



Notice to Shareholders

Dear shareholders,

This year's Annual General Meeting of our Company will be held on Wednesday, May 17, 2006 at 10.30 a.m. (doors open at 9.30 a.m.) in the Congress Centrum Hamburg, Room 2, Am Dammtor in Hamburg.

The invitation to the Annual General Meeting, together with the agenda and the motions proposed by the Executive Board and the Supervisory Board, is printed below. These were published in German on March 10, 2006 in both the electronic version of the *Bundesanzeiger* (Federal Gazette) and the printed version (issue no. 49), and can also be accessed on the Company's German website at www.Beiersdorf.de and on the English website at www.Beiersdorf.com.

As was the case last year, the Company's share capital amounts to €215,040,000.00 and is composed of 84,000,000 no-par value bearer shares. In accordance with § 71b *Aktengesetz* (German Stock Corporation Act), the own shares held by the Company do not carry voting or dividend rights.

In accordance with agenda item 2, we are proposing to distribute a dividend for fiscal year 2005 of €1.70 per no-par value bearer share.

The proposal listed under agenda item 6 provides for the routine renewal of the authorization of the Company to purchase and utilize own shares.

Under Agenda item 7 you will find proposals for the modification of the Articles of Association of the Company in line with the *Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts* (German Corporate Integrity and Modernization of the Rights of Avoidance Act) which came into effect on November 1, 2005. Agenda item 8 contains a proposal to clarify in the Articles of Association that notices of the Company are published in the *elektronischer Bundesanzeiger* (electronic Federal Gazette).

In accordance with agenda item 9, we are proposing to the Annual General Meeting a reclassification of the share capital (share split) in the ratio of 1:3. The share split shall make the individual shares "lighter" and thus especially more attractive for private investors. To meet the legal requirements for the minimum amount per no-par value bearer share, the share capital shall be increased from retained earnings in advance. This agenda item additionally contains a resulting modification of the variable-dependent remuneration of the Supervisory Board.

With best wishes

Beiersdorf AG

Thomas-B. Quaas

Rolf-Dieter Schwalb

You can have your parking ticket for the CCH garage stamped at the entrance to the room in which the Annual General Meeting is being held.



Beiersdorf Aktiengesellschaft shareholders are hereby invited to attend the Company's **Ordinary Annual General Meeting** to be held on **Wednesday, May 17, 2006, at 10.30 a.m.** (doors open at 9.30 a.m.) in the Congress Centrum Hamburg, Room 2, Am Dammtor/Marseiller Strasse in Hamburg, Germany.

Agenda

1. Presentation of the adopted annual financial statements of Beiersdorf Aktiengesellschaft and the approved consolidated financial statements together with the joint management report of Beiersdorf Aktiengesellschaft and the Group for fiscal year 2005 and the report of the Supervisory Board

The above-mentioned documents are available for inspection by shareholders at the headquarters of Beiersdorf Aktiengesellschaft, Unnastrasse 48, 20245 Hamburg, Germany, and are also available on the Company's German website at www.Beiersdorf.de (see www.Beiersdorf.com for the English translation). Upon request, copies of these documents will be sent to shareholders free of charge and without delay.

2. Resolution on the utilization of net retained profits

The Executive Board and Supervisory Board propose that the net retained profits from fiscal year 2005 in the amount of €154,884,721.05 be utilized as follows:

Distribution of a dividend totaling €1.70 per no-par value bearer share carrying dividend rights (75,606,328 no-par value bearer shares)	€128,530,757.60
Transfer to other retained earnings	€26,353,963.45
Net retained profits	€154,884,721.05

The shares carrying dividend rights at the time of the Executive Board's proposal on the utilization of the net retained profits have been reflected in the amounts specified for the total dividend and for the transfer to other retained earnings. The own shares held by the Company do not carry dividend rights in accordance with § 71b *Aktiengesetz* (German Stock Corporation Act).

If the number of own shares held by the Company at the time of the resolution by the Annual General Meeting on the utilization of the net retained profits is higher or lower than at the time of the Executive Board's proposal on the utilization of the profits, the total amount to be distributed to the shareholders shall be reduced or increased by the portion of the dividend attributable to the difference in the number of shares. The amount to be appropriated to other retained earnings shall be adjusted inversely by the same amount. In contrast, the dividend to be distributed per no-par value bearer share carrying dividend rights shall remain unchanged. If necessary, an appropriately modified draft resolution will be presented to the Annual General Meeting.



