



Debt Investor Information



Status: March 31, 2020





Cautionary Statements Regarding Forward-Looking Information

Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



Our Business Areas

Crop Science



// Innovative chemical & biological crop protection, seeds & traits, digital technologies & services

Pharmaceuticals



// Prescription products for cardiology, women's health care, oncology, hematology, ophthalmology, radiology and other areas

Consumer Health



// Non-prescription medicines in the categories of dermatology, nutritional supplements, pain, cardiovascular risk prevention, digestive health, allergy, and cough & cold.



Our Strategic Levers are Set to Deliver Benefits for our Society and Attractive Returns for our Shareholders



Shape a leader

We develop a global leader in health and nutrition. We create value with strategy-based resource allocation focused on profitable growth. We position ourselves in attractive areas, in which we can achieve leading positions¹.



Deliver world-class innovation

We innovate at scale to address unmet societal challenges in health and nutrition. We broaden our sources of good ideas, drive disruptive innovation and push the digitalization of our value chain



Generate sustainable impact

We see sustainability as an integral part of our business strategy and operations. Our 2030 targets are in line with the UN Sustainable Development Goals and the Paris Climate Agreement



Drive operational performance

We consistently deliver against our financial targets with a focus on profitable growth and returns

1. The Life Science fields of health and nutrition are characterized by an above-GDP growth trend, being innovation-driven, highly regulated and having a high profitability. We position ourselves in areas, in which we have the ability to achieve leading positions and margins while growing ahead of competition.



Our Business: Global Megatrends in Health & Nutrition

Megatrends through 2050

Societal Needs

Our Mission

Aging Population



People 60+ more than doubling¹

>20% of total population¹

Preserve and restore health

Growing Population

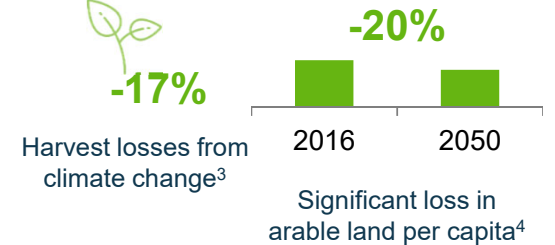
+2.2bn people¹



+50% more food and feed required to meet growing demand²

Secure sufficient supply of quality food

Pressure on Ecosystems



Use natural resources more efficiently and responsibly

We are guided by our purpose, **Science for a Better Life**, striving to prevent and cure disease, improve everyday health and help feed a growing population. In short: we contribute to **health for all, hunger for none**.

¹ UNDESA 2017 (United Nations Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision)

² FAO 2017, (FAO Global Perspective Studies)

³ Nelson et. al, (2014); FAO 2016 "Climate change and food security"

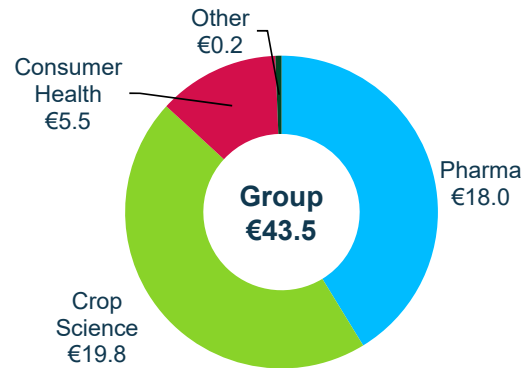
⁴ FAOSTAT (accessed Oct 30, 2018) for 1961-2016 data on land, FAO 2012 for 2030 and 2050 data on land, and UNDEDA 2017: World Population Prospects for world population data

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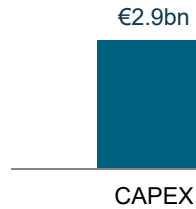


