



Henkel

*A Brand like a friend*

## Press Release

Vienna, February 25, 2010

Sales up 2.3 percent in the local currencies

### Henkel CEE Successfully Defies the Economic Crisis

Unforeseeable currency problems and a massive collapse in demand on the part of industrial customers posed the most serious challenges to Henkel Central Eastern Europe (Henkel CEE) in the past financial year. Nevertheless, total sales calculated in local currencies rose by 2.3 percent, thanks to an outstanding performance of Henkel's brand-name product business. Currency devaluations of more than 14 percent against the euro ultimately resulted in an 11.4 percent drop in the total revenues generated by Henkel CEE, to 2,230 million euros. "I am very proud that we succeeded in expanding our market position in all three business sectors – Laundry & Home Care, Cosmetics/Toiletries and Adhesive Technologies – in spite of the extremely difficult economic conditions", says Günter Thumser, President of Henkel CEE. "That is one reason why we are making heavy anti-cyclical investments in our consumer goods business, and have considerably increased our advertising presence".

The Laundry & Home Care segment accounted for close to 47 percent of the total revenues of Henkel CEE in 2009, whereas about 38 percent of revenues could be attributed to the Adhesive Technologies segment, and close to 15 percent to the Cosmetics/Toiletries business. Henkel CEE, which is responsible for coordinating the business operations of the global Henkel Group in 32 countries in Central and Eastern Europe as well as Central Asia, employed a work force of 9,500 people in 2009, of which approximately 850 worked in Austria.

#### Henkel Central Eastern Europe (CEE) at a glance

Henkel CEE headquartered in Vienna coordinates the Group' business operations in 32 countries. In addition to Austria, Henkel CEE has management responsibility for Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kosovo, Kyrgyzstan, Latvia, Lithuania, Macedonia, Moldova, Mongolia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkey, Turkmenistan, the Ukraine and Uzbekistan.

Russia generated the highest revenues of any individual market, with a 21.7 percent share of total Henkel CEE revenues, followed by Poland (14.2 percent), Turkey (11.2 percent) and Austria (9.0 percent). "We achieved the largest sales growth rates on the basis of local currencies in Serbia (+ 13 percent), Russia (+ 10 percent) and Poland (+ 9 percent)", says Henkel CEE President Günter Thumser.



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Henkel CEE is a strong number two in the detergents business and the top providers of adhesives and hair cosmetics in Central and Eastern Europe. Among the most well-known Henkel brands are Ceresit, Fa, Loctite, Pattex, Persil and Schwarzkopf.

For more than 130 years, Henkel has been a leader with brands and technologies that make people's lives easier, better and more beautiful. Henkel, which Fortune magazine ranks as Germany's most admired company and one of the Fortune Global 500 companies, operates with strong brands and technologies in three business areas – Laundry & Home Care, Cosmetics/Toiletries and Adhesives Technologies. Approximately 50,000 employees in more than 125 countries are dedicated to fulfilling Henkel's corporate claim, "A Brand like a Friend".

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