



## **Fall Financial News Conference**

Leverkusen, November 16, 2000

# Bayer Group 1–9/2000 – Continuing Operations

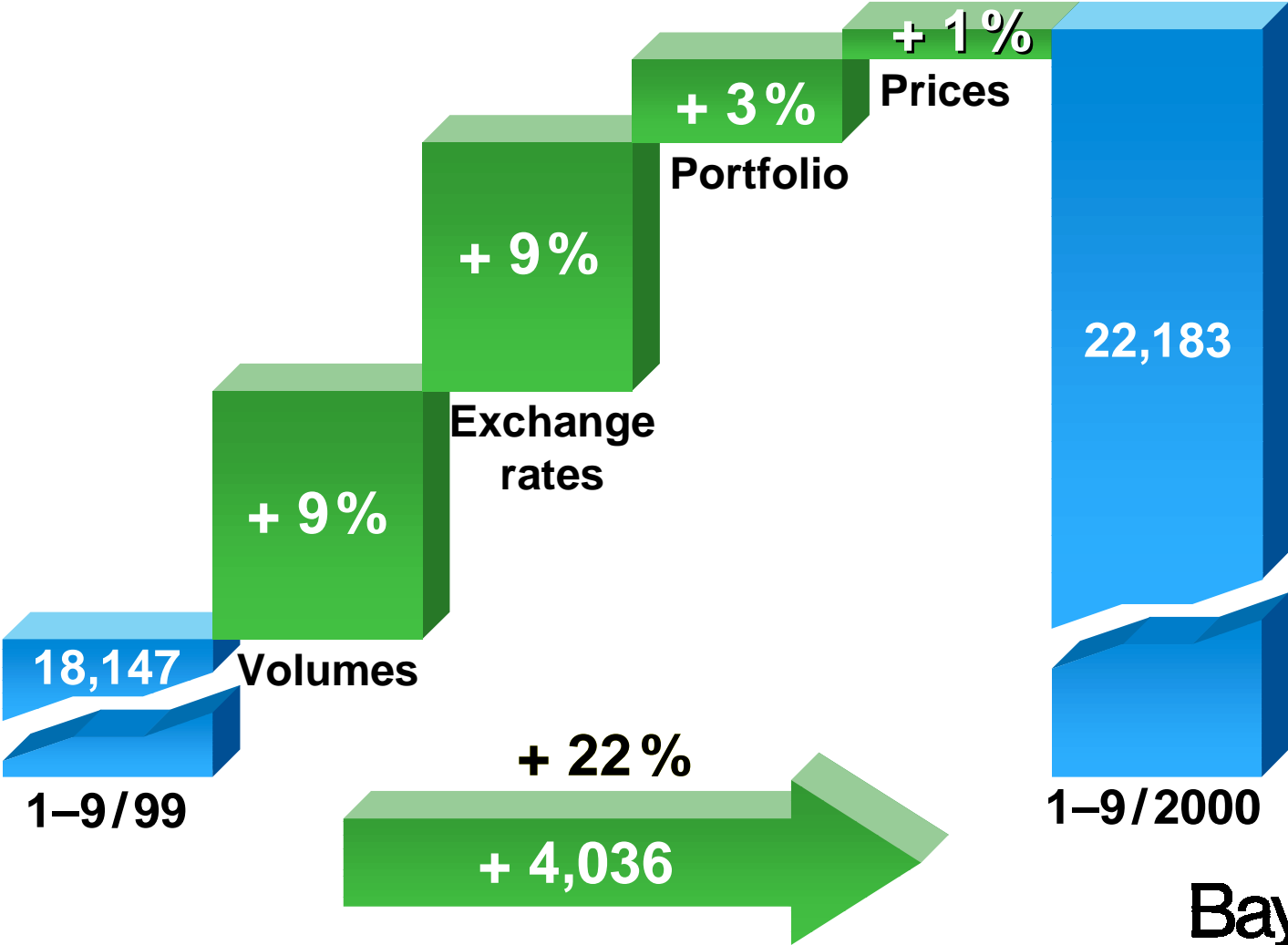
	EUR million	±%
<b>Sales</b>	<b>22,183</b>	<b>+ 22%</b>
<b>OPR</b>	<b>2,654</b>	<b>+ 29%</b>
<b>OPR before exceptionals</b>	<b>2,701</b>	<b>+ 23%</b>
<b>Gross cash flow</b>	<b>3,132</b>	<b>+ 37%</b>
<b>Net income</b>	<b>1,514</b>	<b>+ 40%</b>

