

Financial Statements

Key Data by Segment and Region

Segments	HealthCare				CropScience			
	Pharmaceuticals, Biological Products		Consumer Care, Diagnostics		Animal Health		CropScience	
	2002	2001	2002	2001	2002	2001	2002	2001
€ million								
Net sales (external)	4,767	5,729	3,755	4,104	850	858	4,697	2,838
• Change in €	- 16.8%	- 6.7%	- 8.5%	+ 5.6%	- 0.9%	- 1.7%	+ 65.5%	+ 9.9%
• Change in local currencies	- 11.7%	- 6.7%	- 1.4%	+ 5.0%	+ 5.4%	- 1.7%	+ 74.9%	+ 10.2%
Intersegment sales	33	38	2	2	1	4	90	102
Other operating income	124	62	329	49	10	13	339	102
Operating result before exceptionals	151	383	408	388	180	161	(15)	464
Return on sales before exceptionals	3.2%	6.7%	10.9%	9.5%	21.2%	18.8%	(0.3)%	16.3%
Exceptional items	(339)	(332)	193	(47)	(11)	0	(107)	0
Operating result	(188)	51	601	341	169	161	(122)	464
Return on sales	(3.9)%	0.9%	16.0%	8.3%	19.9%	18.8%	(2.6)%	16.3%
Gross cash flow	1	229	827	534	182	153	502	560
Capital invested	4,095	5,352	3,152	3,799	592	579	10,085	3,950
CFROI	0.0%	4.2%	23.9%	13.9%	30.4%	24.3%	6.4%	13.9%
Net cash flow	484	343	951	576	140	190	1,212	428
Equity-method income	0	0	0	0	0	0	0	0
Equity-method investments	16	16	0	0	0	0	0	0
Total assets	4,221	5,303	3,352	3,956	637	734	13,462	3,488
Capital expenditures	178	375	272	238	26	45	297	199
Amortization and depreciation	349	364	340	291	50	40	628	247
Liabilities	2,130	1,869	1,236	1,271	304	379	2,944	1,130
Research and development expenses	1,072	1,242	235	252	80	91	598	299
Number of employees (as of Dec. 31)	25,900	26,800	14,700	14,900	3,400	3,900	23,000	10,900

Regions	Europe		North America	
	2002	2001	2002	2001
	€ million			
Net sales (external) – by market	11,970	11,794	8,863	9,527
Net sales (external) – by point of origin	13,537	13,151	8,992	9,875
• Change in €	+ 2.9%	- 1.3%	- 8.9%	+ 0.9%
• Change in local currencies	+ 3.0%	- 1.4%	- 3.5%	- 2.1%
Interregional sales	3,181	3,157	1,961	1,946
Other operating income	1,464	313	91	70
Operating result before exceptionals	537	1,709	133	3
Return on sales before exceptionals	4.0%	13.0%	1.5%	0.0%
Exceptional items	404	(289)	(832)	(281)
Operating result	941	1,420	(699)	(278)
Return on sales	7.0%	10.8%	(7.8)%	(2.8)%
Gross cash flow	1,690	1,865	743	638
Capital invested	21,346	16,506	11,593	13,099
CFROI	8.6%	11.3%	5.9%	4.6%
Equity-method income	2	12	0	0
Equity-method investments	401	351	506	618
Total assets	23,694	17,424	11,565	12,749
Capital expenditures	1,422	1,627	676	560
Amortization and depreciation	1,698	1,237	1,344	943
Liabilities	14,370	9,820	6,390	6,433
Research and development expenses	1,776	1,723	694	696
Number of employees (as of Dec. 31)	70,600	66,000	24,600	23,400

* includes €289 million in impairment write-downs (cf. Note 5)

