

17th February 2016

Luxury & Consumer Goods

Beiersdorf

Price EUR81.33

FY 2015 results in line with market expectations and cautious 2016 guidance.

Fair Value EUR82 (+1%)

NEUTRAL

Bloomberg	BEI.GY
Reuters	BEIG.DE
12-month High / Low (EUR)	90.0 / 71.1
Market Cap (EURm)	18,446
Avg. 6m daily volume (000)	0.80

	1 M	3 M	6 M	31/12/15
Absolute perf.	3.9%	-4.9%	4.1%	-4.0%
Pers & H/H				
Gds	3.6%	-6.2%	-6.0%	-4.5%
DJ Stoxx 600	-2.4%	-12.9%	-16.7%	-12.0%

	2014	2015e	2016e	2017e
P/E	36.5x	28.5x	26.2x	23.9x
Div yield (%)	1.0%	1.2%	1.4%	1.5%

ANALYSIS

- After reporting FY 2015 sales of EUR6.69bn on 14th January (+6.4%) and with 3% organic sales growth (at the low end of expectations) with some slowdown in Q4 (+3.8% vs +5.4% in Q3), including in the Consumer division (+4.7% vs +6.4% in Q3) mainly coming from LATAM (+5.7% in Q4 vs +15.7% in Q3), **the German Group has issued this morning its FY 2015 results with EBIT at EUR962m (consensus: EUR961m), up 11.6%, implying EBIT margin at 14.4% vs 13.7% in 2014.** In the January sales press release, management maintained its EBIT guidance for a “significant profitability increase” both for the Group and the Consumer business segment.
- For the Consumer branch alone**, FY 2015 EBIT grew 13.6% at EUR771m (consensus: EUR770m). This activity’s profitability gained 90bp to 13.9%. Tesa EBIT grew 4.2% to EUR191m, with a 20bp EBIT margin reduction to 16.8%.
- Concerning 2016 guidance**, management expects 3-4% organic sales growth while the consensus is already at 4.3% and its anticipation for the Consumer branch is the same (consensus: +4.7%), implying fresh market share gains. Furthermore, EBIT margin should “increase slightly”, consensus anticipation is a gain of 50bp to 14.9%.

VALUATION

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

NEXT CATALYSTS

- Analysts’ meeting at 2pm.

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Distribution of stock ratings

BUY ratings 72%

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SELL ratings 28%

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