# Bayer Group 1–9/2000 – Nominal

	EUR million	±%
<b>Sales</b>	<b>22,918</b>	<b>+ 12%</b>
<b>OPR</b>	<b>2,718</b>	<b>- 15%</b>
<b>Net income</b>	<b>1,567</b>	<b>- 27%</b>

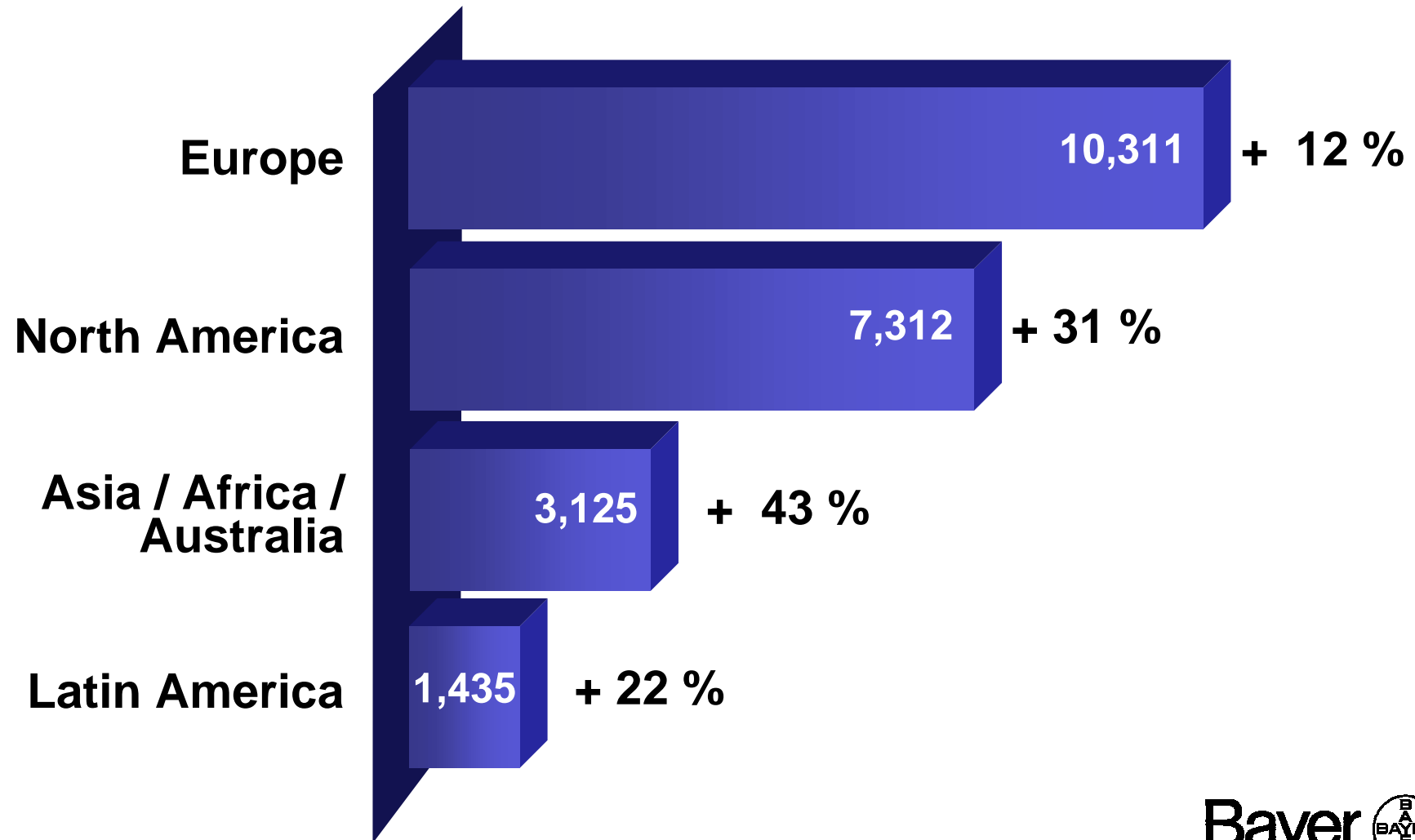
# Strong Growth

(EUR million)



