Good progress with Group reorganization

Bayer expects much higher net income in 2002

2001 figures: gratifying improvement in operating cash flow, but sales and earnings diminished by setbacks in pharmaceuticals and economic weakness

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Leverkusen, March 13, 2002 – The Bayer Group expects to considerably improve net income in 2002 due in part to income from divestitures. This was announced by Bayer Management Board Chairman Dr. Manfred Schneider at the company's Spring Financial News Conference in Leverkusen. For Bayer, 2002 will be a year of reorganization into a management holding company with legally independent subsidiaries. „These activities are the top priority for us at the moment," explained the Bayer CEO. „We aim to create a 'new Bayer' – an efficient group of companies that are strategically linked but operate independently, with a management culture geared more than ever toward performance and value creation."

According to Schneider, Bayer had to contend with „problems and challenges on an unprecedented scale" in 2001. The Polymers and Chemicals business areas were hampered by the weakness of the economy, and on top of this came the problems in the pharmaceuticals business. „The numbers are sobering," said Schneider. Group sales receded by 2 percent to EUR 30.3 billion, while the operating result dropped by 51 percent to EUR 1.6 billion. Net income declined by 47 percent to EUR 965 million. Sales from continuing operations rose by 1 percent to EUR 28.9 billion – although, according to Schneider, „the Lipobay/Baycol withdrawal alone depressed projected sales by EUR 0.7 billion."

The company will propose a dividend of EUR 0.90 per share to the Annual Stockholders' Meeting on April 26. Although this is a decline of 50 cents compared to the previous year, it nevertheless represents the highest payout ratio in Bayer's history, Dr. Schneider stressed. „This action underscores our policy of maintaining dividend continuity even in difficult times for the sake of our stockholders. And in any case, we expect earnings to improve significantly in the current year."

Despite all the one-time effects, Health Care sales were nearly stable, declining only 2 percent to EUR 9.8 billion. According to Schneider, however, the operating result „bore the full force" of the Lipobay/Baycol market withdrawal and the production problems for biological products, dropping by 48 percent to EUR 771 million. Dr. Schneider expects a significant boost in output and earnings this year now that the production problems with Kogenate at Bayer's site in Berkeley, California, are almost entirely solved. He also pointed to the gratifying performance of the Consumer Care Business Group, which grew considerably faster than the market with sales up 9 percent.

The Agriculture business area also performed well in 2001, with sales advancing by 7 percent to EUR 3.7 billion. „We were particularly pleased with the results of the Crop Protection Business Group, which grew much faster than the market," said the Bayer CEO. This business area's operating result improved by 12 percent to EUR 625 million, while the return on sales edged up by one percentage point to 17 percent.

Sales of the Polymers business area were nearly unchanged at EUR 10.8 billion, although operating profit fell by 60 percent to EUR 434 million. To achieve a sustained improvement in performance, the affected business groups have introduced extensive cost-containment programs that should already lead to savings of EUR 300 million in 2002 and more than EUR 700 million by 2005.

Like Polymers, the Chemicals business area also suffered from the weakness of the economy. Although sales grew by 10 percent to more than EUR 3.7 billion – chiefly as a result of acquisitions – the operating result declined by 27 percent to EUR 271 million. Here, too, Bayer intends to improve earning power through more active portfolio management and cost-reduction programs, with planned annual savings of around EUR 200 million by 2005.

Yet 2001 was not just a year of problems for Bayer, but also of ground-breaking success. In this connection, Dr. Schneider mentioned the agreement reached to acquire Aventis CropScience. The company expects to receive the approval of the antitrust authorities for this transaction within the next few weeks. The acquisition would make Bayer one of the world's leading crop science companies. Another positive development was a significant reduction in working capital, which resulted in a gratifying improvement of one third in net cash flow from continuing operations, to EUR 3.7 billion. Schneider summed up the past year: „2001 is now behind us once and for all. The experiences were not always pleasant, but we have learned from them and we will make use of the inherent opportunities."

