



Deutsche Bank Farm Tour

Jacques du Puy

Head of Crop Protection Europe, Africa and Middle East
Bayer CropScience

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Overview



Agricultural market in Europe, Africa and Middle East

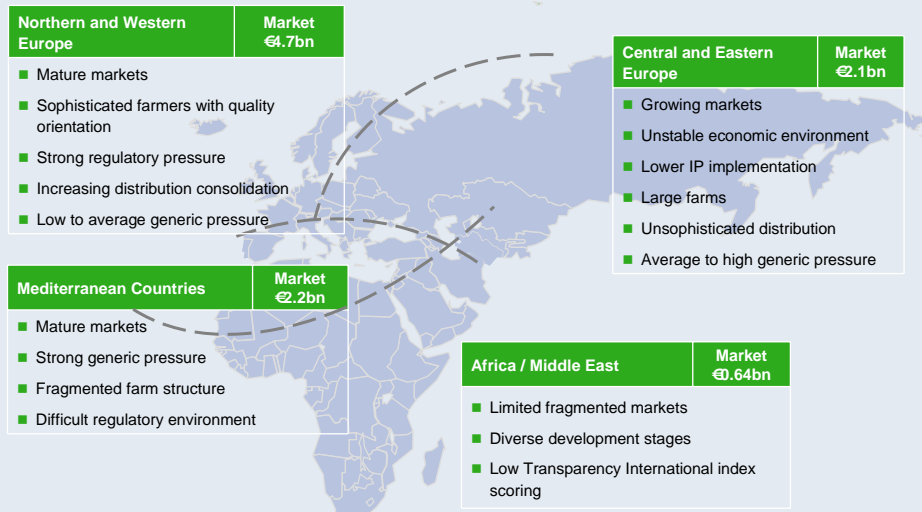


Bayer CropScience: Leading Position with Innovation and Services



Cornerstones of our Regional operational strategy

Market Characteristics



High Volatility in Wheat Price Development Year-to-date 2010



*) c1 Wheat (composite trades) front month continuation, Chicago board of trade

Source: REUTERS | Aug 31, 2010

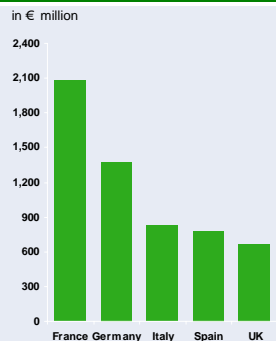
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We are the Clear Crop Protection Market Leader in Europe, Africa and Middle East



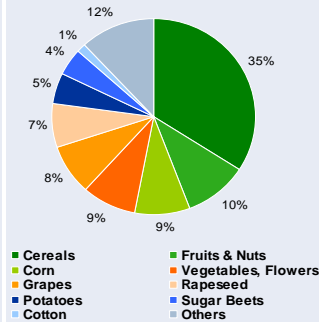
Crop Protection Market Europe, Africa and Middle East 2009: €9.6 billion (- 3.6% yoy Fx adj.)

Market by Top Countries



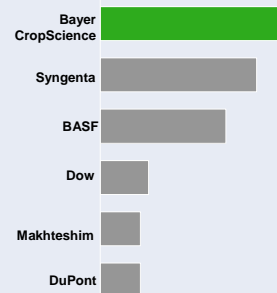
Top 5 countries represent
> 50% of the market

Market by Key Crops



More than a third of the crops
under cultivation are cereals

Top Companies - Market Share



Bayer CropScience market share
is 24% in Europe, Africa and
Middle East

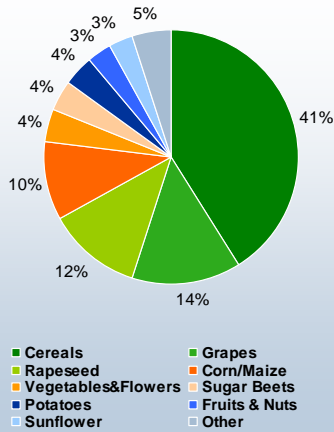
Source: Bayer CropScience internal estimates

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€2 billion French Crop Protection Market dominated by Cereals