3. Resolution on the official approval of the actions of the members of the Executive Board

The Executive Board and Supervisory Board propose approving the actions of the members of the Executive Board for fiscal year 2005.

4. Resolution on the official approval of the actions of the members of the Supervisory Board

The Executive Board and Supervisory Board propose approving the actions of the members of the Supervisory Board for fiscal year 2005.

5. Election of the auditors for fiscal year 2006

The Supervisory Board proposes that Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Stuttgart, be elected the auditors for fiscal year 2006.

6. Resolution on the authorization to purchase and utilize own shares

The Executive Board and Supervisory Board propose to resolve as follows:

- a) The existing authorization to purchase own shares granted by the Annual General Meeting on May 18, 2005 under agenda item 11 b) for a limited period up until November 17, 2006 shall be cancelled upon entry into force of the authorization under b).
- b) The Company is authorized in accordance with § 71 (1) no. 8 *Aktiengesetz* (German Stock Corporation Act) to purchase own shares in the total amount of up to ten percent of the existing share capital in the period up until November 16, 2007. The authorization can be exercised in whole or in part once or several times. In accordance with § 71 (2) sentence 1 *Aktiengesetz* (German Stock Corporation Act), the shares purchased pursuant to this authorization, together with other shares of the Company that the Company has already purchased and still holds, may not account for more than ten percent of the share capital of the Company.

The shares shall be purchased via the stock exchange or via a public offer addressed to all shareholders. Where the shares are purchased via the stock exchange, the purchase price per share may not exceed or fall below the average price of Beiersdorf's shares in the closing auction in the Frankfurt Stock Exchange's Xetra trading system (or a comparable successor system) on the five stock exchange trading days preceding the purchase by more than five percent. Where the shares are purchased via a public purchase offer addressed to all shareholders, the purchase price per share may not exceed or fall below the average price of Beiersdorf's shares in the closing auction in the Frankfurt Stock Exchange's Xetra trading system (or a comparable successor system) on the ten stock exchange trading days preceding the publication of the decision to issue the purchase offer by more than twenty percent. The volume of the offer may be limited. If the total number of shares tendered under the offer exceeds this volume, the shares must be accepted proportionately.

- c) The Executive Board is authorized, with the approval of the Supervisory Board, to sell in whole or in part the own shares purchased on the basis of the above-mentioned or a prior authorization while disapplying the shareholders' pre-emptive rights in a way other than via the stock exchange or by way of a purchase offer to all shareholders, to the extent that these shares are sold at a price that does not fall materially below the market price of the same class of shares of the Company at the time of the sale. The applicable market price as defined in the provision above is the average price of Beiersdorf's shares in the closing auction in the Frankfurt Stock Exchange's Xetra trading system (or a comparable successor system) on the five stock exchange trading days preceding the sale of the own shares. This authorization is limited to a total of no more than ten percent of the share capital existing at the time this authorization comes into effect and at the time it is exercised, whereby, if own shares are sold in line with the above-mentioned provisions, those shares must be included for



which the pre-emptive rights of shareholders are disappplied in accordance with § 186 (3) sentence 4 *Aktengesetz* (German Stock Corporation Act) when the Authorized Capital is utilized and/or when the authorization to issue convertible bonds and/or bonds with warrants is exercised.

The Executive Board is also authorized, with the approval of the Supervisory Board, to utilize the own shares purchased on the basis of the above-mentioned or a prior authorization in whole or in part as consideration or partial consideration as part of a merger or the acquisition of businesses, equity interests in businesses, or business units of companies, while disapplying the pre-emptive rights of shareholders.

Moreover, the Executive Board is authorized, with the approval of the Supervisory Board, to utilize the own shares purchased on the basis of the above-mentioned or a prior authorization in whole or in part, while disapplying the pre-emptive rights of shareholders, in order to satisfy the subscription and/or conversion rights from convertible bonds and/or bonds with warrants issued by the Company or companies in which it holds a direct or indirect majority interest.

