

Investor Information

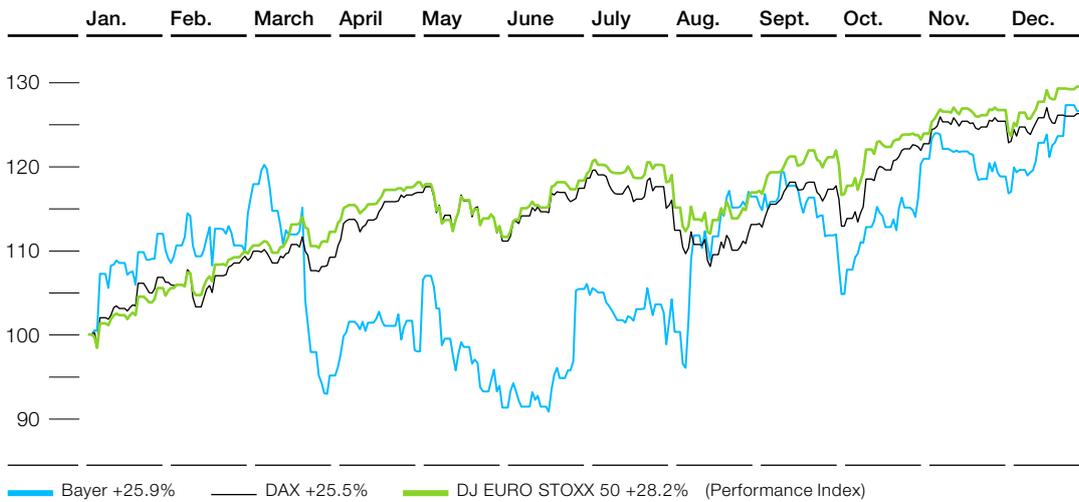
Positive performance of Bayer stock in 2019

The performance of Bayer stock was encouraging in 2019, with the share price rising 20.2% to €72.81. This was, however, still down on the previous year's prices, which were significantly higher at times. The Bayer stock price increased from just over €60 at the beginning of 2019 to more than €72 at the beginning of March, shortly after the 2018 Annual Report was presented and the outlook for 2019 was published. Bayer stock then trended weaker as the year went on – especially due to two rulings in first instance jury proceedings in favor of the plaintiffs in connection with the use of the crop protection agent glyphosate in the United States – and reached its lowest point of €52.53 on June 17. The stock price subsequently recovered amid fluctuations and ended the year at €72.81, close to the high of €73.60 reached on December 23. The announcement of mediation talks in connection with the glyphosate lawsuits and positive news reports on the sale of Animal Health, Currenta, Coppertone, and Dr. Scholl's contributed to this development. Assuming the reinvestment of the dividend payment of €2.80, Bayer stock achieved a yield of 25.9%. This means that the good performance of Bayer stock was similar to that of the DAX (+25.5%) and the Euro STOXX50 Performance Index (+28.2%).

1

Performance of Bayer Stock in 2019

Indexed; 100 = Xetra closing price on December 31, 2018, source: Bloomberg



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Bayer Stock Data

		2018	2019
Earnings per share from continuing and discontinued operations	€	1.80	4.17
Core earnings per share from continuing operations ¹	€	5.60	6.40
Cash flow from operating activities in continuing operations per share	€	8.08	8.14
Equity per share	€	49.49	48.37
Dividend per share	€	2.80	2.80
Year-end price ²	€	60.56	72.81
High for the year ²	€	107.48	73.60
Low for the year ²	€	59.16	52.53
Total dividend payment	€ million	2,611	2,751
Number of shares entitled to the dividend (Dec. 31)	million shares	932.55	982.42
Market capitalization (Dec. 31)	€ billion	56.5	71.5
Average daily share turnover on German stock exchanges	million shares	3.6	3.3
Price/ EPS ²		33.6	17.5
Price/ core EPS ²		10.8	11.4
Price/ cash flow ²		7.5	8.9
Dividend yield	%	4.6	3.8

2018 figures restated

¹ For details on the calculation of core earnings per share see Combined Management Report, A 2.3.² Xetra closing prices (source: Bloomberg)**Bayer stock included in important indices**

