

HALF-YEAR REPORT

2023

Beiersdorf

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Business Developments - Overview

Strong momentum continues: Broad-based double-digit sales growth

- Organic Group sales increase by 12.3%
- Organic sales increase by 14.9% year-on-year in Consumer Business Segment
- Organic tesa sales increase by 1.2% on prior-year figure
- Group EBIT margin excluding special factors at 17.3%

Guidance for 2023

- Consumer organic sales growth in the high single-digit to low double-digit range
- Consumer EBIT margin up 50 basis points on the prior-year level
- tesa organic sales growth in the mid-single-digit range
- tesa EBIT margin slightly below the previous year's level

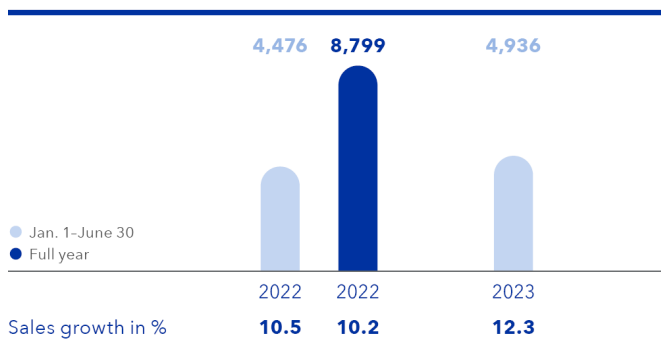
Beiersdorf at a Glance

		Jan. 1-June 30, 2022	Jan. 1-June 30, 2023
Group sales	(in € million)	4,476	4,936
Change (organic)	(in %)	10.5	12.3
Change (nominal)	(in %)	15.5	10.3
Consumer sales	(in € million)	3,638	4,108
Change (organic)	(in %)	11.7	14.9
Change (nominal)	(in %)	17.3	12.9
tesa sales	(in € million)	838	828
Change (organic)	(in %)	5.4	1.2
Change (nominal)	(in %)	8.4	-1.3
Operating result (EBIT, excluding special factors)	(in € million)	710	852
EBIT margin (excluding special factors)	(in %)	15.9	17.3
Operating result (EBIT)	(in € million)	697	862
Profit after tax	(in € million)	505	589
Return on sales after tax	(in %)	11.3	11.9
Earning per share	(in €)	2.18	2.56
Gross cash flow	(in € million)	669	718
Capital expenditure	(in € million)	826	225
Research and development expenses	(in € million)	147	152
Employees	(number as of June 30)	21,300	21,640

Percentage changes are calculated based on thousands of euros.

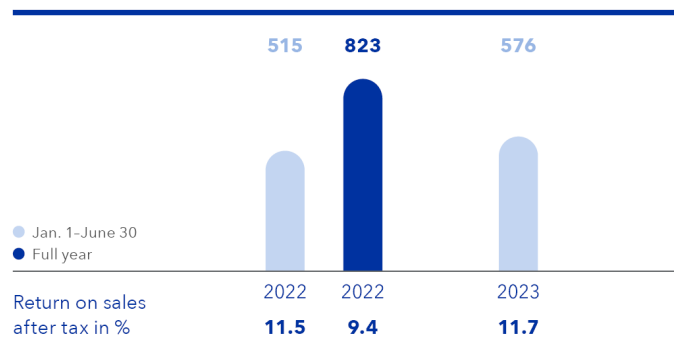
Group sales

(in € million)



Profit after tax

(in € million) before special factors



Beiersdorf's Shares

After a volatile year in 2022, the capital markets recovered noticeably in the first half of 2023. Central banks responded to the significant rise in inflation with repeated key interest rate hikes. Inflationary pressures eased during the period, and falls in the rates of price increases were recorded as the first half of the year neared its end. In Europe, this was partly due to an improving situation in the energy sector following a winter that passed without significant gas supply shortages. This was reflected in the positive trend of market indexes such as the DAX as well as the major indexes in the USA. The situation was less favorable in China, where the economy only slowly got back on track after the government's abrupt change of strategy in tackling the coronavirus pandemic.

The oil price, a global indicator of commodity prices, reflected this trend. After weakening at the end of last year, it remained at an almost continuously high level in the first half of 2023. The improved situation in Europe was also reflected in the value of the US dollar against the euro. The euro recovered steadily after a low in the fourth quarter of 2022 and remained significantly above parity with the US dollar throughout the first half of the year. Temporary exchange rate fluctuations between the euro and US dollar were primarily triggered by interest rate decisions of the central banks.

Beiersdorf's shares continued their strong upward trend from 2022. The prospects for a successful 2023 looked good even before the 2022 results were announced. Once the first-quarter figures were published, it was even clearer that the excellent sales of NIVEA and the Derma brands were able to more than offset the weaker results for the luxury brands. The market received this news very positively, and Beiersdorf's shares hit a new all-time high of over €127 at one stage.

The Annual General Meeting took place in a virtual format again this year at the company's headquarters in Hamburg. For the second time, not just shareholders but anyone interested could follow the event from their computer. Around 2,000 viewers took advantage of this offer and attended this year's Annual General Meeting online on April 13, 2023. A new feature this year was the opportunity for shareholders around the world to pose their questions live via a virtual request-to-speak counter and to speak directly to the Executive Board, as was commonplace for decades at the in-person Annual General Meetings.

