



Science For A Better Life



Investor Conference Call

Q3 2008 Results

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Disclaimer



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Q3 2008 - Growth potential and strategy intact

- Ongoing business strength in HealthCare and CropScience
- Fundamental drivers for HealthCare and CropScience remain strong
- Innovation pipeline holds significant promise
- Mounting cyclical pressure at MaterialScience
- No short-term refinancing need
- Dividend policy confirmed
- Outlook 2008 reiterated,
Outlook 2009 projects further growth and higher underlying EBITDA

Q3 2008 – Bayer Continues on a Path of Growth

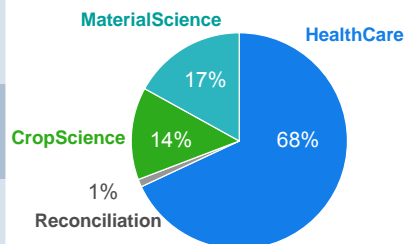


Key Figures

Underlying EBITDA by Subgroup

In € million, Δ% y-o-y

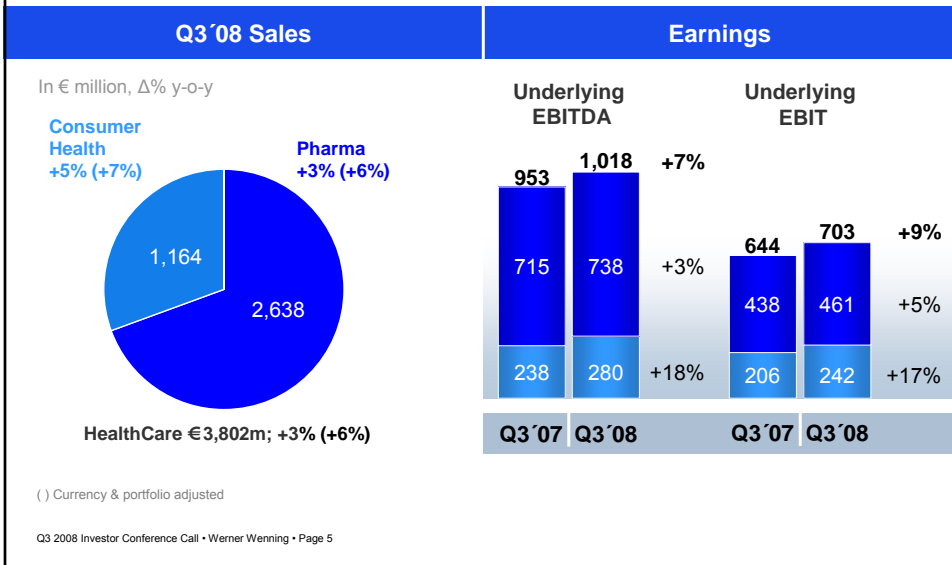
	Sales	EBITDA*	EBIT*	Core EPS
	7,948	1,493	891	€0.85
Δ%	+ 2%	- 4%	- 7%	+ 5%
Δ% Adj. **	+ 5%			



