

Ten-Year Financial Summary

Bayer Group (€ million)	1994	1995	1996	1997	1998
Net sales	22,200	22,793	24,853	28,124	28,062
Sales outside Germany	81.6%	80.5%	82.2%	83.9%	83.6%
Sales of foreign consolidated companies	65.3%	63.4%	65.4%	67.0%	67.5%
Operating result [EBIT]	1,656	2,102	2,306	3,077	3,155
Income (loss) before income taxes	1,684	2,140	2,282	2,611	2,728
Income (loss) after taxes	1,029	1,238	1,405	1,509	1,615
Noncurrent assets	8,563	9,437	10,689	12,230	13,981
Intangible assets	386	488	729	1,051	1,909
Property, plant and equipment	7,548	7,966	8,974	10,307	10,970
Investments	629	983	986	872	1,102
Current assets	13,097	13,211	14,593	15,467	15,396
Inventories	4,261	4,762	5,144	5,424	5,781
Receivables	5,881	5,787	7,028	7,588	7,894
Liquid assets	2,955	2,662	2,421	2,455	1,721
Stockholders' equity	8,488	9,109	10,531	12,009	12,568
Capital stock of Bayer AG	1,772	1,803	1,851	1,867	1,867
Capital reserves and retained earnings	5,709	6,082	7,287	8,638	9,087
Net income (loss)	1,007	1,224	1,393	1,504	1,614
Minority stockholders' interest	232	248	234	223	211
Liabilities	12,940	13,291	14,517	15,465	16,598
Provisions	6,788	6,923	7,057	7,275	7,271
Other liabilities	6,152	6,368	7,460	8,190	9,327
Total assets	21,660	22,648	25,282	27,697	29,377
Proportion of total assets					
Noncurrent assets	39.5%	41.7%	42.3%	44.2%	47.6%
Current assets	60.5%	58.3%	57.7%	55.8%	52.4%
Stockholders' equity	39.2%	40.2%	41.7%	43.4%	42.8%
Liabilities	59.7%	58.7%	57.4%	55.8%	56.5%
Financial obligations	3,209	3,205	3,520	3,896	4,730
– Long-term	1,259	1,436	1,615	2,150	2,404
– Short-term	1,950	1,769	1,905	1,746	2,326
Interest income (expense) – net	45	6	(44)	(157)	(179)
Noncurrent assets financed by stockholders' equity	99.1%	96.5%	98.5%	98.2%	89.9%
Noncurrent assets and inventories financed by stockholders' equity and long-term liabilities	114.9%	110.7%	113.4%	114.2%	105.0%
Return on sales	7.5%	9.2%	9.3%	11.0%	12.6%
Return on stockholders' equity	11.4%	13.7%	14.0%	13.1%	12.9%
Gross cash flow ¹⁾	2,529	2,751	2,959	3,313	3,394
Capital expenditures	1,794	1,620	1,931	2,331	2,703
Depreciation and amortization	1,243	1,184	1,326	1,479	1,521
Depreciation and amortization in percent of capital expenditures	69.3%	73.1%	68.7%	63.4%	56.3%
Personnel expenses (including pension expenses)	7,392	7,477	7,718	7,895	8,106
Number of employees (year end)	146,700	142,900	142,200	144,600	145,100
Research and development expenses	1,624	1,666	1,845	1,983	2,045
Bayer AG					
Income (loss) after taxes/Net income (loss)	476	592	695	746	1,095
Allocation to (from) retained earnings	15	51	66	36	348
Total dividend payment	461	541	629	710	747
Dividend per share (€)	0.66	0.77	0.87	0.97	1.02

¹⁾ for definition see Bayer Group Key Data on front flap

1999	2000	2001	2002	2003	Bayer Group (€ million)
27,320	30,971	30,275	29,624	28,567	Net sales
84.3%	85.6%	85.5%	86.4%	85.8%	Sales outside Germany
68.3%	69.0%	70.9%	72.2%	73.3%	Sales of foreign consolidated companies
3,357	3,287	1,676	1,610	(1,203)	Operating result [EBIT]
2,836	2,990	1,115	956	(1,994)	Income (loss) before income taxes
2,018	1,842	961	1,063	(1,349)	Income (loss) after taxes
15,614	20,344	21,702	23,513	18,232	Noncurrent assets
2,213	4,843	5,014	8,879	6,514	Intangible assets
11,986	13,345	13,543	12,436	9,937	Property, plant and equipment
1,415	2,156	3,145	2,198	1,781	Investments
15,665	16,107	15,337	18,179	19,213	Current assets
4,992	6,095	5,818	6,342	5,885	Inventories
7,533	9,308	8,748	11,041	10,465	Receivables
3,140	704	771	796	2,863	Liquid assets
15,006	16,140	16,922	15,335	12,213	Stockholders' equity
1,870	1,870	1,870	1,870	1,870	Capital stock of Bayer AG
11,134	12,454	14,087	12,405	11,704	Capital reserves and retained earnings
2,002	1,816	965	1,060	(1,361)	Net income (loss)
176	237	98	120	123	Minority stockholders' interest
16,097	20,074	20,019	26,237	25,109	Liabilities
6,714	7,163	7,172	8,397	8,863	Provisions
9,383	12,911	12,847	17,840	16,246	Other liabilities
31,279	36,451	37,039	41,692	37,445	Total assets
					Proportion of total assets
49.9%	55.8%	58.6%	56.4%	48.7%	Noncurrent assets
50.1%	44.2%	41.4%	43.6%	51.3%	Current assets
48.0%	44.3%	45.7%	36.8%	32.6%	Stockholders' equity
51.5%	55.1%	54.0%	62.9%	67.1%	Liabilities
4,466	6,665	7,380	10,159	9,426	Financial obligations
2,359	2,803	3,071	7,318	7,113	– Long-term
2,107	3,862	4,309	2,841	2,313	– Short-term
(196)	(311)	(349)	(449)	(353)	Interest income (expense) – net
96.1%	79.3%	78.0%	65.2%	67.0%	Noncurrent assets financed by stockholders' equity
111.5%	93.0%	93.9%	96.8%	107.1%	Noncurrent assets and inventories financed by stockholders' equity and long-term liabilities
11.2%	11.2%	5.5%	5.4%	– 4.2%	Return on sales
14.4%	11.7%	5.8%	6.6%	– 9.8%	Return on stockholders' equity
3,192	4,164	3,009	3,085	3,244	Gross cash flow ¹⁾
2,632	2,647	2,617	2,383	1,739	Capital expenditures
1,744	2,122	2,464	2,814	2,634	Depreciation and amortization
66.3%	80.2%	94.2%	118.1%	151.5%	Depreciation and amortization in percent of capital expenditures
7,549	7,735	7,849	8,176	7,990	Personnel expenses (including pension expenses)
120,400	122,100	116,900	122,600	115,400	Number of employees (year end)
2,252	2,393	2,559	2,577	2,414	Research and development expenses
					Bayer AG
1,076	1,702	657	1,162	(185)	Income (loss) after taxes/Net income (loss)
127	680	0	505	(550)	Allocation to (from) retained earnings
949	1,022	657	657	365	Total dividend payment
1.30	1.40	0.90	0.90	0.50	Dividend per share (€)