30, 2017; total 18,442 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, 2016. There were no significant changes in opportunities and risks as of June 30, 2017.

Outlook for 2017

Expected Macroeconomic Developments

The **global** economic situation is likely to see moderate improvement in 2017. We anticipate subdued economic growth in the industrialized countries and still mixed economic prospects in the emerging markets. The geopolitical unrest and the uncertainty about the long-term consequences of Brexit and the future political course in the United States are generating considerable uncertainty with regard to the future development of the global economy.

In **Europe**, we expect the growth rate in 2017 to remain roughly at the prior-year level. The electoral victories of pro-EU forces in France and the Netherlands have brought new optimism. Nevertheless, a backlog of reforms, continuing high levels of unemployment and sovereign debt in some countries, as well as political tension and skepticism are putting a damper on the pace of growth.

In **Germany**, we expect growth in 2017 to remain roughly at the prior-year level. The key driving factors behind economic growth remain consumer spending, which is being underpinned by the continuing favorable conditions on the labor market and the increase in the minimum wage at the beginning of 2017, as well as the continued high level of public spending and rising exports.

We anticipate that the **US economy** will see growth accelerate in 2017 on the back of a further reduction in unemployment and sustained strong consumer sentiment. The increased confidence of American companies and the favorable economic environment are likely to be reflected in an increase in capital expenditure. However, tapering of bond purchases, a planned hike in interest rates, and the impact of the future direction of economic policy are a source of uncertainty for the economy and financial markets.

In **Japan**, we expect growth to slightly exceed the prior-year level as a result of higher consumer spending and rising export demand.

In the **emerging markets**, we continue to predict challenging conditions and a fragile economy. We estimate that the **Chinese** economy will see slightly slower growth than in the previous year, flanked by strong public-sector infrastructure investment as part of the economic stimulus program due to run until 2018. The reduction of surplus capacity in the industrial sector and the uncertainty about the United States' future trade policy are generating uncertainty. In **India**, we anticipate a stable economic trend and continuing positive reform momentum. Alongside the general political uncertainties, the economic development in the **Middle East** is being hampered by the Qatar crisis and the increasing protectionist measures in Algeria and Egypt. We anticipate a slight growth increase in the emerging markets of Southeast Asia. In Brazil, we expect the economy to gradually start coming out of recession in 2017. The political uncertainty, high unemployment, and private debt, as well as the still restrictive monetary policy, are counteracting the significant improvement of economic prospects, however. Given the highly protectionist tendencies in many Latin American countries, particularly in Venezuela, Ecuador, and Argentina, developments are difficult to forecast for this area. We believe that the **Russian** economy will reach a turning point and the period of recession will come to an end. The economic recovery will be bolstered by the uptick in oil production and rising oil prices. However, given the continuing international sanctions, a lack of structural reforms, and the lack of investor confidence, forecasts expect the rebound to remain moderate.

The commodity markets are likely to pick up slightly in 2017, driven by rising prices for crude oil and natural oils. The output reductions resolved by the Organization of the Petroleum Exporting Countries (OPEC) and Russia will be partially offset by the surplus of liquefied natural gas. This will impact on the commodity and packaging materials markets in the medium term. Nevertheless, Beiersdorf will continue to work intensively on advancing its long-term program of sourcing cost reduction. The combined effect of these two trends is expected to lead to a continuation of essentially stable material prices in 2017.

Business Developments

We are expecting sales growth in the **Consumer** Business Segment to outperform the market in fiscal year 2017, at 3–4%. 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 4–5% in 2017. The EBIT margin from operations is expected to remain at the prior-year level.

Based on the forecasts for the two business segments, we are expecting **Group** sales to grow by 3–4%. The consolidated EBIT margin from operations should slightly exceed the prior-year figure.