Furthermore, the Executive Board is authorized, with the approval of the Supervisory Board, to retire own shares purchased on the basis of the above-mentioned or a prior authorization without requiring an additional resolution by the Annual General Meeting. The authorization to retire the shares can be exercised in whole or in part.

7. Resolution on the modification of the Articles of Association in line with the *Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts* (German Corporate Integrity and Modernization of the Right of Avoidance Act): amendment of §§ 17 (2), 18, and 19 (2) of the Articles of Association

The *Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts* (German Corporate Integrity and Modernization of the Right of Avoidance Act), which came into effect on November 1, 2005, amended the statutory provisions governing the notice period for convening the Annual General Meeting and the provisions governing the preconditions for attendance at the Annual General Meeting and the exercise of the voting rights in § 123 *Aktengesetz* (German Stock Corporation Act), among other things. The convening period is now a minimum of 30 days. The requirement to deposit shares was abolished as the basis of authorization to attend the Annual General Meeting for bearer shares, and the form of proof of entitlement to attend the Annual General Meeting and exercise voting rights was newly regulated: The Articles of Association can make attendance at the Annual General Meeting and the exercise of the voting rights dependent on the shareholders registering prior to the Meeting. In addition, the Articles of Association can determine in the case of bearer shares how the entitlement to attend the Annual General Meeting or exercise voting rights shall be proved. Proof of share ownership furnished in *Textform* (written proof according to § 126b *Bürgerliches Gesetzbuch* (German Civil Code)) by the custodian bank is sufficient. The provisions of §§ 17 and 18 of Beiersdorf's Articles of Association are therefore to be modified in line with the amended statutory regulations.

In addition, the *Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts* (German Corporate Integrity and Modernization of the Right of Avoidance Act) has created the opportunity in § 131 (2) sentence 2 *Aktengesetz* (German Stock Corporation Act), in the interests of the efficient conduct of the Annual General Meeting, to authorize the Chairman of the Meeting in the Articles of Association to limit the shareholders' rights to pose questions and to speak to an appropriate time. This new opportunity is to be implemented in § 19 (2) of the Beiersdorf's Articles of Association.



The Executive Board and Supervisory Board therefore propose the following amendments to the Articles of Association:

a) § 17 (2) of the Articles of Association of the Company shall be amended to read as follows:

“The Annual General Meeting shall be convened by the Executive Board and, where required by law, by the Supervisory Board or a shareholder minority. The invitation must be announced at least thirty days prior to the last date of registration stipulated in § 18 (1) together with the agenda in accordance with the statutory provisions. This period does not include the date of announcement and the last date of registration. § 18 (1) sentence 3 applies accordingly.”

b) § 18 of the Articles of Association of the Company shall be amended to read as follows

- “(1) Shareholders wishing to participate in the Annual General Meeting and exercise their voting rights must register for the Annual General Meeting and provide proof of their entitlement. The registration and the proof of entitlement must be received by the Company at the address given for this in the invitation no later than the seventh day prior to the date of the Annual General Meeting (last date of registration). If the end of the period falls on a Sunday, a Saturday, or a general public holiday at the domicile of the Company, the previous working day shall apply instead.
- (2) For proof of entitlement to attend the Annual General Meeting and to exercise voting rights in accordance with (1) above, a certificate documenting the shareholding prepared in *Textform* (written proof according to § 126b *Bürgerliches Gesetzbuch* (German Civil Code)) in German or English by the custodian bank is sufficient. This proof must refer to the beginning of the twenty-first day prior to the Annual General Meeting.
- (3) The Company is entitled to demand appropriate further proof in the case of doubt of the correctness or authenticity of the proof of entitlement. If this proof is not provided or is also subject to doubt, the Company may reject the shareholder’s entitlement to attend the Annual General Meeting and to exercise his or her voting rights.”

c) § 19 (2) of the Articles of Association of the Company shall be amended to read as follows:

“The Chairman shall chair the Meeting. He or she may change the order of discussion of the items on the agenda from that given in the published version. In addition, he or she shall determine voting procedures and the order in which agenda items are voted on. He or she may limit the shareholders’ rights to pose questions and to speak to an appropriate time; in particular he or she may stipulate an appropriate time frame, at the beginning of or during the Annual General Meeting, for the entire course of the Annual General Meeting, for debates on the individual agenda items and for individual questions and speeches.”

