

Beiersdorf sees slower sales this year after bumper 2022



© Reuters. FILE PHOTO: Nivea bottles are seen on a production line at the plant of German personal care company Beiersdorf in Hamburg, Germany, February 28, 2023. REUTERS/Fabian Bimmer

BERLIN (Reuters) -Nivea maker Beiersdorf expects organic sales growth to slow this year to a mid-single-digit range after reporting double-digit growth for the first time in two decades in 2022 thanks to strong demand for its skin care products.

Beiersdorf shares fell 3.8% in pre-market trade at Lang & Schwarz after it reported the results on Wednesday.

The group improved its 2022 earnings before interest and tax (EBIT), excluding special factors, 16.6% to 1.2 billion euros (\$1.3 billion), reaching an EBIT margin of 13.2%. It expects the figure to come in 50 basis points above last year's level in 2023.

Sales in Beiersdorf's consumer business, which includes Nivea, Eucerin and La Prairie products, grew 8.8% to 6.1 billion euros last year. Its Nivea core brand saw a 9.6% improvement, helped by rising demand in emerging markets and higher prices.

In its Tesa adhesives unit, which serves the electronics and automotive markets, sales increased 13.6% to 1.5 billion euros. Solid demand for its consumer electronics products, a recovery in automotive markets and price increases helped offset significantly higher costs, the group said.

"2022 was an excellent year for Beiersdorf with a remarkable result for both business segments, Consumer and Tesa," said Chief Executive Vincent Warnery. "For the first time in at least two decades, we delivered double-digit organic sales growth."

Beiersdorf said it would propose an unchanged dividend of 0.70 euros per share.

The news came as Britain's Reckitt Benckiser, maker of Dettol and Lysol cleaning products, beat full-year net revenue expectations, helped by its nutrition and health businesses.

Last month, the world's largest cosmetics company L'Oreal posted 8.1% sales growth for the fourth quarter, a touch slower than in the previous three months, with firm demand in the United States and Europe helping to offset coronavirus disruptions in China.

(\$1 = 0.9422 euros)

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