

The Beiersdorf Share

The stock markets moved upwards at the beginning of 2004. However, following the Madrid terror attacks on March 11 they fell sharply, and volatility increased. Although share prices picked up again thanks to rising company profits, inflation and interest rate fears and the constant rise in oil prices slowed recovery. In addition, the US economy led to overall instability on the stock markets due to uncertainty about economic growth and increases in the federal fund rate. The DAX temporarily dropped below 4,000 points.

The rising oil price, rising interest rates, and uncertainty about the global economic upturn had an overall negative influence on the capital markets. The consumer goods sector was no exception. A large number of stocks in this sector lost ground on weaker company data. The European HPC (Household and Personal Care) index sank to annual lows from July to October.


In the year 2003, Beiersdorf's share price of up to almost €118 had been significantly influenced by takeover rumors. After the changes to our shareholder structure and the successful conclusion of our share buyback program on January 23, 2004, the Beiersdorf share price increasingly reverted to following the market trend. In Q2 it moved sideways for a long period. The share was able to buck the negative trend experienced by individual stocks and the effects of portfolio restructurings in the summer, but was heavily influenced later by negative developments in the consumer goods sector. With the publication of our half-year report in August, valuation levels came into line with the negative trend in the sector, which continued until the autumn.

The positive impact of the strong earnings generated in the subsequent quarter led to a clear rise in the share price in November and an upward trend at year-end.

In contrast to the volatility of our share price on the stock markets, our business developments remained steady. Thanks to our strong results in 2004, we are proposing to distribute a dividend of €1.60 per share. Earnings per share amounted to €3.88 due to our high profit after tax and the decrease in our share base following our share buyback program, as against €3.50 for 2003.

Share Information

		2003	2004
Number of shares in million		84	84
Market capitalization as of Dec. 31	€ million	8,081	7,190
Share price as of Dec. 31 (Relative index 2003 = 100)	€	96.20 (100)	85.60 (89)
High	€	117.65	99.65
Low	€	92.51	70.28
Earnings per share (Relative index 2003 = 100)	€	3.50 (100)	3.88 (111)
Dividend per share (Relative index 2003 = 100)	€	1.60 (100)	1.60 (100)
DAX (Relative index 2003 = 100)		3,965 (100)	4,256 (107)
MDAX (Relative index 2003 = 100)		4,469 (100)	5,376 (120)

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ISIN	DE 0005200000
SCN	520000
Symbol	BEI.ETR

Share Buyback Program Information

Offer volume:

A total of up to 8.4 million no-par value bearer shares
(10 % of the share capital)

Offer period:

Dec. 23, 2003 - Jan. 23, 2004

Offer price:

€113.76 per share

Allocation ratio:

10.41 %

Repurchased:

8,393,672 shares