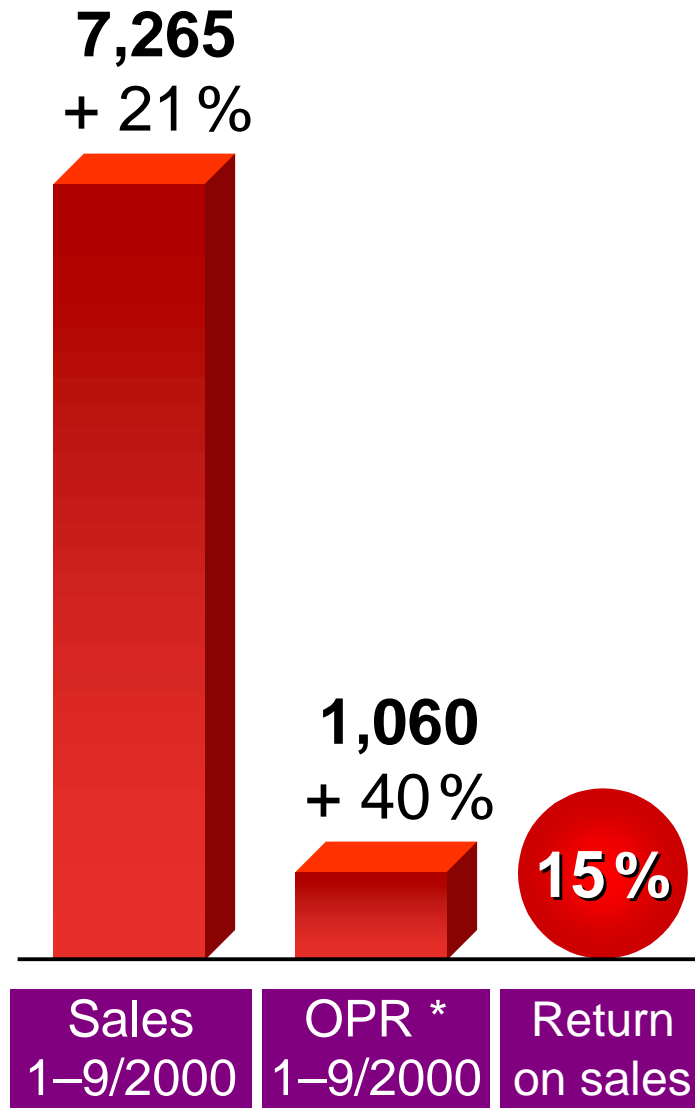
# Sales by Region 1–9/2000

(EUR million)



# Health Care

(EUR million)



- Turnaround makes good headway
- 5 blockbusters in the future
- Target return: 20 % in 2002
- Innovative potential increased by 30 %
- In the global health care top 10