8. Resolution on the amendment of § 3 of the Articles of Association

In § 3 of the Articles of Association it should be clarified that notices of the Company are published in the *elektronischer Bundesanzeiger* (electronic Federal Gazette).

The Executive Board and Supervisory Board therefore propose the following amendment to the Articles of Association:

§ 3 of the Articles of Association of the Company shall be amended to read as follows:

“Notices of the Company are published in the *elektronischer Bundesanzeiger* (electronic Federal Gazette).”



9. Resolution on the increase of the share capital from retained earnings without the issue of new shares and the corresponding amendment of § 5 (1) of the Articles of Association and on the subsequent reclassification of the share capital (share split) and the corresponding amendment of § 5 (1) of the Articles of Association and on the modification of the remuneration of the Supervisory Board by way of an amendment of § 15 (1) of the Articles of Association

The market price of Beiersdorf's shares has risen significantly in recent years. To further increase the attractiveness of Beiersdorf's shares, particularly for private investors, the share capital of the Company is to be reclassified in the ratio of 1:3, thus tripling the number of shares (share split). Tripling the number of shares will make the individual shares "lighter", thereby increasing the liquidity of Beiersdorf's shares.

The share capital of Beiersdorf Aktiengesellschaft currently amounts to €215,040,000.00 in accordance with § 5 (1) of the Articles of Association and is composed of 84 million no-par value bearer shares with a notional interest in the share capital of €2.56 per no-par value share. As the amount of share capital attributable to the individual no-par value shares may not fall below €1.00 in accordance with § 8 (3) sentence 3 *Aktengesetz* (German Stock Corporation Act), the share capital is initially to be increased prior to the share split by way of a capital increase from retained earnings of €36,960,000.00 to €252,000,000.00 without the issue of new shares; as a result of this, the notional interest in the share capital per no-par value share will be increased from €2.56 to €3.00. After the capital increase from retained earnings comes into effect, the share capital is to be reclassified into 252 million no-par value shares. This reclassification of the share capital will split one no-par value share with a notional interest in the share capital of €3.00 into three no-par value shares with a notional interest in the share capital of €1.00 each.

The reclassification of the share capital by way of the share split will have an effect on the amount of the future dividend per no-par value share. The variable dividend-dependent remuneration of Supervisory Board members in § 15 (1) of the Articles of Association should therefore be adjusted, and slightly reduced in the process.

The Executive Board and Supervisory Board therefore propose that the following resolutions be adopted:

a) Capital increase from retained earnings

aa) The share capital of the Company in the amount of €215,040,000.00 shall be increased from retained earnings by €36,960,000.00 to €252,000,000.00 without the issue of new shares by the conversion into share capital of a total of €36,960,000.00 of the other retained earnings reported in the balance sheet as of December 31, 2005. This resolution on the capital increase is based on the Company's balance sheet as of December 31, 2005 as adopted by the Executive Board and the Supervisory Board, which was audited by BDO Deutsche Warentreuhand Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hamburg and issued with an unqualified audit opinion.

bb) § 5 (1) sentence 1 of the Articles of Association of the Company shall be amended to read as follows:

"The share capital amounts to €252,000,000.00 and is composed of 84,000,000 no-par value bearer shares, each representing an equal notional proportion of the share capital of the Company."

b) Share split

aa) Following the entry in the commercial register of the resolution on the capital increase in accordance with agenda item 9 a), the share capital of the Company in accordance with § 5 (1) sentence 1 of the Articles of Association in the amount of €252,000,000.00, which is



currently still divided into 84,000,000 no-par value bearer shares, shall be reclassified by way of a 1:3 share split into 252,000,000 no-par value bearer shares. One no-par value share with a notional interest of €3.00 in the share capital of the Company shall henceforth be replaced by three no-par value shares each with a notional interest of €1.00 in the share capital of the Company.

- bb) Following the entry in the commercial register of the resolution on the capital increase in accordance with agenda item 9 a), § 5 (1) sentence 1 of the Articles of Association shall be amended again in accordance with the preceding resolution to read as follows:

“The share capital amounts to €252,000,000.00 and is composed of 252,000,000 no-par value bearer shares, each representing an equal notional proportion of the share capital of the Company.”