Independent of the cyclical factors that are beyond Bayer's control, the company has big plans for the future. In the Health Care business area, the search for new partners has top priority. In the Crop Protection Business Group, Bayer is focused on the successful integration of Aventis CropScience. In Polymers, the company aims to expand its leadership position, and in Chemicals, the focus is on consistently implementing restructuring measures, as well as stepping up the search for strategic partners. Bayer is also pressing on with cost-containment programs, with the objective of achieving total annual savings of at least EUR 1.8 billion by 2005.

Finally, Bayer will continue to practice very active portfolio management. This involves divesting activities and business units that have become non-core. In addition to certain divestments announced weeks ago, the company is now also planning to sell its Household Insecticides business unit. „This will allow the future Bayer HealthCare AG to focus completely on researching, developing and marketing human and veterinary pharmaceuticals and modern diagnostic systems," explained Dr. Schneider. However, this active portfolio management policy does not just consist of streamlining activities or selling them off, but also of developing and expanding core activities. An example Schneider mentioned was the intention to combine the Biological Products Business Group with Aventis Behring in a joint venture under Bayer's management control.

Bayer CFO Werner Wenning, who will succeed Manfred Schneider as Chairman of the Board of Management of Bayer AG after the Annual

Stockholders' Meeting in April, explained the basic features of the Bayer Group's new structure. The goal is to create a more transparent, more flexible and more focused group comprising independent legal entities with a strong entrepreneurial focus. „Our objectives in reorganizing the Bayer Group go beyond just creating new operating structures," said Wenning. „We want to maintain the unity of the Bayer Group and continue to exploit its enormous potential - in the interests of our employees, customers and stockholders. The aim is to make the company more competitive and systematically eliminate weaknesses."

The most far-reaching step is the strict separation of strategic management from the operational business. Each business area will be transferred to a separate legal entity operating as a 100 percent subsidiary of Bayer AG, and these four subsidiaries will be supported by three new service companies. According to Wenning, the new structure will give the subgroups a stronger focus and enable them to concentrate on their core competencies so that they can more selectively drive the development of markets, portfolios and technologies, make better use of growth opportunities and achieve a sustained improvement in their performance.

The new organizational structure will also increase transparency. According to the Bayer CFO, transparent structures with clearly allocated tasks and responsibilities are particularly important for success in the marketplace. Bayer will be able to provide better support for businesses that bring competitive advantages, and also respond faster if specific areas fail to meet the company's targets and expectations.

The new corporate structure will make it easier to utilize strategic options such as cooperation agreements, joint ventures and strategic alliances, and should facilitate acquisitions and divestments. Finally, by setting up separate companies with responsibility for their worldwide operations under the umbrella of a management holding company, Bayer aims to strengthen entrepreneurial responsibility. Wenning stressed that this is a key success factor.

At the head of the enterprise will be the new five-member board of the holding company, the Group Management Board, which will be responsible for portfolio management, corporate strategy, budgets and finance as well as the appointment of key executives. The Group Management Board will also set the annual performance targets. It will be supported by a Corporate Center staffed by about 400 employees in nine departments: Corporate Planning and Controlling; Legal, Intellectual Property Management and Insurance; Finance; Communications; Investor Relations; Corporate Auditing; International Human Resources Development; Taxes; and Health, Safety and Environmental Management.

The basic organizational alignment of the subgroups and service companies has also been worked out and will now be introduced step by step. The need to integrate Aventis CropScience means that preparations in the CropScience business area are the most advanced. As soon as Bayer receives the approval of the antitrust authorities, it will set up Bayer CropScience AG, which will have over 20,000 employees, combining the present Crop Protection Business Group with the Aventis CropScience activities.

Bayer will transfer its Health Care business area – comprising the Pharmaceuticals, Biological Products, Consumer Care, Diagnostics and Animal Health business groups – to Bayer HealthCare AG, which will have over 30,000 employees and sales of around EUR 11 billion based on current figures.