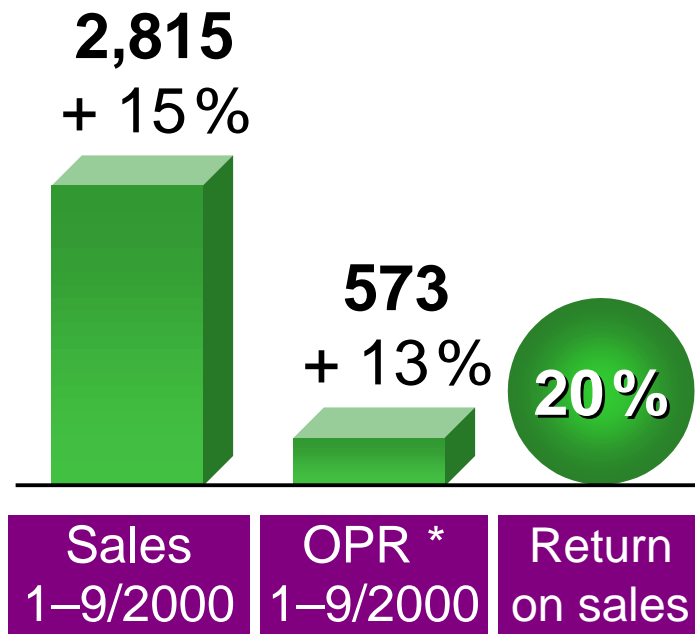
\* before exceptionals



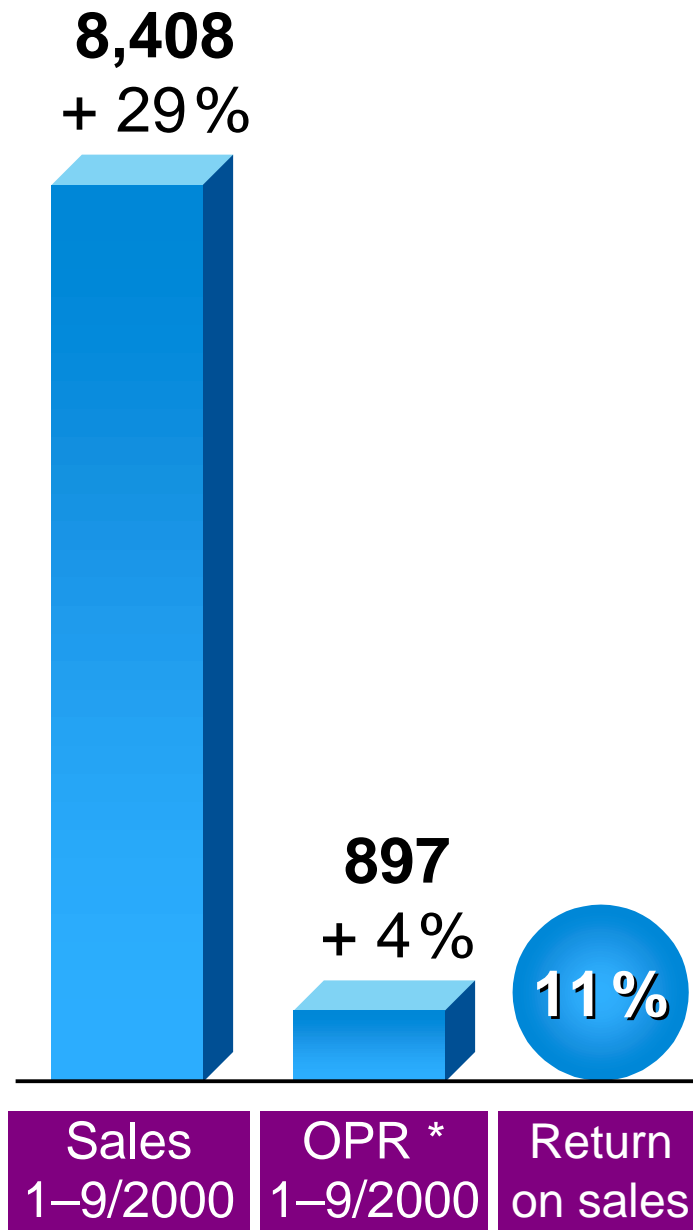
# Agriculture

(EUR million)

- ➔ Profit stability and leadership  
Above-market growth
- ➔ “Flint” strengthens fungicides
- ➔ Leading research platform
- ➔ Realignment in Animal Health