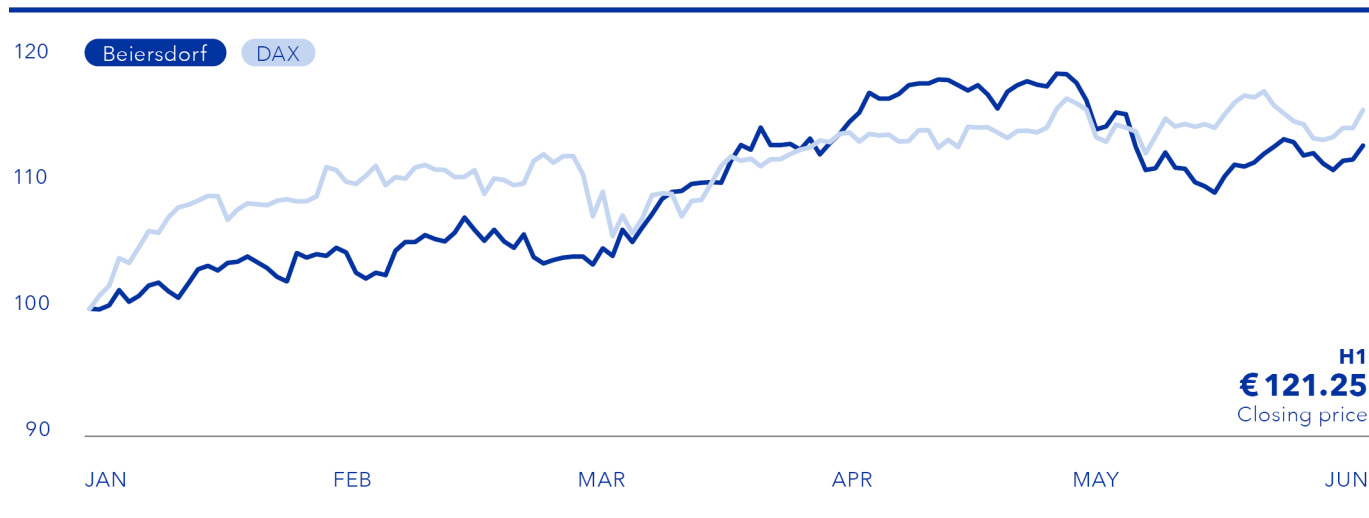
Beiersdorf's shares closed the first half of 2023 at €121.25, up 13.1% on the end of 2022.

KEY FIGURES - SHARES

		2022	2023
Earnings per share as of June 30	(in €)	2.18	2.56
Market capitalization as of June 30	(in € million)	24,565	30,555
Closing price as of June 30	(in €)	97.48	121.25
Closing high for the period Jan. 1-June 30	(in €)	99.36	127.45
Closing low for the period Jan. 1-June 30	(in €)	80.64	107.15

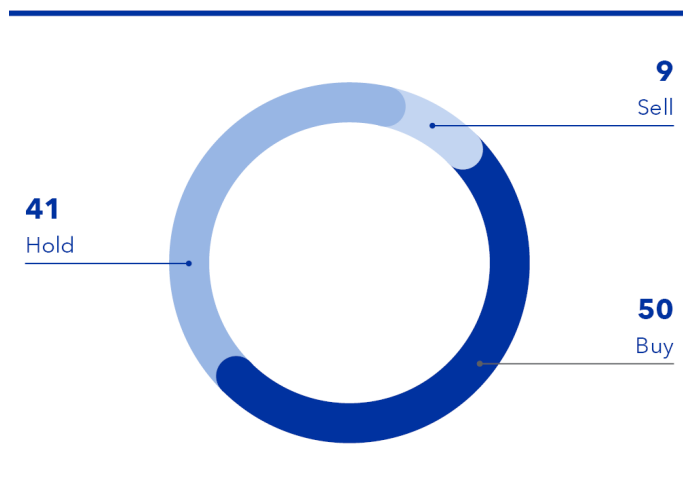
Beiersdorf's share price performance

(relative change in %)
 Jan. 1 - June 30, 2023



Analysts' Recommendations

(in %)
 as of June 30, 2023



Around 25 financial analysts published regular research notes on Beiersdorf in the first half of the year. Half of analysts had buy recommendations for Beiersdorf's shares at the end of June 2023.

For more information on Beiersdorf's shares please visit www.beiersdorf.com/shares

For more information on Investor Relations please visit www.beiersdorf.com/investors

Interim Management Report - Group

Results of Operations - Group

- Organic Group sales increase by 12.3%
- EBIT margin excluding special factors at 17.3%
- Profit after tax of €589 million

GROUP SALES (IN € MILLION)

	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023	Change (in %)	
			nominal	organic
Europe	2,038	2,221	9.0	9.6
Americas	1,067	1,299	21.8	19.4
Africa/Asia/Australia	1,371	1,416	3.2	10.7
Total	4,476	4,936	10.3	12.3

Beiersdorf continued its growth path in the first half of the year. Group sales increased organically by 12.3% in the first half of 2023. Exchange rate effects reduced nominal growth by 2 percentage points. Overall, structural effects did not affect nominal growth. Nominal Group sales rose by 10.3% to reach €4,936 million (previous year: €4,476 million). In organic terms, sales increased by 14.9% in the Consumer Business Segment and by 1.2% in the tesa Business Segment.

In **Europe**, organic sales growth of 9.6% was achieved. Nominal sales were up 9.0% year on year at €2,221 million (previous year: €2,038 million). Organic sales in the **Americas** region increased by 19.4%. In nominal terms, sales grew by 21.8% year-on-year to reach €1,299 million (previous year: €1,067 million). Organic sales growth of 10.7% was achieved in the **Africa/Asia/Australia** region, where nominal sales climbed by 3.2% to €1,416 million (previous year: €1,371 million).