In the Polymers business area the Rubber, Plastics, Polyurethanes and Coatings and Colorants business groups are to be combined to form Bayer Polymers AG, a world leader in its sector with 22,0000 employees and sales of currently EUR 11 billion. According to the CEO-designate, the most far-reaching changes will be in this area because – unlike Health Care – it will not retain the present business group structure.

Bayer Chemicals AG, which will comprise the Basic and Fine Chemicals and Specialty Products business groups, the cellulose chemistry business of Wolff Walsrode, and the activities of H.C. Starck, is destined to become a leading player in the global specialty chemicals market. As things stand at present, it will have 14,500 employees and sales will be around EUR 4 billion. Given the ongoing industry consolidation in chemicals, Bayer is prepared to enter into an alliance in this area too.

In addition, Bayer will set up three independent service companies to provide central services for all operating companies throughout the world. Bayer Business Services, which will employ a total of 7,500 people worldwide, will combine major financial and administrative service functions. Bayer Technology Services GmbH, with a work force of 1,800, will pool Bayer's central technology expertise, particularly the wide-ranging and demanding engineering tasks in the group. The new Site Services structure was already introduced at the start of this year. With its 7,200 employees, this unit will become Bayer Standort Dienste GmbH & Co. OHG.

With the exception of Bayer CropScience, which is scheduled to start operating within the complete new worldwide structures at the start of the second quarter of 2002, all the other subgroup and service company structures are to be operational as part of Bayer AG from July 1, 2002. According to Wenning, the corresponding legal structures will only be created after the Annual Stockholders' Meeting in April 2003 – probably as of July 1, 2003, but the companies will be operational in the business sense retroactively from January 1, 2003.

At the end of the news conference, the Bayer CFO explained the figures for 2001, which were heavily impacted by the setbacks in pharmaceuticals. These setbacks diminished sales by EUR 542 million, and operating profit before exceptional items by EUR 621 million. The operating result after exceptionals was impaired to the tune of EUR 949 million.

Working capital was reduced by EUR 2 billion in 2001. According to Wenning, this enabled Bayer to improve the net operating cash flow by 25 percent to EUR 3.9 billion which was used to fund outflows for investing and financing activities.

Gross cash flow per share amounted to EUR 4.00, while Group net income per share stood at EUR 1.32.

In the Group balance sheet, total assets increased 2 percent to EUR 37 billion. Non-current assets accounted for EUR 22 billion, or 59 percent of total assets, an increase of 7 percent. Current assets declined by 5 percent to EUR 15 billion. Stockholders' equity grew by 4 percent to EUR 17 billion, and the equity-to-assets ratio was 46 percent compared with 45 percent in the previous year. Liabilities were virtually unchanged at EUR 20 billion.

Leverkusen, March 13, 2002

Forward-Looking Statements

This news release contains forward-looking statements based on current assumptions and forecasts made by Bayer Group 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 our public reports filed with the Frankfurt Stock Exchange and with the U.S. Securities and Exchange Commission (including our Form 20-F).The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Bayer Group Consolidated Balance Sheets