Bayer Key Financials

2019 Sales in €bn



Capital Expenditures 2019

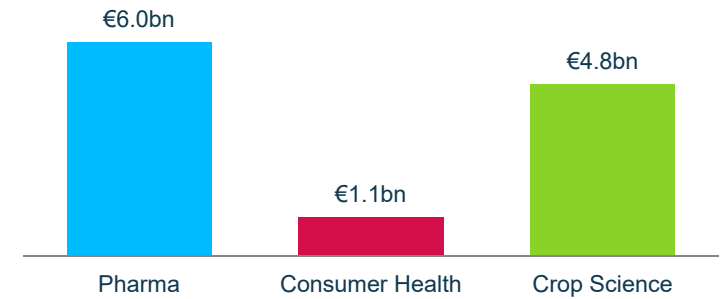


Research & Development Expenses 2019

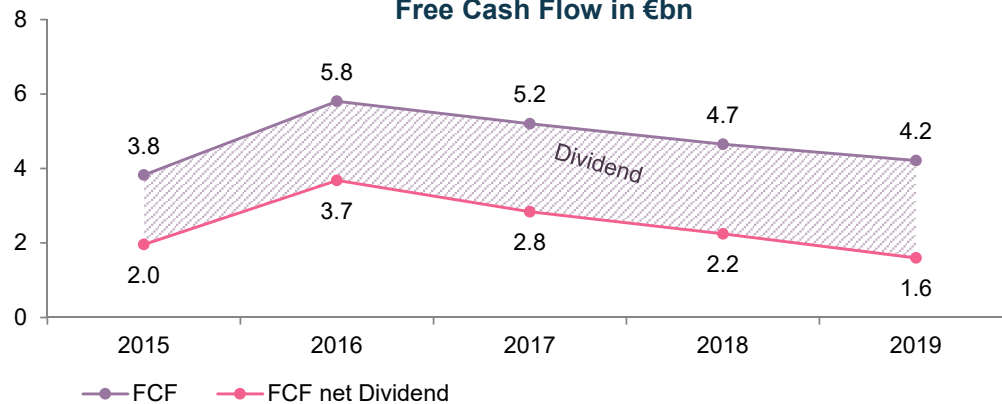
€5.3bn



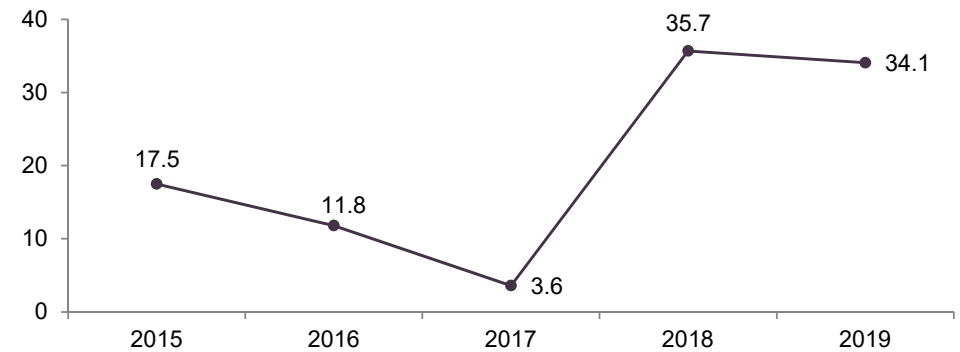
2019 EBITDA before Special Items



Free Cash Flow in €bn



Net Financial Debt in €bn





Group Targets – Value Creation from Strengthened Base

	2019 ¹	Guidance 2020 ²	Target 2022 ³
Sales FX and portfolio adjusted in €bn	43.5	44-45	~52
EBITDA before special items in €bn	11.5	12.3-12.6	~16
Core EPS in €	6.40 ⁴	7.00-7.20	~10
Free Cash Flow in €bn	4.2	~5	~8
Net Financial Debt in €bn	34.1	~27	~26-28