INCOME STATEMENT (IN € MILLION)

	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023	Change in %
Sales	4,476	4,936	10.3
Cost of goods sold	-1,937	-2,088	7.8
Gross profit	2,539	2,848	12.2
Marketing and selling expenses	-1,439	-1,585	10.1
Research and development expenses	-147	-152	3.4
General and administrative expenses	-253	-254	0.4
Other operating result*	10	-5	—
Operating result (EBIT, excluding special factors)	710	852	20.1
Special factors	-13	10	—
Operating result (EBIT)	697	862	23.8
Financial result	9	3	—
Profit before tax	706	865	22.5
Income taxes	-201	-276	37.5
Profit after tax	505	589	16.5
Basic/diluted earnings per share (in €)	2.18	2.56	—

*No special factors are included in the line other operating result.

The operating result (EBIT, excluding special factors) reached €852 million (previous year: €710 million). Sales increased across all regions. Research and development expenses as well as general and administrative expenses increased at a lower rate than sales, which had a positive impact on the operating result. The EBIT margin (excluding special factors) for the first half of 2023 was 17.3% (previous year: 15.9%).

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 Standards and should be treated merely as voluntary additional information. Special factors of €10 million (previous year: €-13 million) resulted entirely from the Consumer Business Segment. EBIT including special factors stood at €862 million (previous year: €697 million). The EBIT margin was 17.5% (previous year: 15.6%).

The financial result amounted to €3 million (previous year: €9 million) due to a positive development of the other financial result.

Profit after tax increased to €589 million (previous year: €505 million). The return on sales after tax was 11.9% (previous year: 11.3%). Excluding special factors, profit after tax amounted to €576 million (previous year: €515 million). The corresponding return on sales after tax was 11.7% (previous year: 11.5%). Earnings per share were €2.56, calculated on the basis of 226,818,984 shares (previous year: €2.18). Excluding special factors, earnings per share amounted to €2.50 (previous year: €2.22).

Results of Operations - Business Segments

Consumer

CONSUMER SALES (IN € MILLION)

	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023	Change (in %)	
			nominal	organic
Europe	1,634	1,809	10.7	11.2
Western Europe	1,328	1,449	9.1	9.2
Eastern Europe	306	360	17.7	19.5
Americas	927	1,150	24.1	21.5
North America	480	543	13.2	12.8
Latin America	447	607	35.9	31.0
Africa/Asia/Australia	1,077	1,149	6.7	14.7
Total	3,638	4,108	12.9	14.9

The **Consumer** Business Segment recorded organic sales growth of 14.9% in the first half of the year. Sales by companies acquired during the first half of 2022 of 0.1 percentage points and exchange rate effects of 2.1 percentage points added 2 percentage points. Nominal sales increased by 12.9% to €4,108 million (previous year: €3,638 million).

Sales at **NIVEA** increased organically by 17.9% year-on-year. Nominal sales at NIVEA climbed by 15.1% to €2,693 million (previous year: €2,340 million). The **Derma** business unit with the Eucerin and Aquaphor brands continued its positive trend with double-digit organic sales growth of 26.1%. In nominal terms, Derma's sales grew by 26.0% to €663 million (previous year: €526 million). The **Healthcare** business unit, mainly comprising the plaster business, recorded a 5.4% increase in organic sales compared with the previous year. Sales grew in nominal terms by 3.8% to €145 million (previous year: €140 million). The **La Prairie** brand recorded a decline in organic sales growth of 9.9%. Nominal sales were down by 10.5% at €294 million (previous year: €328 million).

Europe

In the **Europe** region, organic sales increased by 11.2%. Nominal sales were up 10.7% year-on-year at €1,809 million (previous year: €1,634 million).

In **Western Europe**, organic sales growth amounted to 9.2%, mainly driven by the strong sales performance in the United Kingdom, Italy, and Spain. In the **Eastern Europe** region, sales were up significantly across all countries with organic growth of 19.5%. With strong growth in Europe as a whole, Eucerin and Nivea Deo and Sun are particularly noteworthy from a brand and category perspective.

Americas

Organic sales in the **Americas** region increased by 21.5%. On a nominal basis, sales totaled €1,150 million, a 24.1% increase above the previous year's level of €927 million.

Organic sales in **North America** increased by 12.8%. This was driven particularly by the continued sales growth at a high level for the Eucerin and Aquaphor brands. **Latin America** recorded particularly strong sales growth of 31.0%, driven by double-digit growth rates almost across all countries and all brands. Particularly noteworthy is performance of Eucerin as well as Nivea Sun, Face and Deo.

Africa/Asia/Australia

The **Africa/Asia/Australia** region achieved organic sales growth of 14.7%. Nominal sales were up 6.7% year on year at €1,149 million (previous year: €1,077 million). Sales performance was particularly strong in Nigeria, Pakistan, Morocco, Indonesia and South Africa. From a brand-and-category perspective, Nivea Deo, Body, Sun and Face stand out positively. La Prairie was not able to continue the sales growth of previous years, still due to the aftermath of the restrictive zero-COVID strategy at the end of last fiscal year, as well as at the beginning of this fiscal year in China. Eucerin delivered another strong performance with double-digit organic sales growth.