- c) Modification of the remuneration of the Supervisory Board

With the entry in the commercial register of the amendment of the Articles of Association concerning the reclassification of the share capital in accordance with agenda item 9 b), § 15 (1) sentences 2 and 3 of the Articles of Association shall be amended to read as follows:

“In addition, each member of the Supervisory Board shall receive variable remuneration of €1,200.00 for every cent by which the dividend per share paid to shareholders exceeds 15 cents. The remuneration as defined in sentence 2 of this sub-section shall be paid for the first time in fiscal year 2006.”



Report of the Executive Board to the Annual General Meeting on Item 6 of the Agenda (Resolution on the Authorization to Purchase and Utilize Own Shares) in accordance with § 71 (1) no. 8 *Aktiengesetz* (German Stock Corporation Act) in conjunction with § 186 (3) sentence 4 and § 186 (4) sentence 2 *Aktiengesetz* (German Stock Corporation Act)

The Company purchased own shares amounting to approximately 9.99 % of its share capital based on the authorization of the Annual General Meeting of June 11, 2003 in accordance with § 71 (1) no. 8 *Aktiengesetz* (German Stock Corporation Act) as part of a public acquisition offer directed to all Beiersdorf shareholders. No own shares were purchased on the basis of the authorization of the Annual General Meeting on June 3, 2004 and the authorization of the Annual General Meeting on May 18, 2005. The proposed renewal of the authorization under agenda item 6 is intended to continue to enable the Company to purchase own shares if it were to reduce the number of own shares held in the future. This is standard procedure at nearly all major listed companies. In accordance with § 71 (2) sentence 1 *Aktiengesetz* (German Stock Corporation Act), the shares purchased pursuant to this authorization together with other shares of the Company, that the Company has already purchased and still holds, may not account for more than ten percent of the share capital of the Company. According to this proposed resolution, the Company is also entitled to sell or to issue the own shares purchased pursuant to this or a prior authorization in whole or in part while disapplying the pre-emptive rights of shareholders.

Based on legal provisions, the own shares purchased by Beiersdorf Aktiengesellschaft can be sold via the stock exchange or by way of a public purchase offer to all shareholders. These options for selling the shares fulfill the shareholders' right to equal treatment in the event that the shares are re-issued.

The proposed resolution stipulates that the Executive Board can, with the approval of the Supervisory Board, sell the own shares purchased on the basis of the proposed or a prior authorization by the Annual General Meeting in a way other than via the stock exchange or by way of a public purchase offer to all shareholders if the own shares are sold at a price that does not fall materially below the market price of the same class of shares of the Company at the time of sale. This authorization, which amounts to the disapplication of shareholders' pre-emptive rights, enables the Company to take advantage of the simplified option for disapplying shareholders' pre-emptive rights allowed by § 71 (1) no. 8 sentence 5 *Aktiengesetz* (German Stock Corporation Act) in conjunction with § 186 (3) sentence 4 *Aktiengesetz* (German Stock Corporation Act). This is intended to serve the interests of the Company in particular by creating the opportunity for the Company to offer shares of the Company to institutional or other investors and/or to expand the shareholder base of the Company. The intention here is to also put the Company in the position of being able to react to favorable stock market situations quickly and flexibly. The interests of the shareholders are taken into account in that the shares may only be sold at a price that does not fall materially below the market price of the shares of the Company at the time of the disposal. The fixing of an average price for the applicable market price is intended to ensure that the interests of the shareholders of the Company are not adversely affected by random pricing. The authorization to sell own shares in return for cash consideration is limited to a total of no more than 10 % of the Company's existing share capital at the time this authorization comes into effect and at the time it is exercised, including shares for which the shareholders' pre-emptive rights are disappplied in accordance with § 186 (3) sentence 4 *Aktiengesetz* (German Stock Corporation Act) when Authorized Capital is utilized and/or when the authorization to issue convertible bonds and/or bonds with warrants is exercised. The inclusion in the limit ensures that purchased own shares are not sold subject to the simplified disapplication of shareholders' pre-emptive rights in accordance with § 186 (3) sentence 4 *Aktiengesetz* (German Stock Corporation Act), if this would lead to shareholders' pre-emptive rights being disappplied as a result of the direct or indirect application of § 186 (3) sentence 4 *Aktiengesetz* (German Stock Corporation Act) for a total of more than ten percent of the share capital. This limitation is in the interests of shareholders who wish to retain their share of the equity interest held as far as possible.