1 As reported

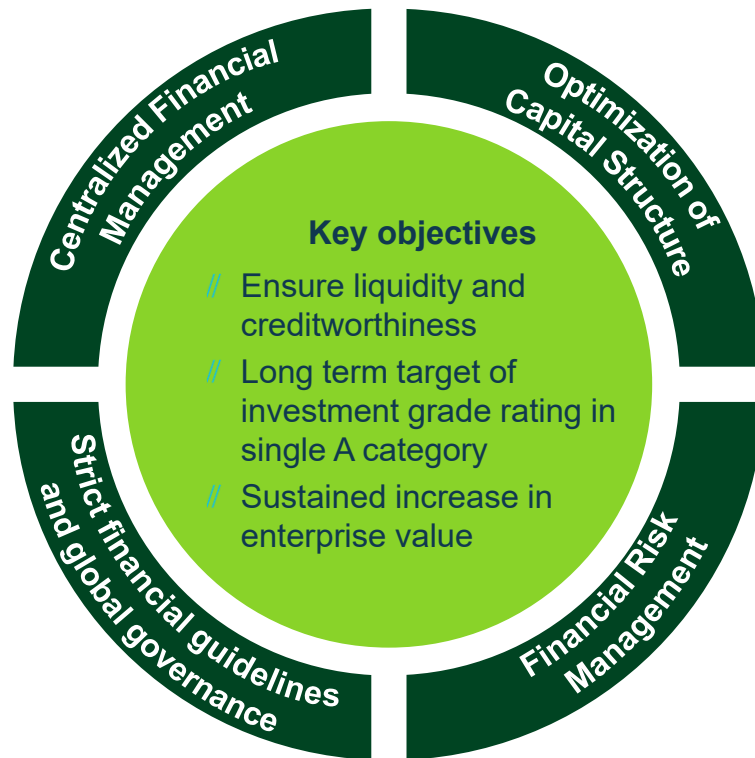
2 Annual report 2019

3 Last Capital Markets Day end of 2018

4 From continuing operations



Bayer Pursues Conservative Financial Policy...



Financing instruments

// Syndicated credit facilities

// Global Commercial Paper program

// Multi-currency bonds

// Hybrid bonds

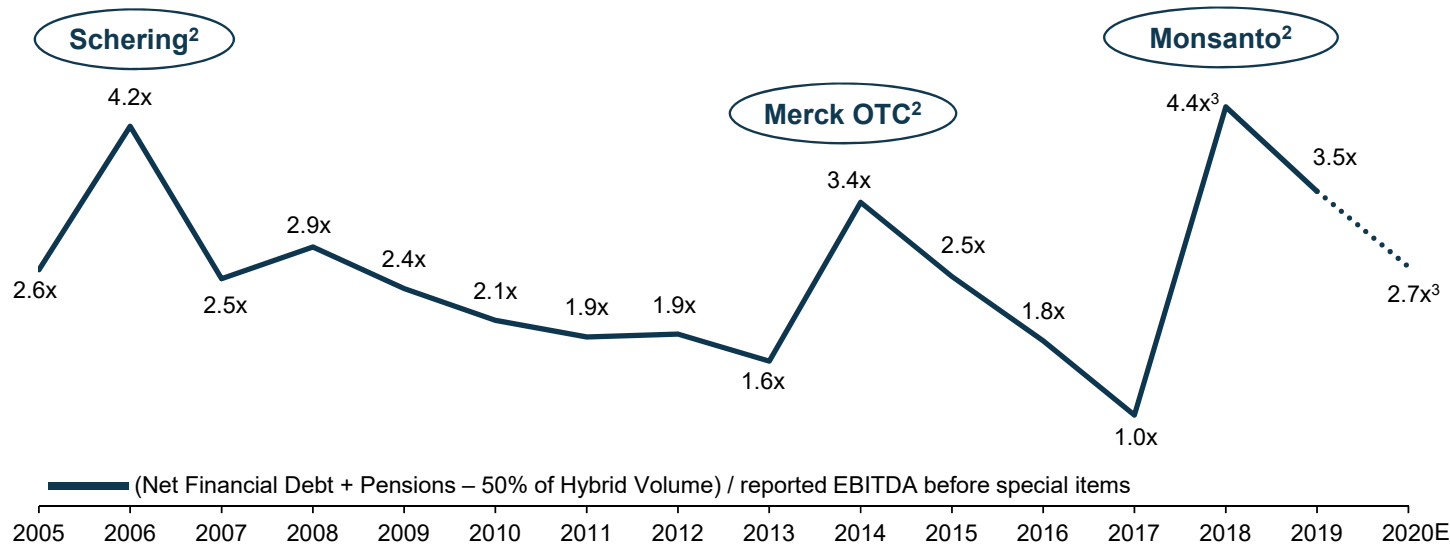
// Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity



... and Remains Committed to Rating in Single A Target Category

Development of Ratings and Leverage¹



Proven track record of disciplined deleveraging

Agency	Long Term Rating over time				
S&P	A	BBB+		A-	BBB
Moody's			A3		Baa1
Fitch ⁴	BBB+		A-	A	BBB+