	Note	Dec. 31, 2001 € million	Dec.31,2000* € million
ASSETS			
Noncurrent assets			
Intangible assets	[18]	5,014	4,843
Property, plant and equipment	[19]	13,543	13,345
Investments	[20]	3,145	2,156
		21,702	**20,344**
Current assets			
Inventories	[21]	5,818	6,095
Receivables and other assets			
Trade accounts receivable	[22]	5,415	6,244
Other receivables and other assets	[23]	2,447	2,414
		7,862	**8,658**
Liquid assets	[24]		
Marketable securities and other instruments		52	213
Cash and cash equivalents		719	491
		771	**704**
		14,451	**15,457**
Deferred taxes	[11]	**608**	**413**
Deferred charges	[25]	**278**	**237**
		37,039	**36,451**
of which discontinuing operations	[35]	*1,049*	*2,000*
STOCKHOLDERS' EQUITY AND LIABILITIES			
Stockholders' equity			
Capital stock of Bayer AG		1,870	1,870
Capital reserves of Bayer AG		2,942	2,942
Retained earnings		9,841	9,047
Net income		965	1,816
Other comprehensive income			
Currency translation adjustment		759	465
Miscellaneous items		545	0
	[26]	**16,922**	**16,140**
Minority stockholders' interest	[27]	**98**	**237**
Liabilities			
Long-term liabilities			
Long-term financial obligations	[30]	3,071	2,803
Miscellaneous long-term liabilities	[32]	140	196
Provisions for pensions and other post-employment benefits	[28]	4,407	4,254
Other long-term provisions	[29]	1,288	1,208
		8,906	**8,461**
Short-term liabilities			
Short-term financial obligations	[30]	4,309	3,862
Trade accounts payable	[31]	1,993	2,016
Miscellaneous short-term liabilities	[32]	1,832	2,274
Short-term provisions	[29]	1,477	1,701
		9,611	**9,853**
		18,517	**18,314**
of which discontinuing operations	[35]	*307*	*821*
Deferred taxes	[11]	**1,238**	**1,595**
Deferred income	[34]	**264**	**165**
		37,039	**36,451**

* 2000 figures restated

Bayer Group Consolidated Statements of Income

	Note	2001 € million	2000* € million
Net sales	[1]	**30,275**	**30,971**
Net sales from discontinuing operations	[6]	*(1,337)*	*(2,356)*
Net sales from continuing operations		28,938	28,615
Cost of goods sold		(16,542)	(15,077)
Gross profit		**12,396**	**13,538**
Selling expenses	[2]	(6,980)	(6,637)
Research and development expenses	[3]	(2,488)	(2,319)
General administration expenses		(988)	(885)
Other operating income	[4]	480	425
Other operating expenses	[5]	(1,178)	(1,058)
Operating result from continuing operations		**1,242**	**3,064**
Operating result from discontinuing operations	[6]	*369*	*223*
Operating result	[7]	**1,611**	**3,287**
Income from investments in affiliated companies – net	[8]	54	283
Interest expense – net	[9]	(349)	(311)
Other non-operating expenses – net	[10]	(201)	(269)
Non-operating result		**(496)**	**(297)**
Income before income taxes		**1,115**	**2,990**
Income taxes	[11]	(154)	(1,148)
Income after taxes		**961**	**1,842**
Minority stockholders' interest	[13]	4	(26)
Net income		**965**	**1,816**
Earnings per share (€)	[14]	**1.32**	**2.49**

* 2000 figures restated

Bayer Group Consolidated Statements of Cash Flows

	Note	2001 € million	2000 € million *
Operating result		1,611	3,287
Income taxes currently payable		(637)	(873)
Depreciation and amortization		2,516	2,139
Change in long-term provisions		(193)	(316)
Gains on retirements of noncurrent assets		(374)	(73)
Gross cash provided by operating activities		**2,923**	**4,164**
(Increase) Decrease in inventories		146	(750)
(Increase) Decrease in trade accounts receivable		638	(548)
Increase in trade accounts payable		73	351
Changes in other working capital		79	(126)
Net cash provided by operating activities	[39]	**3,859**	**3,091**
of which discontinuing operations	[42]	*159*	*302*
Cash outflows for additions to property, plant and equipment		(2,617)	(2,647)
Cash inflows from sales of property, plant and equipment		521	322
Cash inflows related to investments		109	(45)
Cash outflows for acquisitions		(502)	(4,125)
Interest and dividends received		138	191
Cash inflows from marketable securities		219	115
Net cash used in investing activities	[40]	**(2,132)**	**(6,189)**
of which discontinuing operations	[42]	*295*	*(298)*
Capital contributions		0	2
Bayer AG dividend and dividend payments to minority stockholders		(1,028)	(953)
Issuances of debt		2,514	3,952
Retirements of debt		(2,551)	(1,893)
Interest paid after taxes		(484)	(336)
Net cash provided by (used in) financing activities	[41]	**(1,549)**	**772**
of which discontinuing operations	[42]	*36*	*11*
Change in cash and cash equivalents due to business activities		**178**	**(2,326)**
Cash and cash equivalents at beginning of year		**491**	**2,812**
Change in cash and cash equivalents due to changes in scope of consolidation		42	(3)
Change in cash and cash equivalents due to exchange rate movements		8	8
Cash and cash equivalents at end of year	[43]	**719**	**491**
Marketable securities and other instruments		52	213
Liquid assets as per balance sheets		**771**	**704**