This English translation is provided for convenience only. The German text shall be the sole legally binding version.



The Executive Board, with the approval of the Supervisory Board, is also to be authorized to utilize the own shares purchased on the basis of the proposed or a prior authorization as consideration or partial consideration for the acquisition of businesses, equity interests in businesses or business units of companies, or as part of mergers. To compete internationally, the Company is increasingly being required to provide this type of financing for acquisitions. Against this backdrop, it is highly important for the continued development and consolidation of the Company's market position that it has the opportunity to acquire suitable equity interests in the course of its investment strategy not only by making cash payments but also by way of non-cash consideration in the form of the transfer of shares in the Company. The Company also currently has the Authorized Capital III laid down in § 5 (4) of its Articles of Association at its disposal for the acquisition of companies or equity interests in companies. To this extent, the proposed authorization for the use of own shares represents a supplement to the Authorized Capital III in the Articles of Association of the Company. This authorization is intended to put the Company in the position of being able to quickly and flexibly take advantage of acquisition opportunities as they present themselves without having to implement capital increases. As the purchased own shares generally have to be utilized at short notice and in competition with other potential buyers, and the necessary secrecy requirements have to be observed, the authorization to dispose of purchased own shares by means other than via the stock exchange or via a public purchase offer to all shareholders is necessary. The proposed disapplication of the shareholders' pre-emptive rights is in line with this requirement. The Executive Board will carefully examine in each individual case whether to exercise this authorization as soon as the opportunity to purchase an equity interest takes shape. It will only disapply shareholders' pre-emptive rights if the acquisition is within the remit of the Company's investment strategy and if the acquisition in return for shares in the Company is, properly understood, in the interests of the Company. When specifying the pricing ratios the Executive Board will ensure that shareholders' interests are safeguarded appropriately and that, as a result, the authorization will only be exercised to the extent that the value of the equity interest to be acquired is in reasonable proportion to the value of Beiersdorf's shares to be exchanged for it. The Supervisory Board will only grant the necessary approval for the disposal of the purchased own shares by means other than via the stock exchange or via an offer to all shareholders if these preconditions are met. The Executive Board will report on the details of the disposal of own shares to the Annual General Meeting following the possible acquisition of an equity interest in return for shares of the Company.

Moreover, the Executive Board is authorized, with the approval of the Supervisory Board, to utilize the own shares purchased on the basis of the above-mentioned or a prior authorization, while disapplying the pre-emptive rights of shareholders, in order to satisfy the subscription and/or conversion rights from convertible bonds and/or bonds with warrants issued by the Company or companies in which it holds a direct or indirect majority interest. It may be appropriate, instead of utilizing contingent capital, to utilize own shares in whole or in part to fulfill conversion rights or options, or conversion obligations.

The present report on agenda item 6 is available for inspection by shareholders at the Company's business premises (Unnastrasse 48, 20245 Hamburg, Germany) as of the date on which the Annual General Meeting is convened. It will also be available at the Annual General Meeting. All shareholders will be sent a copy of the report free of charge and without delay at their request.



Attendance at the Annual General Meeting

The *Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts* (German Corporate Integrity and Modernization of the Right of Avoidance Act), which came into effect on November 1, 2005, amended the preconditions for attendance at the Annual General Meeting and exercising voting rights. The shareholders of our Company may use either of the following options to fulfill the preconditions entitling them to attend the Annual General Meeting and to exercise their voting rights.