Agency	LT-Rating	Outlook	ST-Rating
S&P	BBB	Stable	A2
Moody's	Baa1	Negative	P2
Fitch ⁴	BBB+	Negative	F2

¹ Figures as reported in the respective year's annual report without restatements

² Ratios of years were closing of acquisition took place are not fully comparable as EBITDA before special items of acquired business is only considered for months after closing

³ Full year 2018 multiple results in 3.7x instead of 4.4x if based on 2018 unaudited pro forma EBITDA of combined business as shown on Capital Markets Day in December 2018; Pensions 2020 flat at 2019 level

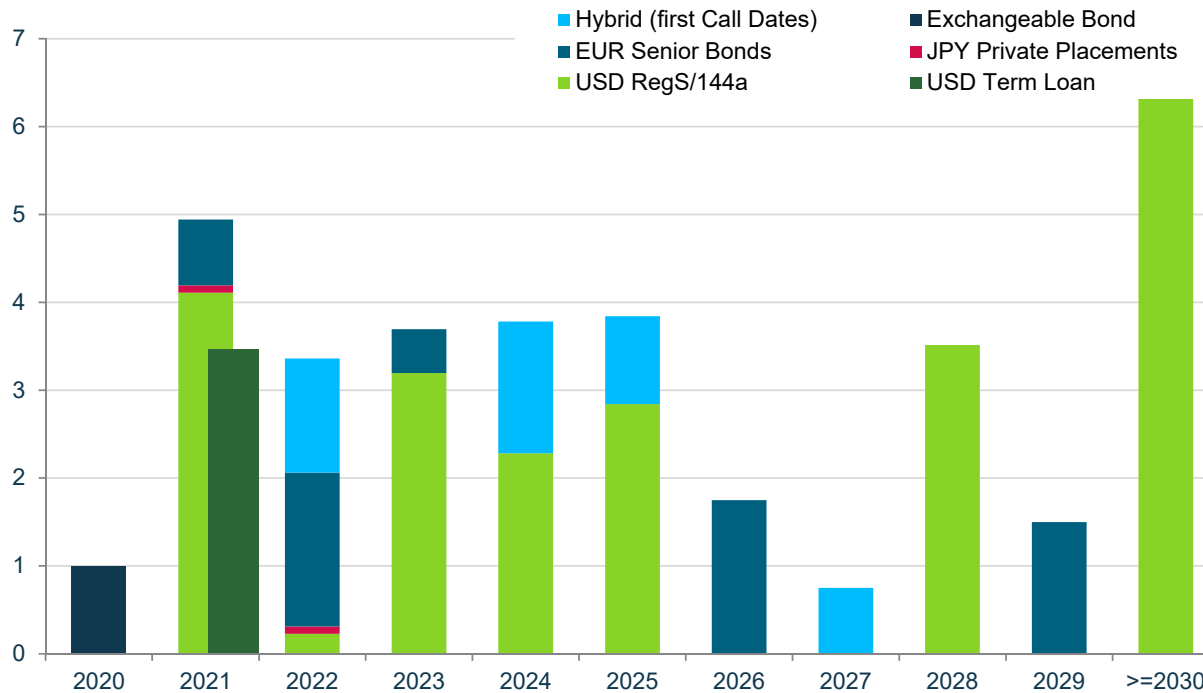
⁴ Solicited since 2018

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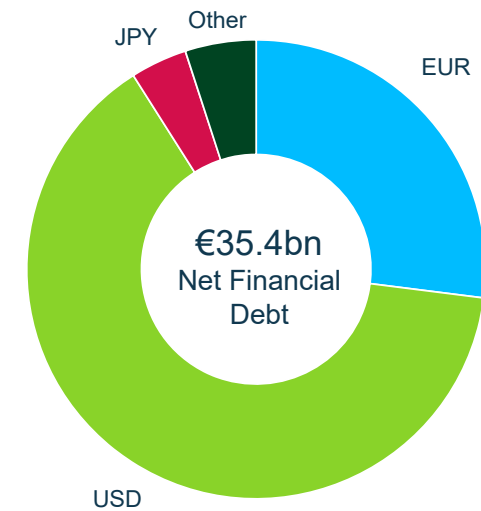