Polymers				Chemicals									
Plastics, Rubber		Polyurethanes, Coatings, Fibers		Chemicals		Reconciliation		Continuing operations		Discontinuing operations		Bayer Group	
2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
5,378	5,581	5,397	5,439	3,304	3,749	810	872	28,958	29,170	666	1,105	29,624	30,275
- 3.6%	- 4.0%	- 0.8%	- 2.6%	- 11.9%	+ 9.9%			- 0.7%	+ 0.2%			- 2.2%	- 2.2%
- 0.7%	- 5.0%	+ 3.4%	- 3.1%	- 5.7%	+ 10.0%			+ 4.2%	- 0.1%			+ 2.6%	- 2.5%
115	116	78	138	409	456	(728)	(856)						
84	87	64	52	49	53	733	63	1,732	481	5	339	1,737	820
175	288	243	129	160	271	(313)	(246)	989	1,838	47	93	1,036	1,931
3.3%	5.2%	4.5%	2.4%	4.8%	7.2%			3.4%	6.3%			3.5%	6.4%
(102)	(50)	(448)*	(120)	(26)	(68)	445	(16)	(395)	(633)	933	313	538	(320)
73	238	(205)	9	134	203	132	(262)	594	1,205	980	406	1,574	1,611
1.4%	4.3%	(3.8)%	0.2%	4.1%	5.4%			2.1%	4.1%			5.3%	5.3%
419	587	714	606	375	379	(85)	(230)	2,935	2,818	77	105	3,012	2,923
5,771	6,405	7,750	8,496	3,987	4,774	1,280	556	36,712	33,911	0	947	36,712	34,858
6.8%	8.9%	8.9%	7.0%	8.6%	7.7%			8.0%	8.2%			8.1%	8.2%
459	954	746	1,016	465	399	(124)	(177)	4,333	3,729	87	130	4,420	3,859
0	0	(3)	0	1	0	4	12	2	12	3	14	5	26
10	27	728	773	14	13	157	158	925	987	170	179	1,095	1,166
5,165	5,867	5,912	7,722	3,500	4,216	5,443	4,933	41,692	36,219	0	820	41,692	37,039
504	536	506	468	285	444	315	255	2,383	2,560	0	57	2,383	2,617
436	482	1,001	639	298	334	163	41	3,265	2,438	48	78	3,313	2,516
1,377	1,339	1,615	2,385	1,315	1,797	15,316	9,616	26,237	19,786	0	233	26,237	20,019
125	134	173	194	100	114	149	170	2,532	2,496	45	63	2,577	2,559
17,100	17,900	15,500	16,100	17,800	19,500	5,200	3,000	122,600	113,000	0	3,900	122,600	116,900

Asia/Pacific		Latin America/ Africa/Middle East		Reconciliation		Continuing operations		Discontinuing operations		Bayer Group	
2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
4,794	4,675	3,331	3,174			28,958	29,170	666	1,105	29,624	30,275
3,927	3,819	2,502	2,325			28,958	29,170	666	1,105	29,624	30,275
+ 2.8%	+ 1.5%	+ 7.6%	+ 3.5%			- 0.7%	+ 0.2%			- 2.2%	- 2.2%
+ 8.4%	+ 7.3%	+ 35.1%	+ 2.6%			+ 4.2%	- 0.1%			+ 2.6%	- 2.5%
227	227	139	116	(5,508)	(5,446)						
88	48	89	50			1,732	481	5	339	1,737	820
174	242	369	219	(224)	(335)	989	1,838	47	93	1,036	1,931
4.4%	6.3%	14.7%	9.4%			3.4%	6.3%			3.5%	6.4%
12	(14)	21	(30)	0	(19)	(395)	(633)	933	313	538	(320)
186	228	390	189	(224)	(354)	594	1,205	980	406	1,574	1,611
4.7%	6.0%	15.6%	8.1%			2.1%	4.1%			5.3%	5.3%
361	311	366	226	(225)	(222)	2,935	2,818	77	105	3,012	2,923
2,458	2,712	1,323	1,609	(8)	(15)	36,712	33,911	0	947	36,712	34,858
12.6%	11.2%	25.4%	14.5%			8.0%	8.2%			8.1%	8.2%
0	0	0	0			2	12	3	14	5	26
2	2	16	16			925	987	170	179	1,095	1,166
3,225	3,138	1,734	1,834	1,474	1,074	41,692	36,219	0	820	41,692	37,039
188	255	97	118	0	0	2,383	2,560	0	57	2,383	2,617
158	150	64	104	1	4	3,265	2,438	48	78	3,313	2,516
1,613	1,379	945	672	2,919	1,482	26,237	19,786	0	233	26,237	20,019
48	68	14	9	0	0	2,532	2,496	45	63	2,577	2,559
15,400	12,600	12,000	11,000	0	0	122,600	113,000	0	3,900	122,600	116,900