The special factors in the group total to €10 million (previous year: €-13 million). The special factors shown mainly include restructuring expenses of €10 million in the Supply Chain organization and the Consumer business, expenses from the "Care Beyond Skin" program of €6 million, and other expenses of €3 million, which were mainly incurred in connection with the integration of the Chantecaille business. The special factors also include income from the sale of Beiersdorf Daily Chemical (Wuhan) Co., Ltd. in the amount of €14 million and €15 million for the reversal of provisions for performance-related purchase price components in connection with the acquisition of Chantecaille in fiscal year 2022. The release results from a reassessment of the contractually defined valuation parameters as of June 30, 2023. These are mainly influenced by a delayed entry into the Chinese market as well as by the current general market development in China and the development of travel retail business Korea.

EBIT excluding special factors for the first half of the year stood at €700 million (previous year: €550 million). The EBIT margin was 17.0% (previous year: 15.1%).

tesa

tesa SALES (IN € MILLION)

	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023	Change (in %)	
			nominal	organic
Europe	404	412	2.0	3.4
Americas	139	149	6.7	5.9
Africa/Asia/Australia	295	267	-9.4	-4.2
Total	838	828	-1.3	1.2

tesa achieved organic sales growth of 1.2% compared to the first half of the previous year. Exchange rate and structural effects had a positive impact and increased the organic growth rate by 1.8 and 0.7 percentage points, respectively. In nominal terms, tesa therefore decreased sales by 1.3% to €828 million (previous year: €838 million).

The growth in organic sales particularly evident in Europe and Americas, driven by positive business development of the automotive and electrical systems business. In Asia sales declined in comparison to last year, especially due to the electronics business. Looking at the two tesa divisions, the consumer division, the tesa business with end consumers, was able to record an increase in sales in all channels. In the Industry division, sales were slightly higher than the previous year, with sales to customers in the automotive industry in particular developing significantly positively.

EBIT in the tesa Business Segment reduced year-on-year to reach €152 million (previous year: €160 million). The EBIT margin was 18.4% (previous year: 19.1%).

Net Assets - Group

NET ASSETS (IN € MILLION)			
Assets	Dec. 31, 2022	June 30, 2022	June 30, 2023
Non-current assets	6,806	7,157	6,642
Inventories	1,557	1,347	1,503
Other current assets	2,905	2,919	3,385
Cash and cash equivalents	1,080	989	1,268
	12,348	12,412	12,798
Equity and liabilities	Dec. 31, 2022	June 30, 2022	June 30, 2023
Equity	7,805	7,716	8,188
Non-current provisions	528	463	519
Non-current liabilities	254	258	252
Current provisions	614	578	564
Current liabilities	3,147	3,397	3,275
	12,348	12,412	12,798

Non-current assets decreased by €515 million as against June 30, 2022, to €6,642 million, particularly due to a decrease in long-term securities. Capital expenditure on property, plant, and equipment and on intangible assets in the first half of 2023 amounted to €225 million (previous year: €826 million). Of this amount, €169 million was attributable to the Consumer Business Segment (previous year: €794 million) and €56 million to the tesa Business Segment, primarily for securing the future of the Beiersdorf sites, and expanding capacity at the production locations, but also for the construction of the new Beiersdorf headquarters. Inventories increased by €156 million to €1,503 million compared with June 30, 2022. Other current assets increased by €466 million versus June 30, 2022, to €3,385 million. This item includes short-term securities of €623 million, a decrease of €148 million as against year-end 2022. Trade receivables rose by €202 million compared with the figure for June 30, 2022, to €2,077 million.

Cash and cash equivalents increased by €279 million as against June 30, 2022, to €1,268 million. Net liquidity (cash, cash equivalents, and long- and short-term securities less current loan liabilities and less current and non-current lease liabilities) increased by €14 million compared with the figure for June 30, 2022, to €4,415 million. Current loan liabilities decreased by €320 million due to repayments and amounted to €190 million on the reporting date.

Total non-current provisions and liabilities grew by €50 million compared with June 30, 2022 and stood at €771 million. This item includes provisions for pensions and other post-employment benefits, which increased by €101 million compared with June 30, 2022 to €379 million. The decrease in current liabilities to €3,275 million was primarily due to the decrease by €382 million in other current financial liabilities as a result of the mentioned loan repayments.

Financing Structure

(in %)



Financial Position – Group

CASH FLOW STATEMENT (IN € MILLION)

	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023
Gross cash flow	669	718
Change in working capital	-404	-392
Net cash flow from operating activities	265	326
Net cash flow from investing activities	-264	318
Free cash flow	1	644
Net cash flow from financing activities	-83	-413
Other changes	35	-43
Net change in cash and cash equivalents	-47	188
Cash and cash equivalents as of Jan. 1	1,036	1,080
Cash and cash equivalents as of June 30	989	1,268

Gross cash flow amounted to €718 million and was thus €49 million higher than the prior-year value. The cash outflow from the change in net current assets was €392 million (previous year: €404 million). The €672 million increase in receivables and other assets and €226 million increase in liabilities and provisions were set against a decrease of €54 million in inventories. Overall, the net cash flow from operating activities totaled €326 million (previous year: €265 million).

The cash outflow from investing activities amounted to €318 million (previous year: €264 million). Payments of €225 million for investments in property, plant, and equipment and intangible assets, of €2 million from the sale of subsidiaries, and of €3 million for investments in associated companies and other equity interests were set against net cash inflows of €463 million for the sale of securities and against interest and other financial income received in the amount of €40 million.