Bayer's Maturity Profile is Well Balanced

Bond and Loan Maturity Profile¹ (€bn)
as of March 31, 2020



Currency Exposure incl. Derivatives²
as of March 31, 2020



1 Converted at EURUSD 1.10 and EURJPY 119
 2 Based on quarter-end FX rates
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Overview of Bayer's Funding Structure

Net Financial Debt¹

	Dec. 31, 2018	Dec. 31, 2019	March 31, 2020
	€ million	€ million	€ million
Bonds and notes / promissory notes	35,402	33,569	34,150
of which hybrid bonds ²	4,537	4,528	4,546
Liabilities to banks ³	4,865	4,062	4,305
Lease Liabilities	399	1,251	1,216
Liabilities from derivatives ⁴	172	123	113
Other financial liabilities	556	89	228
Receivables from derivatives ⁴	(137)	(76)	(371)
Financial debt	41,257	39,018	39,641
Cash and cash equivalents	(4,052)	(3,185)	(2,289)
Current financial assets ⁵	(930)	(1,281)	(1,628)
Shares in Covestro ⁶	(596)	(483)	(325)
Net financial debt	35,679	34,068	35,399

¹ For definition see Annual Report 2019, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

² Classified as debt according to IFRS

³ These include both financial and nonfinancial liabilities

⁴ These include the market values of interest-rate and currency hedges of recorded transactions

⁵ These include short-term receivables with maturities between 3 and 12 months outstanding from banks and other companies as well as financial investments in debt and equity instruments that were recorded as current on first-time recognition

⁶ Covestro shares are held for risk management purposes relating to the exchangeable bond issued in 2017 that matures in 2020

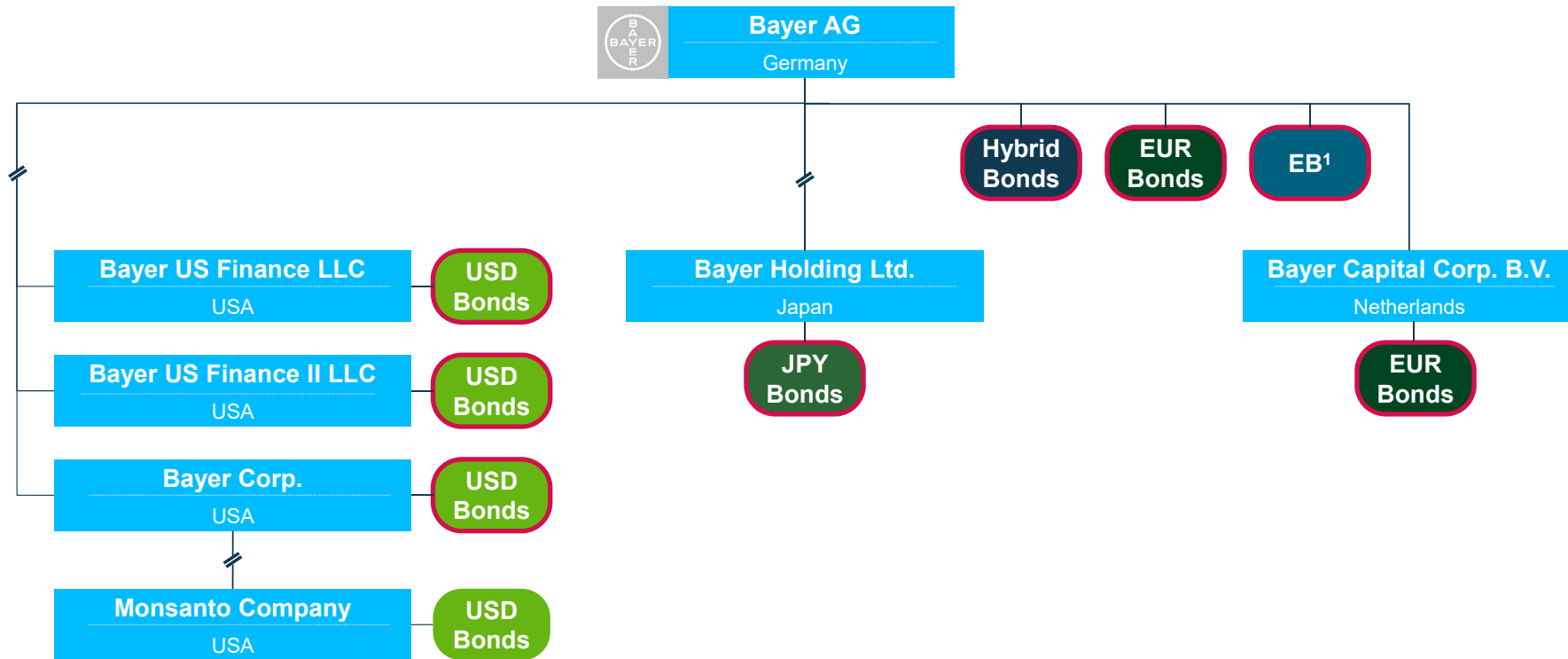
Nominal Volume of Major Instruments (bn)