* 2000 figures restated

Key Data by Segment (I)

Segments	Health Care				Agriculture			
	Pharmaceuticals & Biological Products		Consumer Care & Diagnostics		Crop Protection		Animal Health	
€ million	2001	2000	2001	2000	2001	2000	2001	2000
Net sales (external)	5,729	6,140	4,104	3,888	2,708	2,456	988	999
• Change in €	–6.7%	+22.7%	+5.6%	+15.6%	+10.3%	+12.8%	–1.1%	+8.9%
• Change in local currencies	–6.7%	+11.9%	+5.0%	+5.4%	+10.7%	+3.9%	–1.1%	–1.4%
Intersegment sales	38	39	2	0	102	97	5	6
Other operating income	62	90	49	51	102	38	13	41
Operating result before exceptionals	383	1,165	388	311	453	401	172	157
Return on sales before exceptionals	6.7%	19.0%	9.5%	8.0%	16.7%	16.3%	17.4%	15.7%
Exceptional items	(332)	(5)	(47)	(134)	0	1	0	25
Operating result	51	1,160	341	177	453	402	172	182
Return on sales	0.9%	18.9%	8.3%	4.6%	16.7%	16.4%	17.4%	18.2%
Gross cash flow	229	1,048	534	371	550	397	163	160
Capital invested	5,352	5,267	3,799	3,650	3,884	3,664	645	725
CFROI	4.2%	21.3%	14.0%	10.4%	13.9%	14.0%	22.8%	20.0%
Equity-method income	0	0	0	0	0	0	0	0
Equity-method investments	16	20	0	0	0	0	0	0
Total assets	5,303	5,291	3,956	3,480	3,488	3,218	734	768
Capital expenditures	415	553	267	192	215	233	49	50
Amortization and depreciation	364	273	291	256	247	143	40	40
Liabilities	1,869	2,202	1,271	1,158	1,130	947	379	337
Research and development expenses	1,242	1,096	252	266	292	276	98	94
Number of employees (as of Dec. 31)	26,800	27,200	14,900	15,100	10,900	11,000	3,900	3,900

Segments	Polymers				Chemicals	
	Plastics & Rubber		Polyurethanes, Coatings & Colorants		Chemicals	
€ million	2001	2000	2001	2000	2001	2000
Net sales (external)	5,581	5,816	5,207	5,076	3,749	3,410
• Change in €	–4.0%	+25.7%	+2.6%	+30.0%	+9.9%	+19.4%
• Change in local currencies	–5.0%	+19.5%	+2.1%	+23.4%	+10.0%	+13.3%
Intersegment sales	116	122	138	462	456	466
Other operating income	87	28	51	42	53	35
Operating result before exceptionals	288	560	146	518	271	370
Return on sales before exceptionals	5.2%	9.6%	2.8%	10.2%	7.2%	10.9%
Exceptional items	(50)	(45)	(100)	(45)	(68)	24
Operating result	238	515	46	473	203	394
Return on sales	4.3%	8.9%	0.9%	9.3%	5.4%	11.6%
Gross cash flow	587	802	614	754	379	497
Capital invested	6,405	6,456	8,051	8,011	4,774	4,665
CFROI	8.9%	12.7%	7.5%	10.7%	7.7%	11.0%
Equity-method income	0	(1)	0	0	0	5
Equity-method investments	27	23	773	616	13	18
Total assets	5,867	6,176	7,493	7,568	4,216	4,421
Capital expenditures	592	652	492	359	483	424
Amortization and depreciation	482	446	604	466	334	293
Liabilities	1,339	1,696	2,311	1,737	1,797	1,813
Research and development expenses	134	128	186	151	114	105
Number of employees (as of Dec. 31)	17,900	18,500	15,100	16,100	19,500	20,500