Free cash flow at €644 million was therefore €643 million higher than the previous year (€1 million). The net cash outflow from financing activities amounted to €413 million (previous year: €83 million).

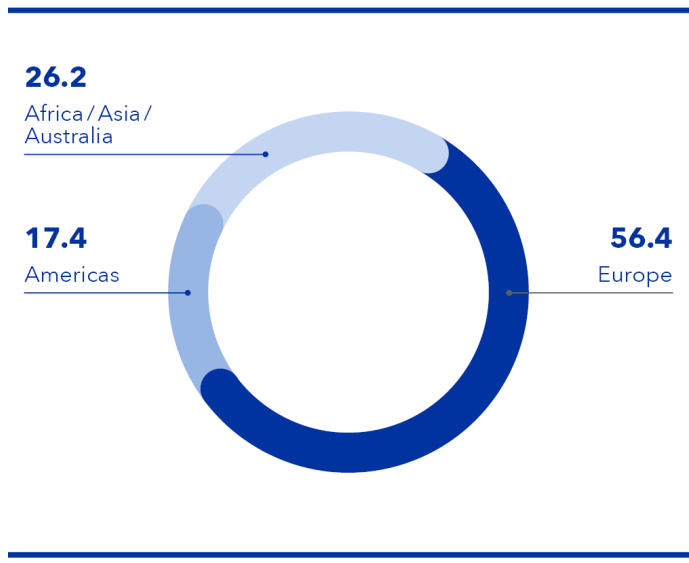
Cash and cash equivalents amounted to €1,268 million (previous year: €989 million).

Employees

The number of employees increased by 340 compared with the figure on June 30, 2022, from 21,300 to 21,640. As of June 30, 2023, 16,570 employees worked in the Consumer Business Segment and 5,070 at tesa.

Employees by Region

(in %)
as of June 30, 2023; total 21,640 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, 2022. The unpredictable effects of the geopolitical situation, particularly Russia's continuing war against Ukraine and the conflict between China and the USA, still remain. Growing regulatory requirements will continue to be a major challenge. We see our departments as well placed to tackle this issue and meet the regulatory requirements that will apply in future. There are no significant changes as of June 30, 2023.

At operational level, the procurement situation is generally easing, which is starting to be reflected in favorable effects on the prices of our materials. On the other hand, there are growing challenges in labor markets around the globe, bringing an expectation of higher wage costs and leading to potential constraints from a lack of (qualified) staff, both at our suppliers and at Beiersdorf itself.

Outlook for 2023

Expected Macroeconomic Developments *

The situation of the **global economy** remains gloomy, as global key interest rate hikes are increasingly weighing on the economy. In the USA, growth has slowed significantly, and the Fed's interest rate hikes make a recession likely in the second half of the year. In the euro zone, the economy contracted slightly in the winter half of 2022/23 as a result of higher energy prices, and the ECB's monetary policy turnaround is expected to dampen economic activity. China is also showing signs of an economic slowdown, due to the simmering real estate crisis and expected weaker global demand. The U.S. Federal Reserve and the ECB are likely to raise interest rates again before they are expected to fall. This could lead to a slight appreciation of the EUR against the USD by the end of the year.

The **German** economy has contracted slightly in the first quarter of 2023 and is in recession according to the definition of a recession, which comprises two quarters of decline in real gross domestic product. This decline is mainly due to a renewed slump in private consumption, which is suffering from high inflation. There is no clear revival of the economy in sight, as the "classic" economic conditions have deteriorated sharply. Interest rates have been raised by 400 basis points by the ECB since the summer of 2022, the euro has appreciated, and interest rate hikes by most central banks are slowing the global economy. Despite possible relief in energy prices, the German economy is expected to contract slightly again in the second half of the year.

The economy in the **Euro Zone** contracted slightly in the winter half-year. The economy was significantly impacted by the reluctance of private households to spend, lower government consumption and declining exports. A recovery is expected in the second quarter, as lower energy prices should ease the burden on household budgets and boost private consumption. Nevertheless, energy products are at a persistently high level. A renewed recession is expected from the second half of the year, as the ECB has raised key interest rates by 400 basis points since mid-2022, which will strongly dampen domestic demand. Nevertheless, a slight recovery is expected on average in 2023.

The **US** economy grew only slightly in the first quarter of 2023, mainly due to inventory reductions by companies, which dampened growth. Without this effect, growth could have been significantly higher. The forecasts for the second quarter indicate a possible recovery. However, a slowdown in private consumption is already evident in the first quarter and is expected to continue for the rest of the year due to the weak labor market situation. Experts believe that the Fed's interest rate hikes will continue to slow the US economy and make a recession likely in the second half of 2023. Slight gross domestic product growth is expected for 2023.

Gross domestic product in **Japan** rose significantly in the first quarter of 2023 after the third-largest economy fell into a technical recession. Domestic consumption is supporting the Japanese economy. Nevertheless, the economic recovery will be rather moderate due to weak exports. As in the USA, GDP is expected to grow slightly in 2023.

In the **emerging markets**, market sentiment and economic activity are subdued and rather mixed. Real GDP in China rose at the beginning of the year due to the lifting of the zero-covid policy, but the economy has already lost momentum and private sector sentiment has clouded over. **China's** economic recovery has stalled, especially in real estate investment, which has fallen sharply. In **Russia**, the situation remains clearly tense due to the war in Ukraine. The ruble is falling, the state budget is slipping into the red, and Western sanctions are unleashing their full force as revenues from oil and gas exports decline. A spike in inflation is possible. Commodity and food costs in the **Middle East** remain high. This is also leading to lower consumer spending in this region. **India**, the world's most populous country since April 2023, could become a serious competitor for China. International companies want to become less dependent on China. A massive expansion of India's infrastructure is necessary so that companies can settle there. India is experiencing sustained strong economic growth. Inflation, which has been falling steadily since January 2023 but is still very high, is depressing consumer spending. **Brazil** can report steadily falling inflation. The impending tax reform has the potential to bring about an economic upswing.