as of March 31, 2020

1	Senior EUR Bonds	€6.3
	Senior USD Bonds	\$24.7
	JPY Private Placements	¥20.0
2	Exchangeable Bond	€1.0
	3	Hybrid EUR Bonds
4	USD Term Loan	\$3.8
5	Other Sources of Liquidity	
	Syndicated Loan Facility	€4.5
	Commercial Paper Program	\$8.0



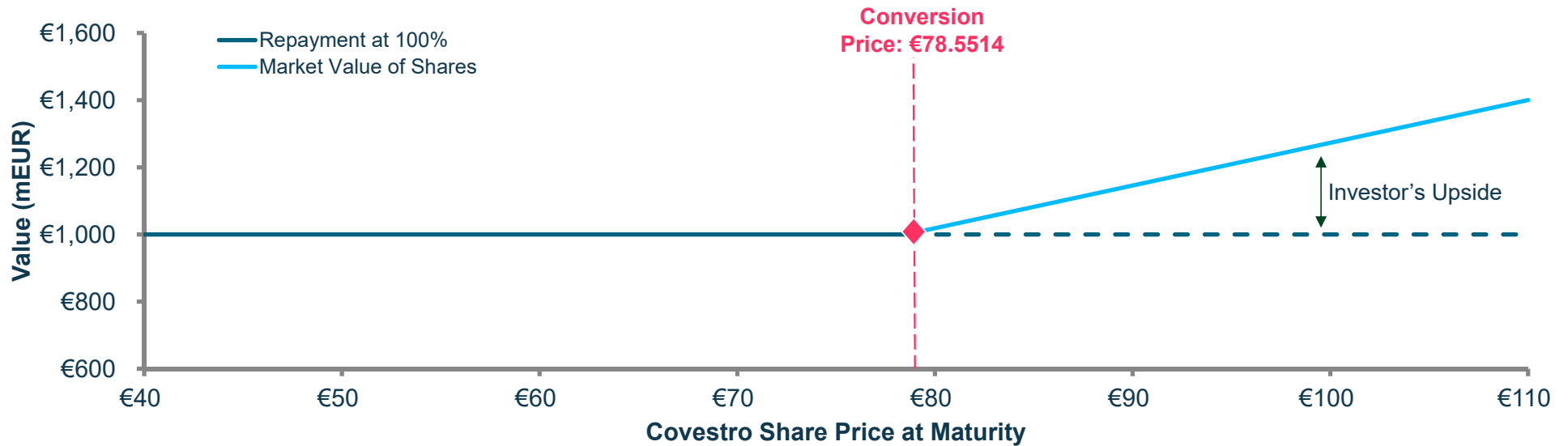
1 Main Issuing Entities at Bayer Group



 Instruments issued or guaranteed by Bayer AG
 Indirect Hold through other entities



