

Frankfurt, March 19, 2015

## **tesa SE experiences significant growth Dynamic development in the business with the automotive industry, recovery in Europe**

- **Sales up 4.4%, EBIT margin at 17.0%**
- **Disproportionate growth with products for cars, especially in Asia**
- **Consumer business: international campaign strengthens brand in Europe**
- **More customers in the construction segment rely on ACX<sup>plus</sup> products**

**Frankfurt, March 19, 2015** – tesa SE continued its growth in 2014, once again outperforming the market. Sales rose 4.4% in organic terms (nominal figure: +3.6%), to € 1.0763 billion (previous year: € 1.0385 billion). The **operating result (EBIT)** without special factors reached € 183.4 million, resulting in an **EBIT margin** of 17.0% without special factors (previous year: 16.9%). All regions and business units contributed to this positive development. The business in products for the automotive industry in Asia saw especially robust growth.

**“This sustained positive development shows that our strategy is sound and sustainable,”** said Thomas Schlegel, CEO of tesa SE, at today’s press conference in Frankfurt. **“We are growing with new products that offer excellent added value for our industrial customers and consumers. At the same time, we are investing heavily in new technologies and in continuing to develop and expand our structures in order to strengthen our position on a lasting basis.”**

### **Investments support growth strategy**

At the Hamburg plant, tesa erected a large new polymerization unit for producing adhesive masses, which will help to leverage the possibilities offered by the patented ACX technology even better. The highly durable, especially long-lasting, and weather-resistant products manufactured based on this method are used in various fields, including the new Building Supply segment, which covers the building and construction industry. One area of focus, for example, is adhesive bonding of glass partitions in interior finishing work.

Group-wide, the number of employees rose 7%, to 4,081 (previous year: 3,819). In China, the expansion of research and development activities continued. New employees were hired for positions in research and development, marketing, and sales in particular.

Construction of the new tesa headquarters with integrated research and technology center, near the Hamburg airport, entered the final phase. Preparations for the move started in November, and all of the company’s units are scheduled to be relocated by December 2015. Schlegel added, **“The biggest investment project at tesa to date is still proceeding on schedule and on budget. The new building will secure our long-term growth. Merging these divisions will enhance our efficiency and flexibility in**

**developing new products and help ensure that we can meet our markets' changing requirements even better."**

### **Consumer business: international campaign strengthens brand in Europe**

The business in products for consumers and craftsmen, which is focused on Europe and Latin America, saw highly positive development in 2014. Sales grew by 4.6% in organic terms. tesa gained significant market share with a new range of mounting tapes. The growth drivers also included precision masking tapes, especially in combination with an innovative merchandising concept aligned with the latest findings regarding consumers' buying behavior in the home improvement and DIY retail segment. The broad-based campaign that had already been launched in Germany, featuring TV commercials and systematic use of digital channels, was rolled out to the focus countries of Poland, Italy, France, and Spain, boosting the brand's name recognition there.

### **Industrial business: growth with applications for cars and smartphones**

The Industry division also made significant gains, posting organic growth of 4.5% in sales. This growth was spurred by both our direct business and our retail business in all regions. Strong impetus for growth came once again from Asia and the United States, where the business with the automotive and electronics industries in particular continued to develop dynamically. Counterfeit-proof labeling systems with laser technology to guard against theft in the automotive sector as well as new products for wire harnessing in vehicle interiors were especially successful. Growth in the electronics segment was driven by removable adhesive products that are used to affix batteries in mobile devices, making them quick and easy to replace.

### **Share of sales attributed to Asia rises to 28.9%, European business up 4.0%**

The Africa / Asia / Australia business region showed the strongest growth this year. Adjusted for exchange rate effects, sales rose 6.4%, to € 311.5 million. The region's share of total sales reached 28.9% (previous year: 28.2%), with China as the main growth market. The business in Europe recovered considerably, gaining 4.0%.

### **Outlook for 2015**

This fiscal year, positive impetus is expected from the automotive industry in North America once again. The business in the electronics industry, which is concentrated in Asia, also remains attractive, so further growth is expected in 2015. At the same time, however, the heavily project-oriented nature of this business means that there are high risks associated with it. The emerging pharmaceuticals business is likely to achieve further positive growth. In the building supply segment, which focuses on the building and construction industry, the company is steadily expanding its customer base.

On the whole, development in Europe is expected to remain stable. There are uncertainties, however, with regard to current geopolitical conflicts and how they will affect the mood in the economy, especially in Eastern Europe. The slight recovery seen in the economies of Southern Europe is expected to continue, with a positive impact on development in the distribution and end customer business.

The volatility of currency exchange rates, especially the much stronger U.S. dollar, will affect the development of tesa's business in 2015 as well.

Ongoing investments in research and development, and thus in innovative products, will strengthen tesa's market position on a sustained basis. As a result, tesa expects its growth to slightly outperform the market once again during the current fiscal year. Earnings performance will decline slightly due to the expenses anticipated in connection with the company's relocation in 2015, so the operating EBIT margin is expected to fall just below the previous year's figure.

### **2014 business development online**

Current business figures and further information are available in the 2014 business development overview, which is included in this press kit and is also available online at [www.tesa.com/company/investors](http://www.tesa.com/company/investors).

This press release, along with image and photo materials, is available online at [www.tesa.com/press](http://www.tesa.com/press).

### **About tesa SE**

tesa SE is one of the world's leading manufacturers of technical adhesive tapes and self-adhesive system solutions (more than 7,000 products) for industrial and professional customers as well as end consumers. Since 2001, tesa SE (4,100 employees) has been a wholly owned affiliate of Beiersdorf AG (whose products include NIVEA, Eucerin, and La Prairie). Applications for various industrial sectors, such as the automotive industry, the electronics sector (e.g. smartphones, tablets), printing and paper, building supply, and security concepts for effective brand and product protection, account for about three-quarters of the tesa Group's sales (2014: 1.0763 billion euros). tesa also recently began partnering with the pharmaceuticals industry to develop medicated patches. tesa earns just under one-quarter of its sales in the consumer segment, where 300 products for end consumers make working in the home and the office easier.

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