

Science For A Better Life

Meet Management in Tokyo

## Summary

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CEO of Bayer AG

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## Disclaimer



This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup management.

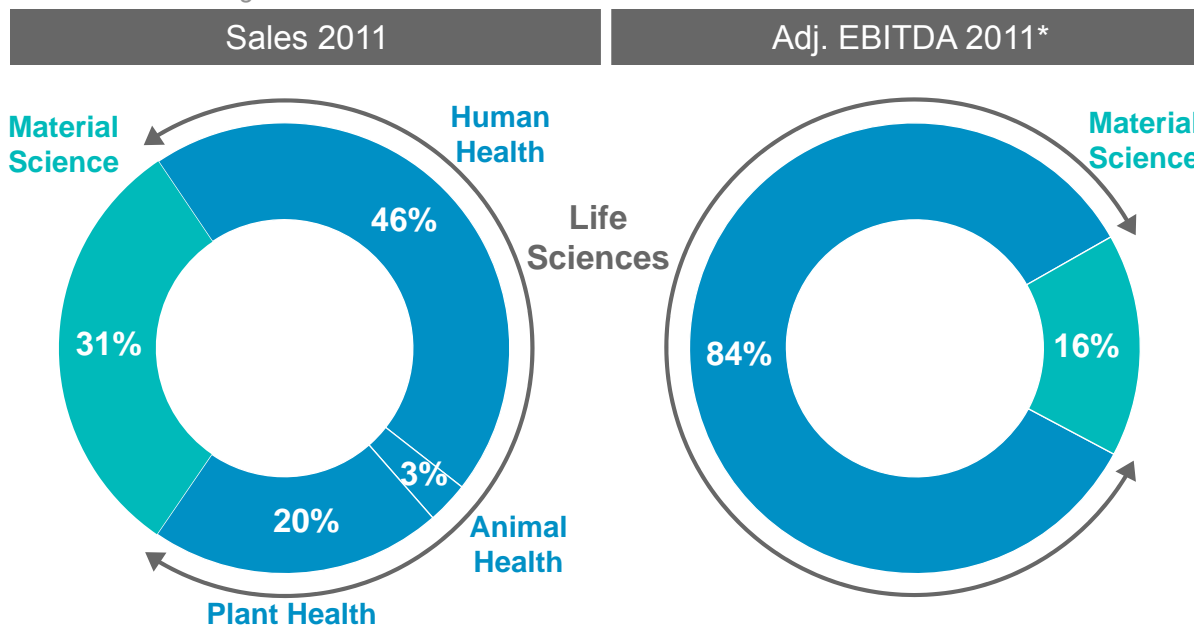
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The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

# Bayer is the Only Global Life Science Company



Breakdown excluding Reconciliation



\*EBITDA before special items

# Bayer is Well-Positioned to Exploit Growth Opportunities in Asia/Pacific



- Present in key markets for over 100 years
- Invested €5bn CapEx and R&D during last decade to drive business to the current excellent position
  - 21% of group sales generated in the region (2011)
  - +10% CAGR 2004-2011
  - China 2<sup>nd</sup> largest country, Japan 3<sup>rd</sup> largest country
- Expect significant opportunities to grow all our businesses in the region
  - Healthcare spending – increasing 75% by 2015
  - Growing demand for food – 1 billion additional people by 2050
  - Rapid urbanization – 1 billion additional city dwellers by 2040



# Clear Priorities Drive Growth and Earnings



<b>Health Care</b>	<p><b>Building growth momentum</b></p> <ul style="list-style-type: none"> <li>● Strong pipeline: &gt;€5.5bn cumulated peak sales potential</li> <li>● Aspire to become #1 OTC company</li> <li>● Realize the emerging markets opportunity: 33% share</li> </ul>
<b>Crop Science</b>	<p><b>Propelling future growth</b></p> <ul style="list-style-type: none"> <li>● New strategy to drive market growth</li> <li>● Strong pipeline: €4bn peak sales from new products</li> <li>● Aspire to grow seeds business ~20% p.a. through 2014</li> </ul>
<b>Material Science</b>	<p><b>Improving returns</b></p> <ul style="list-style-type: none"> <li>● Leverage market leading positions effectively</li> <li>● Innovate to further improve cost base</li> <li>● Closely monitor timing and necessity of capital expansions</li> </ul>

# 2012 Financial Outlook Projects Strong Growth and Higher Earnings



<table border="1"> <caption>Sales (2007-2011)</caption> <thead> <tr><th>Year</th><th>Sales</th></tr> </thead> <tbody> <tr><td>2007</td><td>32.4</td></tr> <tr><td>2008</td><td>32.9</td></tr> <tr><td>2009</td><td>31.2</td></tr> <tr><td>2010</td><td>35.1</td></tr> <tr><td>2011</td><td>36.5</td></tr> </tbody> </table>	Year	Sales	2007	32.4	2008	32.9	2009	31.2	2010	35.1	2011	36.5	<p><b>Sales</b></p> <p>▶ Expect 4% to 5% organic growth in 2012</p>
Year	Sales												
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<table border="1"> <caption>Core EPS (2007-2011)</caption> <thead> <tr><th>Year</th><th>Core EPS</th></tr> </thead> <tbody> <tr><td>2007</td><td>3.80</td></tr> <tr><td>2008</td><td>4.17</td></tr> <tr><td>2009</td><td>3.64</td></tr> <tr><td>2010</td><td>4.19</td></tr> <tr><td>2011</td><td>4.83</td></tr> </tbody> </table>	Year	Core EPS	2007	3.80	2008	4.17	2009	3.64	2010	4.19	2011	4.83	<p><b>Core EPS</b></p> <p>▶ Target ~10% increase</p>
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