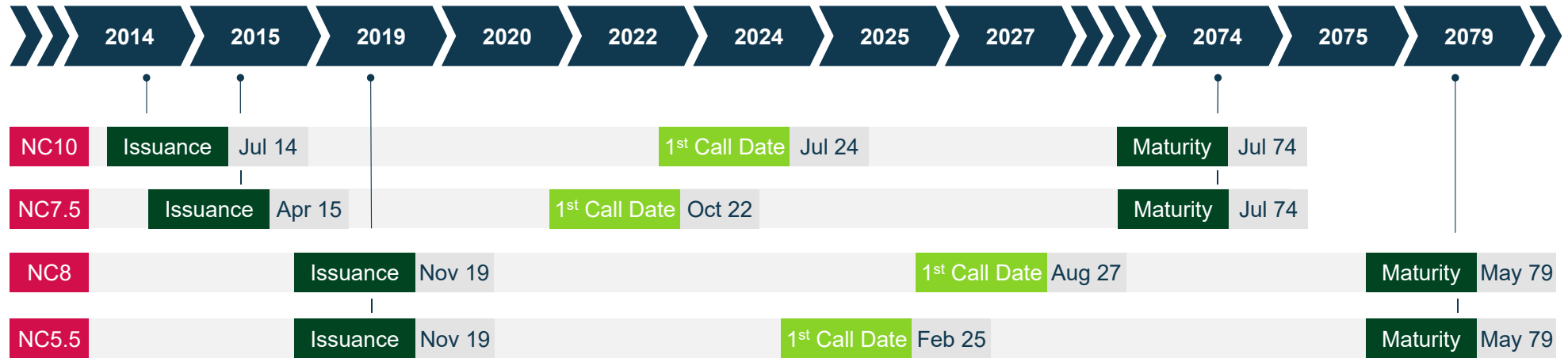
2 Profile of €1bn Covestro Exchangeable Bond due 2020



Face value	Exchange Price	Reference Dividend	Issuance	Maturity	Term	Coupon
€1bn	<ul style="list-style-type: none"> At Issuance: €80.9300 After two Dividend Adjustments: €78.5514 	<ul style="list-style-type: none"> At Issuance: €1.4000 After two Dividend Adjustments: €1.3588 	Jun 2017	Jun 2020	3 years	0.05%