We firmly believe that 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 2017
Beiersdorf AG

The Executive Board

Interim Consolidated Financial Statements

Income Statement

(IN € MILLION)	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017
Sales	3,358	3,513
Cost of goods sold	–1,372	–1,417
Gross profit	1,986	2,096
Marketing and selling expenses	–1,217	–1,233
Research and development expenses	–94	–98
General and administrative expenses	–172	–196
Other operating result	10	–8
Operating result (EBIT)	513	561
Interest income	13	16
Interest expense	–3	–1
Net pension result	–6	–6
Other financial result	2	–13
Profit before tax	519	557
Income taxes	–148	–161
Profit after tax	371	396
Of which attributable to		
– Equity holders of Beiersdorf AG	364	388
– Non-controlling interests	7	8
Basic/diluted earnings per share (in €)	1.61	1.71

Statement of Comprehensive Income

(IN € MILLION)	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017
Profit after tax	371	396
Remeasurement gains and losses on cash flow hedges	1	23
Deferred taxes on remeasurement gains and losses on cash flow hedges	–1	–5
<i>Remeasurement gains and losses on cash flow hedges recognized in other comprehensive income</i>	–	18
Remeasurement gains and losses on available-for-sale financial assets	–11	–4
Deferred taxes on remeasurement gains and losses on available-for-sale financial assets	4	1
<i>Remeasurement gains and losses on available-for-sale financial assets recognized in other comprehensive income</i>	–7	–3
Exchange differences	17	–68
Other comprehensive income that will be reclassified subsequently to profit or loss	10	–53
Remeasurements of defined benefit pension plans	–195	76
Deferred taxes on remeasurements of defined benefit pension plans	61	–24
<i>Remeasurements of defined benefit pension plans recognized in other comprehensive income</i>	–134	52
Other comprehensive income that will not be reclassified subsequently to profit or loss	–134	52
Other comprehensive income net of tax	–124	–1
Total comprehensive income	247	395
Of which attributable to		
– Equity holders of Beiersdorf AG	238	388
– Non-controlling interests	9	7

Balance Sheet

(IN € MILLION)			
	Dec. 31, 2016	June 30, 2016	June 30, 2017
Assets			
Intangible assets	119	119	130
Property, plant, and equipment	1,046	1,042	1,035
Non-current financial assets/securities	1,919	1,638	2,188
Other non-current assets	1	2	2
Deferred tax assets	212	221	203
Non-current assets	3,297	3,022	3,558
Inventories	739	741	809
Trade receivables	1,293	1,395	1,419
Other current financial assets	143	106	154
Income tax receivables	108	135	119
Other current assets	163	190	169
Securities	958	805	837
Cash and cash equivalents	872	828	847
Current assets	4,276	4,200	4,354
	7,573	7,222	7,912
Equity and liabilities			
Equity attributable to equity holders of Beiersdorf AG	4,656	4,267	4,885
Non-controlling interests	21	11	14
Equity	4,677	4,278	4,899
Provisions for pensions and other post-employment benefits	706	770	634
Other non-current provisions	96	76	93
Non-current financial liabilities	1	1	1
Other non-current liabilities	2	2	2
Deferred tax liabilities	55	42	67
Non-current liabilities	860	891	797
Other current provisions	440	381	424
Income tax liabilities	146	154	146
Trade payables	1,244	1,304	1,422
Other current financial liabilities	108	82	97
Other current liabilities	98	132	127
Current liabilities	2,036	2,053	2,216
	7,573	7,222	7,912

Cash Flow Statement

(IN € MILLION)	Jan. 1–June 30, 2016	Jan. 1–June 30, 2017
Profit after tax	371	396
<i>Reconciliation of profit after tax to net cash flow from operating activities</i>		
Income taxes	148	161
Financial result	–6	4
Income taxes paid	–171	–186
Depreciation and amortization	67	69
Change in non-current provisions (excluding interest components and changes recognized in OCI)	–10	–6
Gain/loss on disposal of property, plant, and equipment, and intangible assets	–	–15
Gross cash flow	399	423
Change in inventories	31	–70
Change in receivables and other assets	–151	–162
Change in liabilities and current provisions	128	193
Net cash flow from operating activities	407	384
Investments in property, plant, and equipment, and intangible assets	–68	–86
Proceeds from the sale of property, plant, and equipment, and intangible assets	4	28
Payments to acquire securities	–636	–764
Proceeds from the sale/final maturity of securities	373	598
Interest received	19	11
Proceeds from dividends and other financing activities	32	5
Net cash flow from investing activities	–276	–208
Free cash flow	131	176
Proceeds from loans	26	38
Loan repayments	–50	–24
Interest paid	–3	–1
Other financing expenses paid	–37	–30
Cash dividends paid (Beiersdorf AG)	–159	–159
Net cash flow from financing activities	–223	–176
Effect of exchange rate fluctuations and other changes on cash held	2	–25
Net change in cash and cash equivalents	–90	–25
Cash and cash equivalents as of Jan. 1	918	872
Cash and cash equivalents as of June 30	828	847