* Commerzbank Research.

Business Development

Given the economic challenges described and, as a result, the continued high degree of uncertainty with regard to the future prospects for sales markets and business development, the ability to make a reliable forecast is limited.

Regardless of the skin care market's growth, Beiersdorf expects to continue to outperform the market. Given that assumption and the positive sales trend in the first half of the year, the sales forecast has been slightly increased. In the Consumer business, Beiersdorf expects organic sales growth in the high single-digit to low double-digit range. Achieving this growth, increasing investments will be required in the market in the second half of the year compared with the first half. There is therefore no change to the existing forecast for the EBIT margin from ongoing operations (excluding special factors) for the year as a whole. In the Consumer Business Segment, this is expected to be up 50 basis points on the prior-year level.

Sales growth for the tesa business is also expected to outperform the market. Based on this assumption, the existing guidance is confirmed. Organic sales growth will be in the mid-single-digit range. The EBIT margin from ongoing operations (excluding special factors) will be slightly below the previous year's level.

Based on the forecasts for the two business segments, Beiersdorf expects organic sales growth at Group level to be in the high single-digit to low double-digit range. The consolidated EBIT margin from ongoing operations (excluding special factors) is expected to be slightly up on the previous year's level.

Hamburg, July 31, 2023

Beiersdorf AG

The Executive Board

Interim Consolidated Financial Statements

Income Statement

(IN € MILLION)	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023
Sales	4,476	4,936
Cost of goods sold	-1,937	-2,088
Gross profit	2,539	2,848
Marketing and selling expenses	-1,439	-1,585
Research and development expenses	-147	-152
General and administrative expenses	-253	-254
Other operating result	-3	5
Operating result (EBIT)	697	862
Interest income	15	21
Interest expense	-4	-12
Net pension result	-5	-6
Other financial result	3	—
Profit before tax	706	865
Income taxes	-201	-276
Profit after tax	505	589
Of which attributable to		
– Equity holders of Beiersdorf AG	495	580
– Non-controlling interests	10	9
Basic/diluted earnings per share (in €)	2.18	2.56

Statement of Comprehensive Income*

(IN € MILLION)	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023
Result after tax	505	589
Other comprehensive income that will be reclassified subsequently to profit or loss	118	-33
Remeasurement cash flow hedges	-11	-13
Remeasurement securities	-11	1
Exchange differences	140	-21
Other comprehensive income that will not be reclassified subsequently to profit or loss	372	-1
Remeasurement defined benefit pension plans	372	-1
Change in fair value of equity shares measured through other comprehensive income	—	—
Other comprehensive income	490	-34
Total comprehensive income	995	555
Of which attributable to		
– Equity holders of Beiersdorf AG	986	548
– Non-controlling interests	9	7

* Net of tax

Balance Sheet

(IN € MILLION)			
	Dec. 31, 2022	June 30, 2022	June 30, 2023
Assets			
Intangible assets	1,111	1,141	1,094
Property, plant, and equipment	2,201	2,036	2,339
Non-current financial assets/securities	3,184	3,657	2,889
Other non-current assets	52	58	57
Deferred tax assets	258	265	263
Non-current assets	6,806	7,157	6,642
Inventories	1,557	1,347	1,503
Trade receivables	1,508	1,875	2,077
Other current financial assets	147	131	178
Income tax receivables	205	195	219
Other current assets	239	267	288
Securities	771	451	623
Cash and cash equivalents	1,080	989	1,268
Non-current assets and disposal groups held for sale	35	–	–
Current assets	5,542	5,255	6,156
	12,348	12,412	12,798
Equity and liabilities			
Equity attributable to equity holders of Beiersdorf AG	7,785	7,698	8,174
Non-controlling interests	20	18	14
Equity	7,805	7,716	8,188
Provisions for pensions and other post-employment benefits	382	278	379
Other non-current provisions	146	185	140
Non-current financial liabilities	117	104	104
Other non-current liabilities	–	1	–
Deferred tax liabilities	137	153	148
Non-current liabilities	782	721	771
Other current provisions	614	578	564
Income tax liabilities	183	187	208
Trade payables	2,328	2,346	2,552
Other current financial liabilities	525	715	333
Other current liabilities	111	149	182
Current liabilities	3,761	3,975	3,839
	12,348	12,412	12,798