3 Hybrid Bonds at Bayer

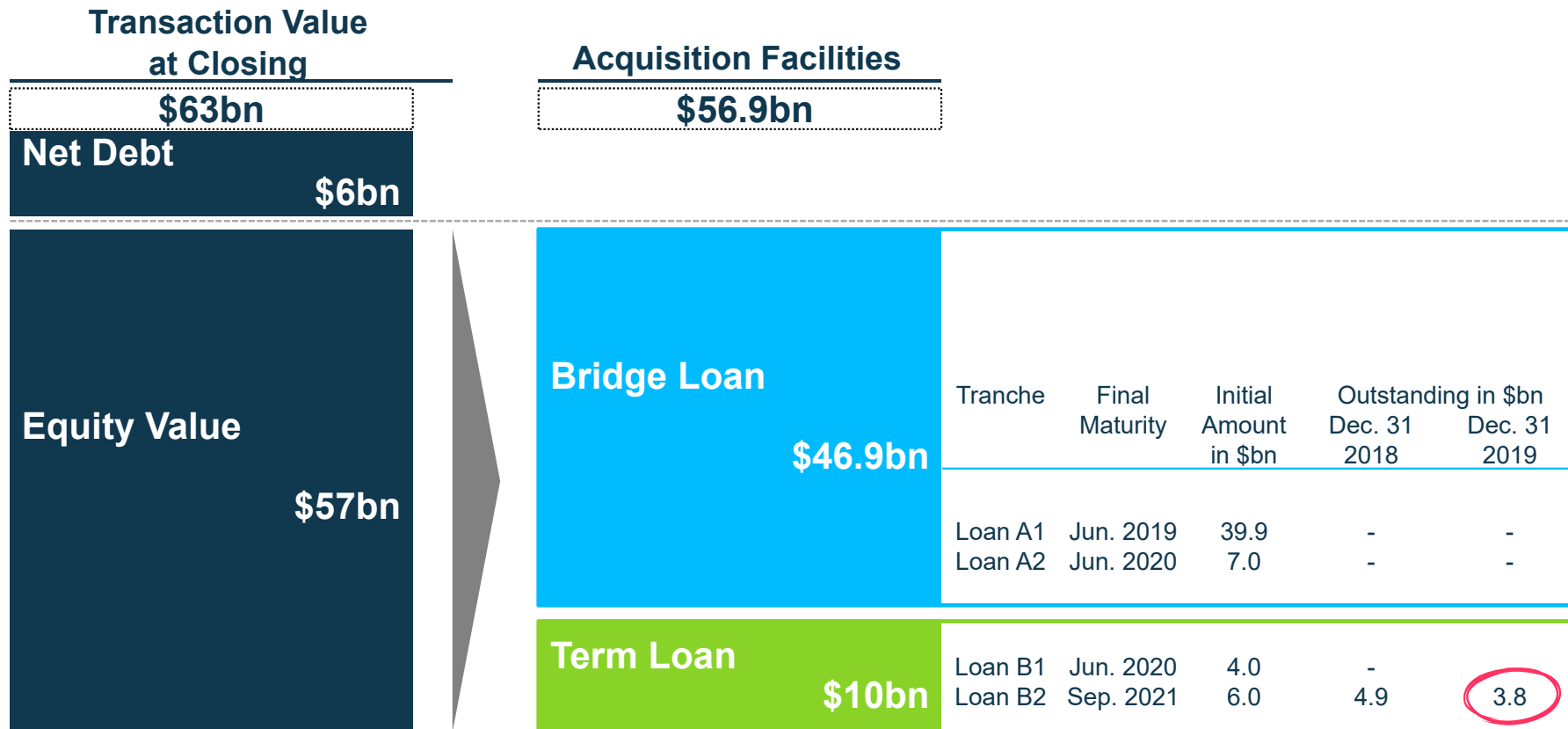


Hybrid Bond	Coupon (in%)	Outstanding Volume (in bn €)	Initial Credit Spread	1st Step-Up	2nd Step-Up
NC10	3.75	1.5	230 bps spread + 5Y Swap ¹	+25 bps/Jul 24	+75 bps/Jul 44
NC7.5	2.45	1.3	200.7 bps spread + 5Y Swap ¹	+25 bps/Oct 27	+75 bps/Jul 42
NC8	3.125	0.75	310.8 bps spread + 5Y Swap ¹	+25 bps/Nov 32	+75 bps/Nov 47
NC5.5	2.375	1	264.7 bps spread + 5Y Swap ¹	+25 bps/May 30	+75 bps/May 45

¹ Swap is reset every fifths year starting with the first call date



4 \$56.9bn Monsanto Acquisition Loan Facilities





6 Other Sources of Liquidity

Syndicated Loan Facility

The multicurrency Syndicated Loan Facility can be used for general corporate purposes and is primarily a back-up line. Thus, it is not intended to be drawn in the course of ordinary business. The participating banks form Bayer's global banking group. Last renewed in December 2018, the credit facility was self-arranged.

Borrower	// Bayer AG, Germany // Bayer Corporation, USA
Total Amount	€4.5bn, thereof €1.5bn/\$1.5bn Swingline
Signing	December 2018
Initial Tenor	5Y + two 1Y extension options (first extension option already used)
Syndicate Size	23 Banks
Purpose	General Corporate Purposes

Commercial Paper Program

Commercial Paper (CP) is a short-term unsecured debt instrument. CP are normally issued at a discount and redeemed at nominal value. The term of CP generally lie between 1 and 364 days. Bayer's CP program allows the company to issue in both the U.S. market (USCP) and the Euro market (ECP). It is structured as a SEC regulation's section 4(a)(2) program so that there are no restrictions related to the use of proceeds.

Issuer	// Bayer AG, Germany // Bayer Corporation, USA
Guarantor	Bayer AG
Total Amount	\$8bn or equivalent
Dealer	// <u>ECP</u> : Barclays, Bayerische Landesbank, Citigroup, Goldman Sachs, ING // <u>USCP</u> : Barclays, Bank of New York Mellon, Citigroup, J.P. Morgan, Wells Fargo
Issue and Paying Agent	// <u>ECP</u> : The Bank of New York Mellon, London Branch // <u>USCP</u> : The Bank of New York Mellon



Event Calendar 2020

Date	Event/ Publication
Thursday, February 27, 2020	Annual Report 2019
Monday, April 27, 2020	Q1 2020 Quarterly Statement
Tuesday, April 28, 2020	Annual Stockholders' Meeting
Tuesday, August 4, 2020	Half-Year Report 2020
Tuesday, November 3, 2020	Q3 2020 Quarterly Statement

Please note that the event calendar might be subject to changes

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