\* before exceptionals



## Polymers

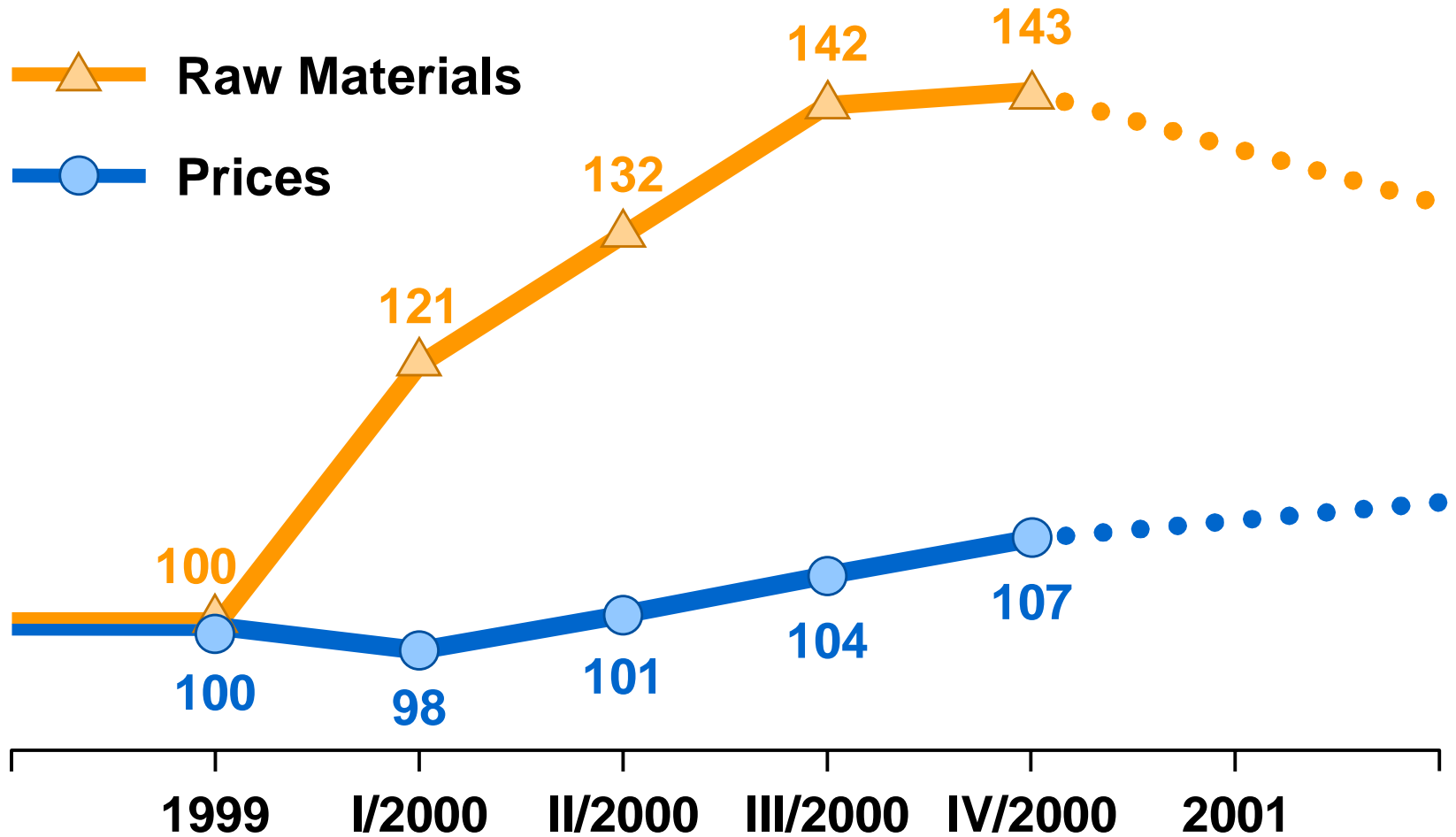
(EUR million)

- Attractive growth markets
- Leading global positions
- Portfolio: Dralon / Sybron
- Expansion in Asia
- Cost containment programs > EUR 200 million
- Raw materials squeeze margins