Key Data by Segment (2)

Segments	Reconciliation		Continuing operations		Discontinuing operations		Bayer Group	
€ million	2001	2000	2001	2000	2001	2000	2001	2000
Net sales (external)	872	830	28,938	28,615	1,337	2,356	30,275	30,971
• Change in €			+1.1%	+21.4%			– 2.2%	+13.4%
• Change in local currencies			+0.8%	+12.1%			– 2.5%	+4.5%
Intersegment sales	(857)	(1,192)						
Other operating income	63	100	480	425	340	37	820	462
Operating result before exceptionals	(246)	(273)	1,855	3,209	76	247	1,931	3,456
Return on sales before exceptionals			6.4%	11.2%			6.4%	11.2%
Exceptional items	(16)	34	(613)	(145)	293	(24)	(320)	(169)
Operating result	(262)	(239)	1,242	3,064	369	223	1,611	3,287
Return on sales			4.3%	10.7%			5.3%	10.6%
Gross cash flow	(230)	(182)	2,826	3,847	97	317	2,923	4,164
Capital invested	556	441	33,466	32,879	1,392	2,183	34,858	35,062
CFROI			8.3%	12.6%			8.2%	12.7%
Equity-method income	12	(5)	12	(1)	14	72	26	71
Equity-method investments	158	182	987	859	179	487	1,166	1,346
Total assets	4,933	3,529	35,990	34,451	1,049	2,000	37,039	36,451
Capital expenditures	40	23	2,553	2,486	64	161	2,617	2,647
Amortization and depreciation	41	73	2,403	1,990	113	149	2,516	2,139
Liabilities	9,616	9,363	19,712	19,253	307	821	20,019	20,074
Research and development expenses	170	203	2,488	2,319	71	74	2,559	2,393
Number of employees (as of Dec. 31)	3,000	1,600	112,000	113,900	4,900	8,200	116,900	122,100

Key Data by Region

Regions	Europe		North America		Asia/Pacific		Latin America/ Africa/Middle East	
€ million	2001	2000	2001	2000	2001	2000	2001	2000
Net sales (external) – by market	11,659	11,299	9,473	9,352	4,660	4,819	3,146	3,145
Net sales (external) – by point of origin	12,999	12,916	9,806	9,699	3,817	3,761	2,316	2,239
• Change in €	+0.6%	+11.4%	+1.1%	+29.6%	+1.5%	+42.2%	+3.4%	+20.6%
• Change in local currencies	+0.5%	+10.9%	–1.9%	+14.1%	+7.3%	+26.5%	+2.5%	+7.8%
Interregional sales	3,154	3,018	1,927	1,603	226	228	116	98
Other operating income	312	256	70	62	48	64	50	43
Operating result before exceptionals	1,707	2,216	23	729	241	404	219	213
Return on sales before exceptionals	13.1%	17.2%	0.2%	7.5%	6.3%	10.7%	9.5%	9.5%
Exceptional items	(272)	20	(278)	(144)	(14)	(21)	(30)	0
Operating result	1,435	2,236	(255)	585	227	383	189	213
Return on sales	11.0%	17.3%	– 2.6%	6.0%	5.9%	10.2%	8.2%	9.5%
Gross cash flow	2,037	2,096	632	1,521	312	357	225	228
Capital invested	16,355	15,849	12,808	13,025	2,711	2,628	1,607	1,433
CFROI	12.5%	15.2%	4.7%	12.2%	11.3%	14.3%	14.5%	16.4%
Equity-method income	12	0	0	0	0	(1)	0	0
Equity-method investments	351	255	618	582	2	2	16	20
Total assets	17,298	15,988	12,652	12,859	3,132	3,085	1,834	1,723
Capital expenditures	1,620	1,440	560	749	255	199	118	98
Amortization and depreciation	1,227	971	918	818	150	118	104	83
Liabilities	9,769	8,736	6,407	6,627	1,382	1,489	673	672
Research and development expenses	1,559	1,342	690	681	68	83	9	10
Number of employees (as of Dec. 31)	64,600	65,700	23,200	24,100	12,600	12,100	11,000	11,400