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	Available-for-sale financial assets			
Jan. 1, 2016	252	47	3,955	-80	-	14	4,188	13	4,201
Total comprehensive income for the period	-	-	230	15	-	-7	238	9	247
Dividend of Beiersdorf AG for previous year	-	-	-159	-	-	-	-159	-	-159
Dividend of non-controlling interests for previous year	-	-	-	-	-	-	-	-11	-11
June 30, 2016	252	47	4,026	-65	-	7	4,267	11	4,278
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 Beiersdorf 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

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

Segment Reporting

Business Developments by Business Segment

SALES (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of total		% of total	nominal	organic
Consumer	2,798	83.3	2,903	82.6	3.8	2.3
tesa	560	16.7	610	17.4	9.0	8.5
Total	3,358	100.0	3,513	100.0	4.6	3.3

EBITDA (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of sales		% of sales	nominal	
Consumer	474	16.9	501	17.3	5.9	
tesa	106	19.0	129	21.0	20.4	
Total	580	17.3	630	18.0	8.5	

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS)* (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of sales		% of sales	nominal	
Consumer	424	15.1	451	15.5	6.3	
tesa	89	16.0	110	18.1	23.1	
Total	513	15.3	561	16.0	9.3	

GROSS CASH FLOW (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of sales		% of sales	nominal	
Consumer	330	11.8	335	11.5	1.4	
tesa	69	12.3	88	14.4	27.4	
Total	399	11.9	423	12.0	5.9	

Regional Reporting

SALES (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of total		% of total	nominal	organic
Europe	1,803	53.7	1,835	52.2	1.8	1.4
Americas	574	17.1	614	17.5	7.0	2.4
Africa/Asia/Australia	981	29.2	1,064	30.3	8.4	7.7
Total	3,358	100.0	3,513	100.0	4.6	3.3

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS)* (IN € MILLION)	Jan. 1–June 30, 2016		Jan. 1–June 30, 2017		Change in %	
		% of sales		% of sales	nominal	
Europe	342	19.0	332	18.1	–3.0	
Americas	40	7.0	54	8.7	34.4	
Africa/Asia/Australia	131	13.3	175	16.4	33.8	
Total	513	15.3	561	16.0	9.3	

* For details regarding the special factors please refer to page 6.

Selected Explanatory Notes

Information on the Company and on the Group

The registered office of Beiersdorf AG is 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 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, 2017, 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, 2016.

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 2016. The intraperiod income tax expense was calculated on the basis of the estimated effective tax rate for the full year. The half-year report was not audited or reviewed.

Related Party Disclosures

Please refer to the consolidated financial statements as of December 31, 2016, for related party disclosures. There were no significant changes as of June 30, 2017.

Consolidated Group, Acquisitions, and Divestments

tesa SE acquired “nie wieder bohren ag”, with registered office in Hanau (Germany) effective April 1. “nie wieder bohren ag” was founded in 2005 and holds all rights to the internationally patented fastening technology of the same name. In 2016, the company generated sales of some €16 million with its more than 80 employees. 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 2016 in accordance with § 161 *Aktiengesetz* (German Stock Corporation Act, *AktG*) was published in December 2016 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.

Additional Disclosures on Financial Instruments

The following table shows the carrying amounts and fair values of the Group's financial instruments:

(IN € MILLION)	Carrying amount	Measurement under IAS 39		Fair value
		Amortized cost	Fair value recognized in OCI	
Dec. 31, 2016				
Assets				
<i>Loans and receivables (LaR)</i>	2,300	2,300	–	–
Non-current financial assets	16	16	–	–
Trade receivables	1,293	1,293	–	–
Other current financial assets	119	119	–	–
Cash and cash equivalents	872	872	–	–
<i>Available-for-sale financial assets (AFS)</i>	497	12	485	–
Non-current financial assets	12	12	–	–
Securities	485	–	485	–
<i>Held-to-maturity financial investments (HtM)</i>	2,364	2,364	–	–
Securities	2,364	2,364	–	–
<i>Derivative financial instruments used for hedges (DFI)</i>	24	–	19	5
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
Liabilities				
<i>Other financial liabilities (OFL)</i>	1,303	1,303	–	–
Non-current financial liabilities	1	1	–	–
Trade payables	1,244	1,244	–	–
Other current financial liabilities	58	58	–	–
<i>Derivative financial instruments used for hedges (DFI)</i>	50	–	37	13
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
June 30, 2017				
Assets				
<i>Loans and receivables (LaR)</i>	2,416	2,416	–	–
Non-current financial assets	13	13	–	–
Trade receivables	1,419	1,419	–	–
Other current financial assets	137	137	–	–
Cash and cash equivalents	847	847	–	–
<i>Available-for-sale financial assets (AFS)</i>	471	10	461	–
Non-current financial assets	10	10	–	–
Securities	461	–	461	–
<i>Held-to-maturity financial investments (HtM)</i>	2,538	2,538	–	–
Securities	2,538	2,538	–	–
<i>Derivative financial instruments used for hedges (DFI)</i>	20	–	16	4
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
Liabilities				
<i>Other financial liabilities (OFL)</i>	1,496	1,496	–	–
Non-current financial liabilities	1	1	–	–
Trade payables	1,422	1,422	–	–
Other current financial liabilities	73	73	–	–
<i>Derivative financial instruments used for hedges (DFI)</i>	24	–	11	13

The following hierarchy levels under IFRS 13 are used to measure and report the fair values of financial instruments.

- Level 1: Fair values that are measured using quoted prices in active markets.
- Level 2: Fair values that are measured using valuation techniques whose significant inputs are based on directly or indirectly observable market data.
- Level 3: Fair values that are measured using valuation techniques whose significant inputs are not based on observable market data.

The following overview shows the hierarchy levels used to classify financial instruments that are measured at fair value on a recurring basis:

(IN € MILLION)				
Dec. 31, 2016	Fair value hierarchy under IFRS 13			Total
	Level 1	Level 2	Level 3	
Assets				
<i>Available-for-sale financial assets (AFS)</i>	485	–	–	485
Securities	485	–	–	485
<i>Derivative financial instruments used for hedges (DFI)</i>	–	24	–	24
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
Liabilities				
<i>Derivative financial instruments used for hedges (DFI)</i>	–	50	–	50
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
June 30, 2017				
Assets				
<i>Available-for-sale financial assets (AFS)</i>	461	–	–	461
Securities	461	–	–	461
<i>Derivative financial instruments used for hedges (DFI)</i>	–	20	–	20
<i>Derivative financial instruments not included in a hedging relationship (FVPL)</i>	–	–	–	–
Liabilities				
<i>Derivative financial instruments used for hedges (DFI)</i>	–	24	–	24

No transfers between hierarchy levels took place in the first half of 2017.

In the Beiersdorf Group, securities carried at fair value are allocated to fair value hierarchy Level 1 and are measured at quoted prices on the balance sheet date.

Derivative financial instruments are assigned to fair value hierarchy Level 2. The fair values of currency forwards are calculated using the exchange rate as of the reporting date and discounted to the reporting date on the basis of their respective yield curves.

Financial instruments that are not measured at fair value predominantly have remaining contractual maturities of less than 12 months as of the reporting date. Therefore, their carrying amounts at the balance sheet date correspond approximately to their fair value. Securities classified as “held to maturity (HtM)” are an exception. The fair values for this item have been assigned to fair value hierarchy Level 1.

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 2017

Beiersdorf AG

The Executive Board

Financial Calendar

2017

October 26

—
**Quarterly Statement
January to September 2017**

2018

January

—
**Publication of
Preliminary Group Results 2017 (Sales)**

March

—
**Publication of Annual Report 2017,
Annual Accounts Press Conference,
Financial Analyst Meeting**

April

—
Annual General Meeting

May

—
**Quarterly Statement
January to March 2018**

August

—
**Half-Year Report
2018**

October

—
**Quarterly Statement
January to September 2018**

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→ Note

The Half-Year Report is also available in German.

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