Cash Flow Statement

(IN € MILLION)	Jan. 1-June 30, 2022	Jan. 1-June 30, 2023
Profit after tax	505	589
<i>Reconciliation of profit after tax to net cash flow from operating activities</i>		
Income taxes	201	276
Financial result	-9	-3
Income taxes paid	-170	-254
Depreciation and amortization	136	130
Change in non-current provisions (excluding interest components and changes recognized in OCI)	21	-20
Gain/loss on disposal of property, plant, and equipment, and intangible assets	-15	—
Gross cash flow	669	718
Change in inventories	-184	54
Change in receivables and other assets	-635	-672
Change in liabilities and current provisions	415	226
Net cash flow from operating activities	265	326
Investments in property, plant, and equipment, and intangible assets	-253	-225
Payments for acquisitions (net of cash acquired)	-513	—
Payments from the sale of subsidiaries	—	-2
Payments for investments in associated companies and other investments	-2	-3
Payments to acquire securities	-17	—
Proceeds from the sale of property, plant, and equipment, and intangible assets	38	45
Proceeds from the sale of subsidiaries (net of cash disposed)	2	—
Proceeds from the sale of associated companies and other investments	—	—
Proceeds from the sale/final maturity of securities	443	463
Interest received	18	24
Proceeds from dividends and other financing activities	20	16
Net cash flow from investing activities	-264	318
Free cash flow	1	644
Proceeds from loans	322	6
Loan repayments	-174	-183
Repayments of lease liabilities	-31	-32
Interest paid	-1	-5
Other financing expenses paid	-26	-27
Cash dividends paid (Beiersdorf AG)	-159	-159
Cash dividends paid (non-controlling interests)	-14	-13
Net cash flow from financing activities	-83	-413
Effect of exchange rate fluctuations and other changes on cash held	35	-43
Net change in cash and cash equivalents	-47	188
Cash and cash equivalents as of Jan. 1	1,036	1,080
Cash and cash equivalents as of June 30	989	1,268

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	Equity Shares measured through other comprehensive income			
Jan. 1, 2022	252	47	6,879	-300	-10	2	1	6,871	23	6,894
Total comprehensive income for the period	—	—	867	141	-11	-11	—	986	9	995
Reclassifications	—	—	—	—	—	—	—	—	—	—
Dividend of Beiersdorf AG for previous year	—	—	-159	—	—	—	—	-159	—	-159
Dividend of non-controlling interests for previous year	—	—	—	—	—	—	—	—	-14	-14
June 30, 2022	252	47	7,587	-159	-21	-9	1	7,698	18	7,716
Jan. 1, 2023	252	47	7,725	-247	18	-10	—	7,785	20	7,805
Total comprehensive income for the period	—	—	579	-19	-13	1	—	548	7	555
Reclassifications	—	—	—	—	—	—	—	—	—	—
Dividend of Beiersdorf AG for previous year	—	—	-159	—	—	—	—	-159	—	-159
Dividend of non-controlling interests for previous year	—	—	—	—	—	—	—	—	-13	-13
June 30, 2023	252	47	8,145	-266	5	-9	—	8,174	14	8,188

* 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, 2022		Jan. 1-June 30, 2023		Change in %	
		% of total		% of total	nominal	organic
Consumer	3,638	81.3	4,108	83.2	12.9	14.9
tesa	838	18.7	828	16.8	-1.3	1.2
Total	4,476	100.0	4,936	100.0	10.3	12.3

EBITDA (IN € MILLION)	Jan. 1-June 30, 2022		Jan. 1-June 30, 2023		Change in %	
		% of sales		% of sales	nominal	
Consumer	638	17.5	806	19.6	26.4	
tesa	195	23.3	186	22.5	-4.8	
Total	833	18.6	992	20.1	19.1	

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS) (IN € MILLION)	Jan. 1-June 30, 2022		Jan. 1-June 30, 2023		Change in %	
		% of sales		% of sales	nominal	
Consumer	550	15.1	700	17.0	27.5	
tesa	160	19.1	152	18.4	-5.1	
Total	710	15.9	852	17.3	20.1	

GROSS CASH FLOW (IN € MILLION)	Jan. 1-June 30, 2022		Jan. 1-June 30, 2023		Change in %	
		% of sales		% of sales	nominal	
Consumer	514	14.1	584	14.2	13.6	
tesa	155	18.5	134	16.2	-13.5	
Total	669	14.9	718	14.5	7.3	

Regional Reporting

NET SALES (IN € MILLION)	Jan. 1-June 30, 2022		Jan. 1-June 30, 2023		Change in %	
		% of total		% of total	nominal	organic
Europe	2,038	45.5	2,221	45.0	9.0	9.6
Americas	1,067	23.8	1,299	26.3	21.8	19.4
Africa/Asia/Australia	1,371	30.7	1,416	28.7	3.2	10.7
Total	4,476	100.0	4,936	100.0	10.3	12.3

OPERATING RESULT (EBIT, EXCLUDING SPECIAL FACTORS) (IN € MILLION)	Jan. 1-June 30, 2022		Jan. 1-June 30, 2023		Change in %	
		% of sales		% of sales	nominal	
Europe	397	19.5	450	20.3	13.3	
Americas	86	8.0	129	9.9	50.7	
Africa/Asia/Australia	227	16.5	273	19.3	20.4	
Total	710	15.9	852	17.3	20.1	

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, Hamburg. 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, 2023 were prepared in accordance with IAS 34 "Interim Financial Reporting," as adopted by the EU. The interim consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 31, 2022.

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 2022.

In some countries in which Beiersdorf is active, regulations have been introduced in accordance with the OECD guidelines on global minimum taxation (also known as Pillar 2). With reference to the amendments to IAS 12 approved by the International Accounting Standards Board (IASB) on May 23, 2023, Beiersdorf has not taken into account any potential effects on deferred taxes.

Related Party Disclosures

Please refer to the consolidated financial statements as of December 31, 2022, for related party disclosures. There were no significant changes as of June 30, 2023.

Consolidated Group, Acquisitions, and Divestments

There were no significant acquisitions in the reporting period.