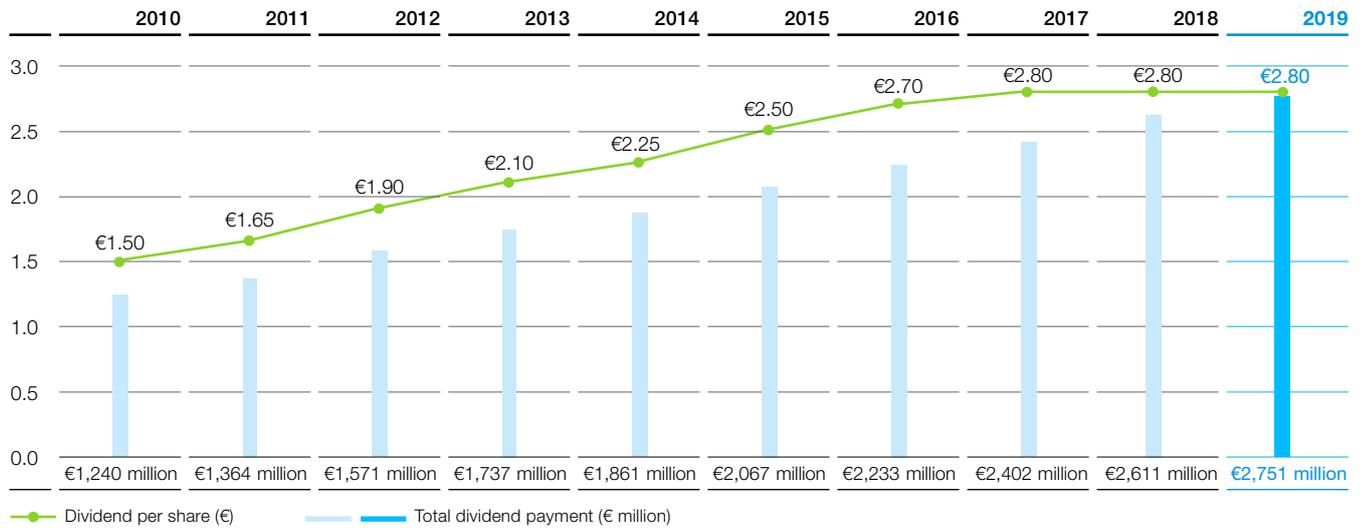
Bayer stock is included in a number of different indices. In December 2019, Bayer was ranked in sixth place in Germany's DAX in terms of market capitalization and in fifth place in terms of trading volume. This makes Bayer one of the heavyweights on German stock markets. At a European level, Bayer stock is also included in important indices, such as the Euro STOXX 50, the FTSE Euro 100 and the S&P Europe 350. It is also listed in the key sustainability indices: FTSE4Good, STOXX Global ESG Impact, STOXX Europe Sustainability and MSCI World Low Carbon Target Index.

Attractive dividend of €2.80 proposed

In 2019, we once again met our financial targets and want our stockholders to share in the company's success accordingly. The Board of Management and the Supervisory Board will therefore propose an attractive dividend of €2.80 (previous year: €2.80) to the Annual Stockholders' Meeting. This corresponds to 43.8% of our core earnings per share (core EPS) from continuing operations of €6.40 for 2019. The payout ratio for 2019 is again above our target range of 30% to 40% of core EPS. This illustrates the importance we attach to paying a stable dividend. For the medium term, we aim to fall back into the target range and further increase our dividend.

Based on the Bayer stock price of €72.81 at the end of 2019, the dividend yield is 3.8%.