Regions	Reconciliation		Continuing operations		Discontinuing operations		Bayer Group	
€ million	2001	2000	2001	2000	2001	2000	2001	2000
Net sales (external) – by market			28,938	28,615	1,337	2,356	30,275	30,971
Net sales (external) – by point of origin			28,938	28,615	1,337	2,356	30,275	30,971
• Change in €			+1.1%	+21.4%			–2.2%	+13.4%
• Change in local currencies			+0.8%	+12.1%			–2.5%	+4.5%
Interregional sales	(5,423)	(4,947)						
Other operating income			480	425	340	37	820	462
Operating result before exceptionals	(335)	(353)	1,855	3,209	76	247	1,931	3,456
Return on sales before exceptionals			6.4%	11.2%			6.4%	11.2%
Exceptional items	(19)	0	(613)	(145)	293	(24)	(320)	(169)
Operating result	(354)	(353)	1,242	3,064	369	223	1,611	3,287
Return on sales			4.3%	10.7%			5.3%	10.6%
Gross cash flow	(380)	(355)	2,826	3,847	97	317	2,923	4,164
Capital invested	(15)	(56)	33,466	32,879	1,392	2,183	34,858	35,062
CFROI			8.3%	12.6%			8.2%	12.7%
Equity-method income			12	(1)	14	72	26	71
Equity-method investments			987	859	179	487	1,166	1,346
Total assets	1,074	796	35,990	34,451	1,049	2,000	37,039	36,451
Capital expenditures	0	0	2,553	2,486	64	161	2,617	2,647
Amortization and depreciation	4	0	2,403	1,990	113	149	2,516	2,139
Liabilities	1,481	1,729	19,712	19,253	307	821	20,019	20,074
Research and development expenses	162	203	2,488	2,319	71	74	2,559	2,393
Number of employees (as of Dec. 31)	600	600	112,000	113,900	4,900	8,200	116,900	122,100

2001 Exceptional Items

€ million	2001 Charge	2001 Gain	2001 Net	2000 Charge	2000 Gain	2000 Net	Δ Net
Health Care	– 420	+ 41	– 379	– 160	+ 21	– 139	– 240
Agriculture	0	0	0	0	+ 26	+ 26	– 26
Polymers	– 181	+ 31	– 150	– 97	+ 7	– 90	– 60
Chemicals	– 81	+ 13	– 68	– 7	+ 31	+ 24	– 92
Reconciliation	– 19	+ 3	– 16	0	+ 34	+ 34	– 50
Cont.	– 701	+ 88	– 613	– 264	+119	– 145	– 468
Discont.	– 23	+ 316	+ 293	– 24	0	– 24	+ 317
Total	– 724	+ 404	– 320	– 288	+119	– 169	– 151

Pharmaceuticals – Top 10 Products

€ million

		Q4 ´01	Δ %	2001	Δ %
(1)	Ciprobay	740	+ 36	1,964	+ 10
(2)	Adalat	223	– 16	975	– 16
(3)	Lipobay	– 14	•	367	– 42
(4)	Gamimune	83	– 33	343	– 2
(5)	Glucobay	84	+ 5	312	0
(6)	Kogenate	106	– 16	249	– 49
(7)	Avelox	57	– 7	181	+ 37
(8)	Trasylol	45	+ 61	136	+ 30
(9)	Prolastin	42	+ 11	131	– 6
(10)	Nimotop	30	– 14	120	– 7

Bayer