French Crop Protection Market by Crops



Market Characteristics

- 80% of market held by R&D companies
- Strongly regulated market
- 600,000 farmers; 85% of farms > 50 ha
- Medium generic competition
- Strong consolidation of the distribution: 9 distributors account for 50% of business
- Significant market decline anticipated in 2010
- Recovery expected from 2011 onwards due to cereals, corn and grapes

Bayer CropScience market position 2009: #1 with 28% market share

Overview



Agricultural market in Europe, Africa and Middle East



Bayer CropScience: Leading Position with Innovation and Services



Cornerstones of our Regional operational strategy

Bayer CropScience - Fully Integrated Crop Portfolio in Cereals



Cornerstones of Existing Business

- Global leader in crop protection solutions in cereals
- Presence in all relevant markets/countries
- Constantly improving portfolio through proprietary innovation, offered in customized solutions

Further Expansion

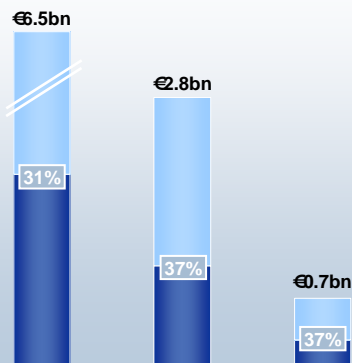
- Building a value-adding trait portfolio with focus on agronomy; building on own expertise and focused cooperations
- A broad germplasm base with local variety development



Innovation Leadership in Europe, Africa and Middle East



- Bayer CropScience sales 2009
- Thereof sales with new A.I.s
- Sales share of new A.I.s launched since 2000



- Global sales target of €2 billion from new A.I. launch program achieved in 2009
- Sales share of new A.I.s in Europe, Africa and Middle East above average
- Planned new A.I. launches in France until 2012:
 - 11 Fungicides
 - 3 Insecticides
 - 3 Herbicides
 - 1 Seed Treatment

Customer Based Solutions for Long Term Partnership and Sustainable Business



Bayer Agro Services in Europe, Africa and Middle East

Product Stewardship

- Good Agricultural Practices
- Biodiversity
- Safe use (Phytobac)
- Water management
- Application Technology

Food Chain Partnerships

- Deliver input and expertise to key food chain players for:
- Crop Production
 - Harvest and Storage
 - Processing and Packaging
 - Export/Import

Services

- Decision making tools
- Agritec platforms
- Integrated Weed Management

Farmer Centricity

- Customer Relation Management
- Field days / AgroArena
- Farmer Clubs
- Loyalty programs



Overview



Agricultural market in Europe, Africa and Middle East



Bayer CropScience: Leading Position with Innovation and Services



Cornerstones of our Regional Operational Strategy

Future Determinants of the European Crop Protection Market



- Raising productivity is essential to safeguard future food supply within changing environment
- High stability of agronomic environment
- CAP (Common Agricultural Policy):
Redistribution of aid and shift to rural development
Instruments to deal with commodity market volatility ?
- Further farm consolidation and stronger business orientation
- Increasing complexity of regulatory environment
- Further growth perspectives in Central and Eastern Europe



Regional Strategic Priorities



- Maintain leadership position and increase market share through innovation at all levels of the organization
- Develop more strategic alliances with Food Chain stakeholders and expand complementary innovative services to our solutions offer (Food chain, stewardship, clubs, product bundling, decision making tools)
- Improve profitability through introduction of new, higher-margin products and strict cost control
- Strengthen presence in Eastern and Central Europe
- Accelerate new product introductions taking advantage of the new regulation 1107/2009 (zonal approach)
- Exploit marketing and sales synergies with our BioScience portfolio

Europe, Africa and Middle East play a Key Role for Bayer CropScience



- We are leader in major segments and have an innovation-oriented growth strategy
- We offer our customers integrated solutions based on our innovation-leadership and strategic partnering with selected distributors and retailers
- We aim to exploit the growth potential in the Central and Eastern European agricultural market through targeted investments:
 - Extension of our innovative crop protection portfolio
 - Expansion and development of our human resources
 - Developing local seed business

Bayer CropScience Sales 2009: €6.5bn