Dividends Per Share and Total Dividend Payment



Bayer stock tracked by large number of analysts

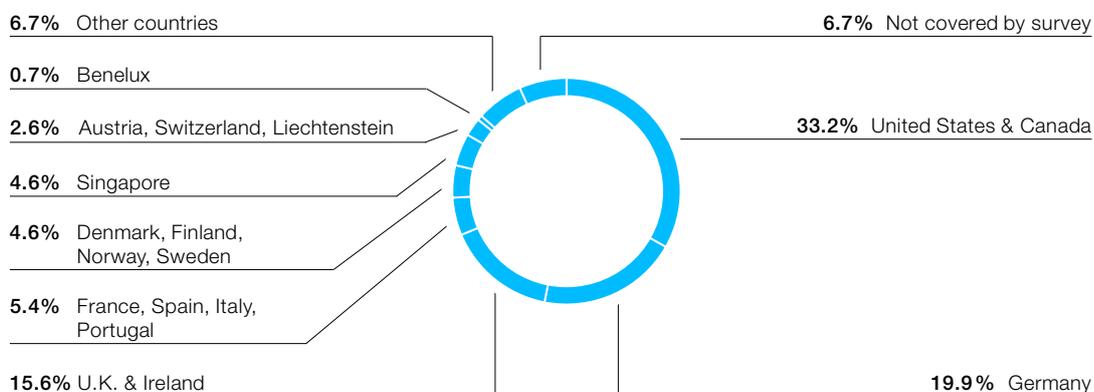
Around 30 analysts from domestic and foreign investment banks and brokerage firms publish studies on Bayer stock on a regular basis. Of the 25 analyst recommendations on Bayer stock published as of the end of 2019, 12 were positive, 12 were neutral and only one was negative.¹ The average target price was €79.80. The highest amount was €123.00 and the lowest estimate was €57.00.

International ownership structure

At the end of 2019, a total of 403,340 stockholders were listed in the share register, over 20,000 more than at the end of 2018. Our ownership structure is very international, thus also reflecting our company’s global presence. Almost one third (33.2%) of our stock is attributable to investors in North America. Just under one fifth (19.9%) is held by stockholders in Germany. Another significant group of investors is based in the United Kingdom and Ireland; they hold 15.6% of Bayer stock.

Bayer has a 100% free float as defined by Deutsche Börse, the operator of the Frankfurt Stock Exchange.

Shareholder Composition – Regional Allocation



Source: Cmi2i

¹ Source: VARA Research (Bayer does not assume any responsibility for these studies nor for any recommendations or assessments made as part of such studies)

Large number of investor relations activities conducted in 2019

An important investor relations event in 2019 was the “2019 Summer Technology Showcase” held on August 1 and 2. Almost 70 analysts and investors from all over the world came to St. Louis and the surrounding area. The main focus of the two-day event was on our Crop Science activities. The program featured presentations by members of the Board of Management and managerial employees as well as sessions in our research laboratories and in the trial fields in Jerseyville. The idea behind the event was to allow participants to get an in-depth look at the strategy, technologies and product pipeline of our largest division by sales.

In addition, we took part in a large number of conferences in Germany and abroad and took roadshows to many of our current and potential investors. The conferences and roadshows focused mostly on Europe and North America. Members of the Board of Management were frequently part of these events.

Keen interest in sustainability issues

The capital market’s growing interest in sustainability issues was also reflected in our discussions with investors and rating agencies in 2019. The integration of Monsanto, the impact of our products on the environment and subjects such as climate change and human rights were the key topics addressed.

The announcement of our ambitious sustainability targets for 2030 on December 10, 2019, marked another key event. The clear and measurable targets we have set ourselves will also be integrated into the compensation systems for the Board of Management and managerial employees.

In 2019 Bayer was again assessed by the CDP (Carbon Disclosure Project), whose scores are included in the criteria for investment decisions by many investors, and has been ranked as one of the leading international pharmaceutical companies in the areas of climate protection and sustainable water management.

€1.75 billion of hybrid bond successfully refinanced

For Bayer, 2019 got off to a successful start, with the company being named “Corporate Issuer of the Year” by the respected specialist magazine International Financial Review. As for bonds and notes, there were two significant events in 2019: The refinancing and repayment of the 3% coupon hybrid bond before the first call date in July 2020, and the maturing of the mandatory convertible notes issued in 2016.

The new hybrid bonds offered in November were in high demand among investors. Given the stable market environment, the target volume of €1.75 billion was refinanced in two tranches on better terms of 2.7% (volume-weighted average coupon). At the same time, Bayer offered investors the early repayment of the outstanding bond. Since over 80% of investors were prepared to tender the bond, Bayer was able to repurchase the remaining 20% of the hybrid bond at par in December. On maturity of the mandatory convertible notes at the end of November, the outstanding debt instruments in an amount of almost €4 billion were converted into equity through the issuance of around 50 million shares. This transaction did not have any effect on the number of shares used to calculate earnings per share, since we had adjusted this number at the time the mandatory notes were issued.

Further details of all outstanding bonds are given in Note [24] to the consolidated financial statements.