Entitlement to attend by way of deposit

Shareholders are entitled to attend the Annual General Meeting and exercise their voting rights if they have deposited their shares by the beginning of April 26, 2006 (0.00 hrs) at one of the following banks or at the Company, and leave them there until the end of the Annual General Meeting:

- Deutsche Bank AG, Frankfurt am Main
- Dresdner Bank AG, Frankfurt am Main

The shares may also be deposited with a German notary or a securities clearing and deposit bank. Shares are also considered to have been deposited in a valid manner if they are deposited with the agreement of and for a depository in a blocked account at a credit institution until the end of the Annual General Meeting. If the shares are deposited with a German notary or a securities clearing and deposit bank, the deposit certificate to be issued by such notary or bank must be submitted to the Company by May 10, 2006 at the latest. After the shares have been deposited, the shareholders will receive entry cards indicating the number of votes to which the owner is entitled.

Entitlement to attend by way of proof of share ownership

In addition, shareholders are entitled to attend the Annual General Meeting and to exercise their voting rights if they have submitted special proof of their share ownership prepared in *Textform* (written proof according to § 126b *Bürgerliches Gesetzbuch* (German Civil Code)) by their custodian bank to the Company at the following address:

Beiersdorf AG
c/o Deutsche Bank AG
- General Meetings -
60272 Frankfurt am Main, Germany

The proof of share ownership must refer to the beginning of April 26, 2006 (0.00 hrs) and must be received by the Company by May 10, 2006 at the latest. After the proof of ownership has been entered at the above address, the shareholders will receive entry cards indicating the number of votes to which the owner is entitled. To ensure the timely receipt of the entry cards, we request that shareholders take care to submit the proof of their share ownership to the Company in good time.

Proxy voting

As a special service to our shareholders, we are offering them the opportunity to be represented by a proxy appointed by the Company, who will vote in accordance with their instructions. A proxy is an employee of the Company who will vote on the individual agenda items in accordance with instructions by shareholders based on a power of attorney issued to him or her by shareholders. To do so, the proxy must be granted power of attorney over and issued with instructions on how to exercise the shareholder's voting rights. Any power of attorney issued is not valid without accompanying instructions. The proxy undertakes to vote as instructed. The power of attorney and instructions to the proxy appointed by the Company concerning the exercise of voting rights can only be issued in writing (not by fax or e-mail) and only using the proxy and instruction forms included with the entry cards to the Annual



General Meeting. Shareholders must still deposit their shares in custody or submit proof of share ownership in the manner described above by the deadline if they plan to appoint a proxy. The Company must receive powers of attorney and instructions no later than May 15, 2006. Thank you for understanding that we cannot honor powers of attorney received after this date. Shareholders will receive further details of how to issue a power of attorney and how to instruct the proxy appointed by the Company together with their entry card after they have deposited their shares or submitted proof of ownership; this information is also available on the Company's German website at www.Beiersdorf.de (see www.Beiersdorf.com for English translation).

Of course, this offer designed to facilitate the exercise of shareholders' voting rights does not affect any previously valid means of attending the Annual General Meeting, such as participation via a representative (i.e. a credit institution or shareholders' association), which remain in full force. Please use the proxy form included with your entry card to issue a power of attorney to a third party.

Shareholders' questions and motions

Shareholders who intend to ask questions at the Annual General Meeting are requested to submit these to the Company before the Annual General Meeting, if possible, in order to allow the Executive Board to prepare a response. Motions by shareholders to a proposal by the Executive Board and Supervisory Board concerning a particular agenda item in accordance with § 126 (1) *Aktiengesetz* (German Stock Corporation Act) must be submitted exclusively to:

Beiersdorf Aktiengesellschaft
Financing (Bf. 86)
Unnastrasse 48
20245 Hamburg, Germany
Fax: +49 (0) 40 4909-2860
E-mail: Investor.Relations@Beiersdorf.com

We will publish all motions by shareholders to be made available in accordance with § 126 *Aktiengesetz* (German Stock Corporation Act) on the Company's German website at www.Beiersdorf.de. All management statements will also be published there.

The invitation to the Annual General Meeting was published on March 10, 2006 in both the *elektronischer Bundesanzeiger* (electronic Federal Gazette) and the printed version (issue no. 49) of the *Bundesanzeiger*. This invitation and the documents that must be made available as of the convening of the Annual General Meeting can also be accessed at the Company's website at www.Beiersdorf.de (see www.Beiersdorf.com for the English translation).

Hamburg, March 2006

Beiersdorf Aktiengesellschaft

The Executive Board

Contact Information

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