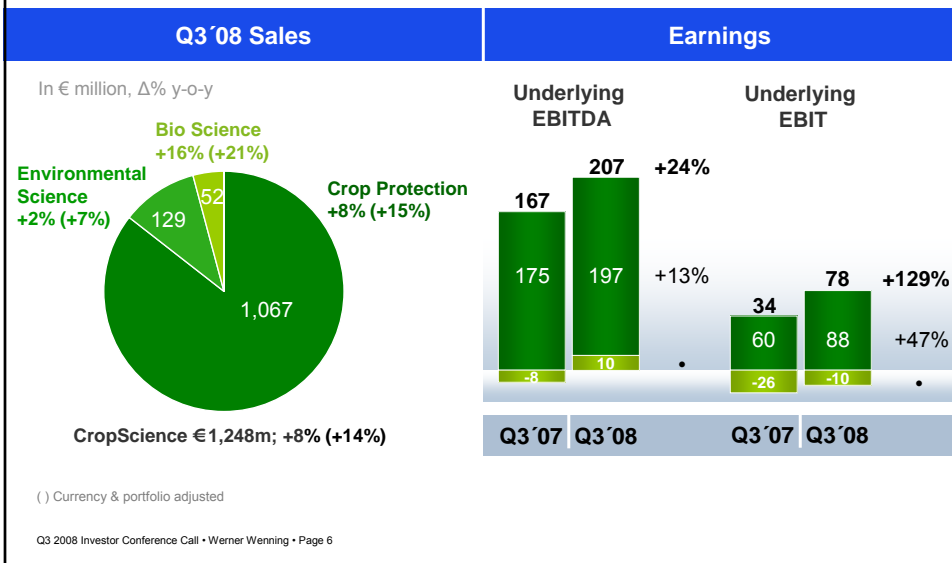
* Before special items

** Currency & portfolio adjusted

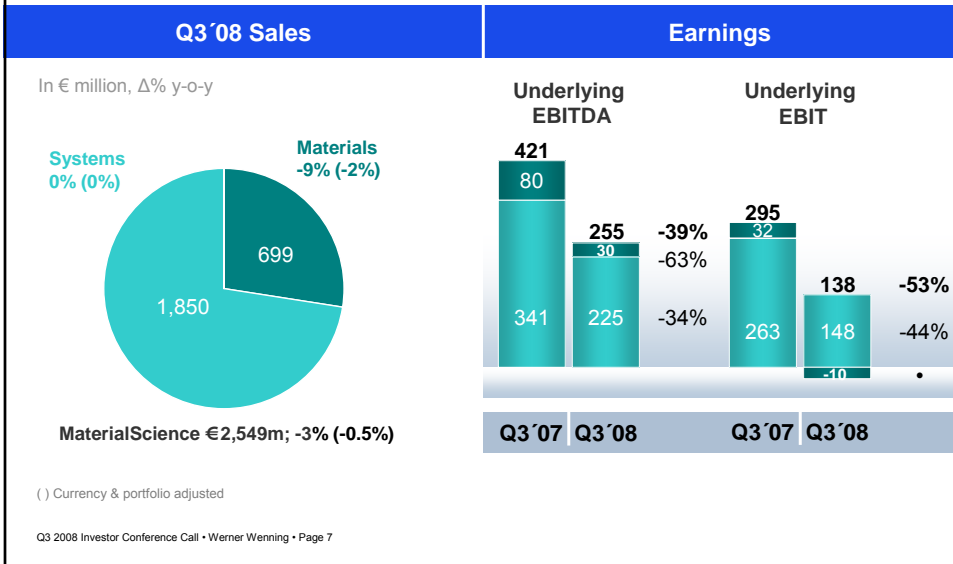
HealthCare – Strongest Quarter in Terms of Sales Since Acquisition of Schering



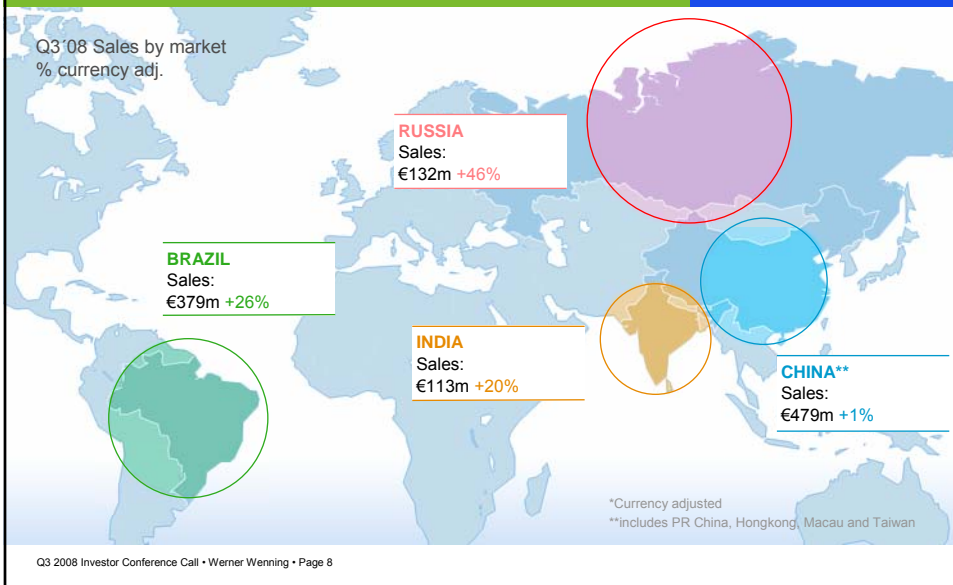
CropScience – On Track For Record Performance in 2008



MaterialScience – Weaker Demand Aggravated by Transportation Ban And Texas Plant Closure



BRIC Country Sales Advanced 15 Percent*



Currencies And Acquisitions Caused Higher Net Debt



Q3'08 Cash Flow

Net Debt Development

In € million

In € billion

	GCF	NCF cont.	Investments	oFCF
	1,171	1,234	492	742
Δ % y-o-y	+1%	-24%	+2%	-35%



2008 Outlook Reiterated, 2009 Outlook Projects Further Growth And Higher Underlying EBITDA



2008 sales and earnings expectations

... and 2009

- **Group**
Fx adj. sales increase > 5%
Increase in underlying EBITDA and margin*
- **HealthCare**
Fx adj. growth in all divisions at or above market
Margin* increase toward 27%
- **CropScience**
Fx adj. growth by well over 10%
Margin* increase to approx. 25%
- **MaterialScience**
Higher volumes and good, value-creating earnings level, but well below 2007.
Q4'08 underlying EBITDA below Q3'08 level.

- **Group**
Further increase in underlying EBITDA
- **HealthCare**
Continued growth, underlying EBITDA margin of approx 28%
- **CropScience**
Continued growth, underlying EBITDA margin in the range of 25%
- **MaterialScience**
Further underlying EBITDA decline



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Appendix

Overview – Currency Effects



In € million		Q3 '08 impact	FY 2008 estimate <small>at end Q3 rates</small>	Sensitivity in Q4'08 <small>1% change against currency basket</small>
Group	Sales	-315	-1,260	+/- 45
HealthCare		-152	-620	+/- 25
CropScience		-73	-290	+/- 10
MaterialScience		-88	-350	+/- 10
Group	EBITDA under- lying	-110	-500	+/- 14
HealthCare		-60	-245	+/- 8
CropScience		-30	-150	+/- 4
MaterialScience		-20	-105	+/- 3