Effective June 30, 2023, Beiersdorf CEE Holding GmbH sold its shares in the subsidiary Beiersdorf Daily Chemical (Wuhan) Co., Ltd. for a consideration of €27 million. The subsidiary recently held leasehold land (including buildings), which was the reason for selling the shares. The assets sold with the shareholding were last classified as non-current assets held for sale and reported accordingly. The result from the disposal of the company in the amount of €14 million is fully allocated to special factors.

Beyond this, there were no significant divestments in the Group in the reporting period.

For further information about the consolidated Group, please refer to the consolidated financial statements as of December 31, 2022.

Notes to the Income Statement

The special factors of €10 million shown in the results of operations of the interim management report have been fully allocated to other operating income as in the previous year.

Of this amount, income of €15 million relates to the release of provisions for performance-related purchase price components resulting from the acquisition of Chantecaille in the year 2022. The release results from a reassessment of the contractually defined valuation parameters as of June 30, 2023. These are mainly influenced by a delayed entry into the Chinese market as well as by the current general market development in China and the development of travel retail business Korea.

Based on the above listed factors and the presented development, an impairment test of the the intangible assets attributable to Chantecaille (goodwill, trademark rights and customer relationships) as of June 30, 2023 does not indicate any need for impairment.

Notes to the Statement of Comprehensive Income

Other comprehensive income for the period ending June 30, 2023 amounted to €-34 million (previous year: €490 million). Other comprehensive income in the first half of the year was hardly influenced by the remeasurement of defined benefit pension plans, as the discount rate relevant for the Eurozone remained relatively stable against year-end. In comparison, the discount rate relevant for the Eurozone last year increased significantly, which had a positive impact on the remeasurement of defined benefit pension obligations within other comprehensive income. Furthermore, the impact of exchange differences decreased versus the previous period which also contributed to the decrease in other comprehensive income for the Group.

Notes to the Balance Sheet

For the structure and further details of our financial instruments, please refer to the consolidated financial statements as of December 31, 2022.

The carrying amount of securities in the "Amortized cost" (AC) category was €3,278 million (previous year: €3,912 million) as of June 30, 2023. The fair value of these securities was €2,986 million (previous year: €3,664 million). Securities in the "Fair value through other comprehensive income" (FVOCI) category totaling €141 million (previous year: €177 million) and in the "Fair value through profit or loss" (FVPL) category totaling €93 million (previous year: €19 million) are assigned to the fair value hierarchy Level 1. Positive market values of derivatives of €31 million (previous year: €15 million) and negative market values of derivatives amounting to €17 million (previous year: €50 million) are allocated to the fair value hierarchy Level 2. Non-current equity investments in the FVOCI category of €3 million (previous year: €6 million) and the FVPL category of €3 million (previous year: €1 million) are assigned to fair value hierarchy Level 3. For the remaining financial assets and liabilities, there are no significant differences between the carrying amounts and their fair values as of June 30, 2023.

The newly constructed Beiersdorf plant in Leipzig-Seehausen partially started production in the second quarter. In this context, €178 million has been reclassified from the category assets under construction.

As of June 30, 2023 (as in the previous year), cash and cash equivalents did not include any significant amounts over which the Group has restricted access as a result of foreign exchange controls.

Legal Risks

Some of our affiliates are currently undergoing tax audits. A key disputed tax position relates to the assessment by the German tax authorities that margins at Asian affiliates were too high in the years 2009 to 2017 and that there was a need to change the tax base in Germany. Amended tax assessments in this regard have not been issued to date. We do not share the assessment and are convinced that no correction rule is relevant. In accordance with IFRIC 23, disputed tax items are recognized either at their expected or most probable cash outflow.

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 2022 in accordance with § 161 *Aktengesetz* (German Stock Corporation Act, AktG) was published in December 2022. This is permanently available on our website at <https://www.beiersdorf.de/investor-relations/corporate-governance/erklarung-zur-unternehmensfuehrung>.

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 of Beiersdorf AG, Hamburg, which comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and selected explanatory notes, and the interim group management report for the period from Jan. 1, 2023 to June 30, 2023, which are part of the half-year financial report pursuant to Sec. 115 WpHG [“Wertpapierhandelsgesetz”: German Securities Trading Act]. The executive directors are responsible for the preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports. 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 of the interim group management report in compliance 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 IFRSs 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 requirements of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of the Company’s employees and analytical assessments and therefore does not provide the assurance obtainable from an audit of financial statements. Since, in accordance with our engagement, we have not performed an audit of financial statements, we cannot issue an auditor’s report.

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 IFRSs 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 1, 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Janze
Wirtschaftsprüfer
[German Public Auditor]

Siemer
Wirtschaftsprüferin
[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, July 31, 2023

Beiersdorf AG

The Executive Board



Vincent Warnery

Chairman of the Executive Board



Oswald Barckhahn

Member of the Executive Board



Astrid Hermann

Member of the Executive Board



Nicola D. Lafrentz

Member of the Executive Board



Grita Loeb sack

Member of the Executive Board



Ramon A. Mirt

Member of the Executive Board



Patrick Rasquinet

Member of the Executive Board

Financial Calendar

2023

October 25

Quarterly Statement
January to September 2023

2024

February/March

Publication of
Annual Report 2023,
Annual Press Conference,
Financial Analyst Meeting

April

Annual General Meeting

April/May

Quarterly Statement
January to March 2024

August

Half-Year Report 2024

October

Quarterly Statement
January to September 2024

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Note

The Half-Year Report is also available in German on www.beiersdorf.de