\* before exceptionals



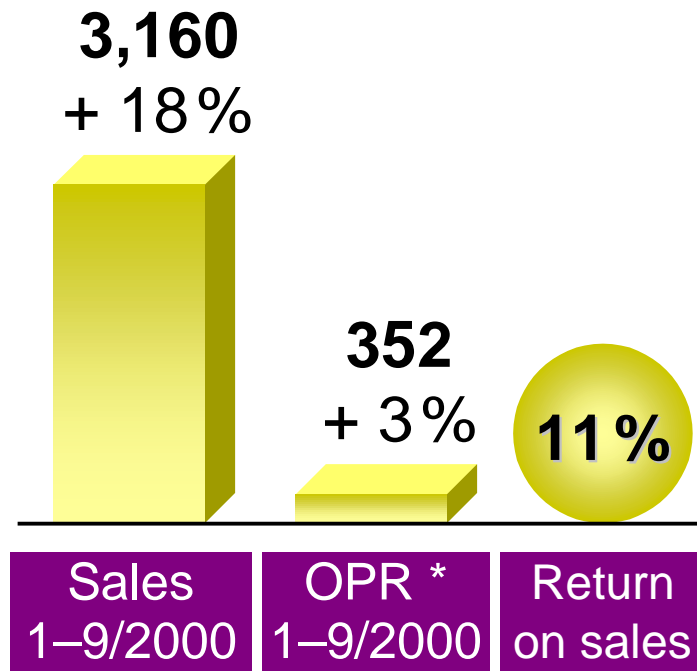
# Pressure on Polymers Margins



# Chemicals

(EUR million)

- ➔ Encouraging growth
- ➔ Outperformance H.C. Starck
- ➔ Restructuring  
Wolff Walsrode
- ➔ Reorganization in Basic and  
Fine Chemicals



\* before exceptionals

# Highlights

## Portfolio

- **Acquisitions: Flint, Sybron, CSM**
- **Restructuring: DyStar, WW, logistics**
- **Divestments: Dralon, Solar, EC, company housing**
- **R & D collaborations: Exelixis, Lion, PPL**

## Operative Performance

- **Strong growth in all businesses**
- **Health Care earnings up sharply**
- **Cost containment in Polymers**
- **Restructuring in Chemicals**

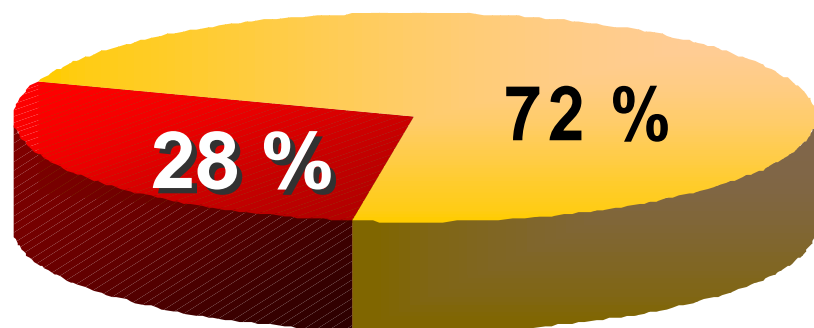
## Incentives / Transparency

- **Incentivization enhanced, stock options introduced**
- **Listing in New York in 2Q 2001**

