

14th January 2016

Luxury & Consumer Goods

Beiersdorf

Price EUR80.96

FY sales grew by 3% organically, in line with market expectations

Fair Value EUR82 (+1%)

NEUTRAL

Bloomberg	BEI.GY
Reuters	BEIG.DE
12-month High / Low (EUR)	90.0 / 69.5
Market Cap (EURm)	18,362
Avg. 6m daily volume (000)	0.90

	1 M	3 M	6 M	31/12/14
Absolute perf.	-1.2%	-0.9%	4.8%	19.4%
Pers & H/H				
Gds	-2.2%	-4.9%	-4.4%	13.0%
DJ Stoxx 600	-3.5%	-5.1%	-11.7%	0.2%
	2014	2015e	2016e	2017e
P/E	36.4x	28.3x	26.1x	23.7x
Div yield (%)	1.0%	1.2%	1.4%	1.5%

ANALYSIS

- **The German group this morning released its FY 2015 preliminary sales (EUR6.69bn), which are globally in line with market expectations (EUR6.68bn).** 2015 revenues grew by 6.4% and 3% organically (cf: +3.1% and company guidance between 3 and 4%), implying 4% organic sales growth in Q4 alone after +5.4% in Q3 and +2.7% on 9m. The **Consumer** segment achieved 3.6% organic sales growth (+3.2% on 9m and +6.4% in Q3) implying +4.8% in the Q4 alone, while **Tesa** sales remained almost unchanged, in line with group guidance.
- In Western Europe (43% of Group sales), sales declined by 0.3% on FY implying no growth in Q4 after the rebound in Q3 (+1.8%) while the situation has deteriorated in LATAM (12% of group sales) with a 5.7% sales increase in Q3 vs +13% on 9m and +15% in Q3.
- BDF management confirmed its FY EBIT guidance, which should be “significantly higher than in 2014”. Actually, we expect the FY 2015 EBIT margin to reach 14.5%, up by 80bps versus 2014 level (+70bp on 9m at 14.9%). At this stage, market consensus anticipates a 14.4% EBIT margin.

VALUATION

- We maintain our Neutral recommendation with an unchanged EUR82 FV.

NEXT CATALYSTS

- FY 2015 final results should be reported on February 17.

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Distribution of stock ratings

BUY ratings 72%

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