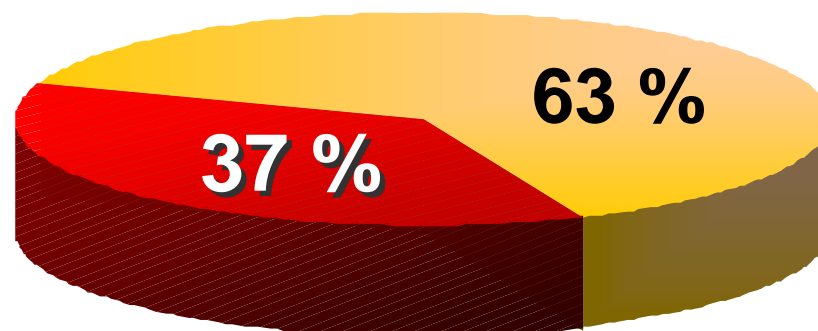


# Portfolio Shift

Share of OPR 1–9 / 1999



Share of OPR 1–9 / 2000



-  Health Care
-  Agriculture, Polymers, Chemicals

# B@yer.com

Concept	Examples	Sales
Transaction portals	<ul style="list-style-type: none"><li>• BayerOnE.com</li><li>• BayerDirect.com</li><li>• BayerAdvantage.com</li><li>• BayerValue.com</li><li>• Borchers.de</li></ul>	EUR 250m in 2000
Marketplaces	<ul style="list-style-type: none"><li>• Elemica.com</li><li>• Omnexus.com</li><li>• ElastomerSolutions.com</li><li>• Chemplorer.de</li></ul>	EUR 5bn in 2004

## Forecast

**2000**      **Sales and OPR > + 10 %**

## Outlook

**2001**      **OPR > + 10 %**

# Preserve Corporate Identity Increase Performance

**Four-pillar portfolio  
with dynamic growth  
and expertise**



**Total shareholder  
return 95–99:  
24% p. a.**



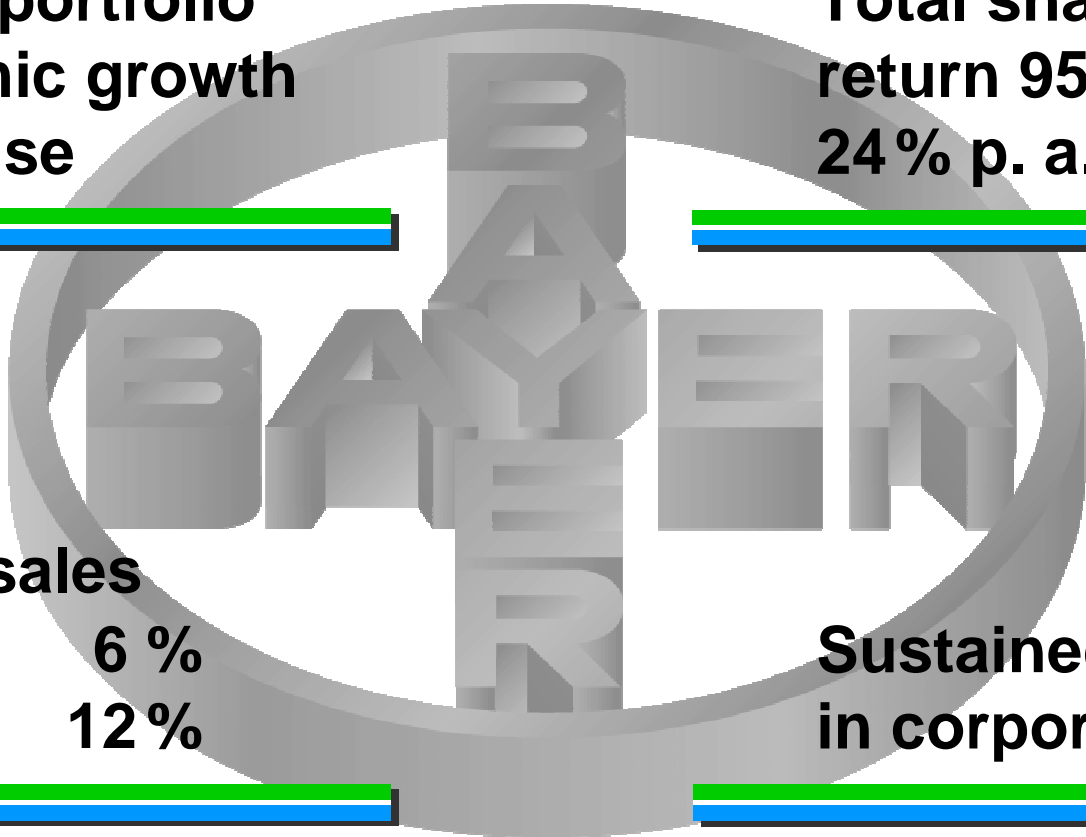
**Return on sales**

**1993: 6%**

**1–9/2000: 12%**



**Sustained increase  
in corporate value**





## **Fall Financial News Conference**

Leverkusen, November 16, 2000