

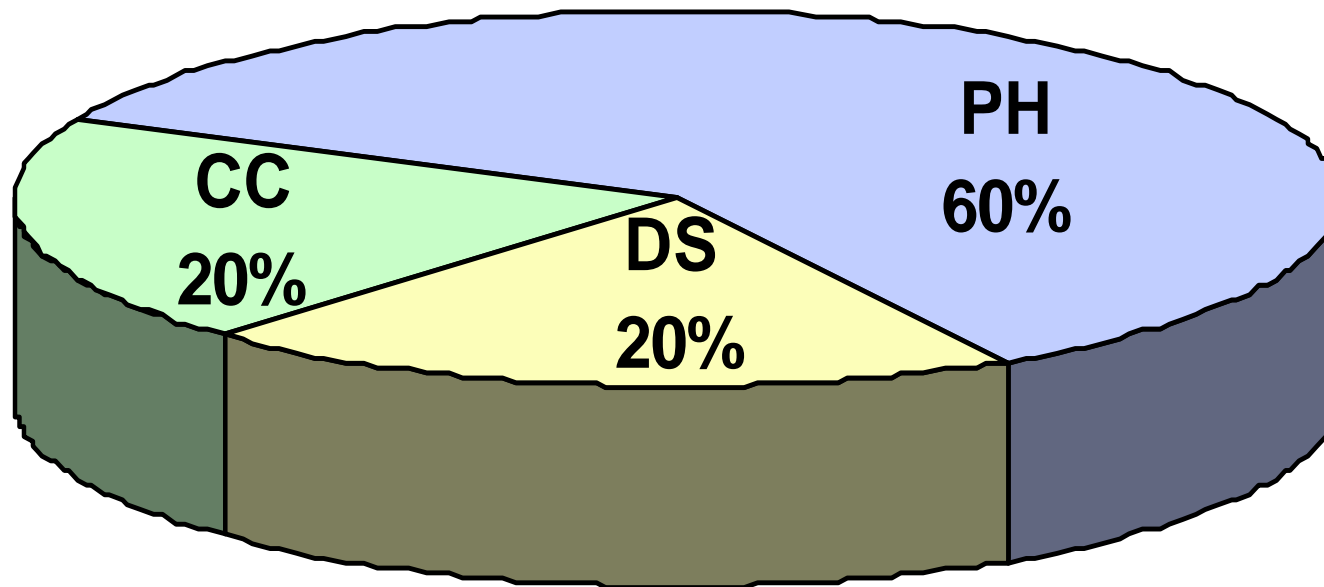
Investor Conference

Agenda

- **Consumer Care Overview**
- **Geographic Presence**
- **Brands**
- **Strategies for Future**

Bayer Health Care 1999

8.4 Bn €



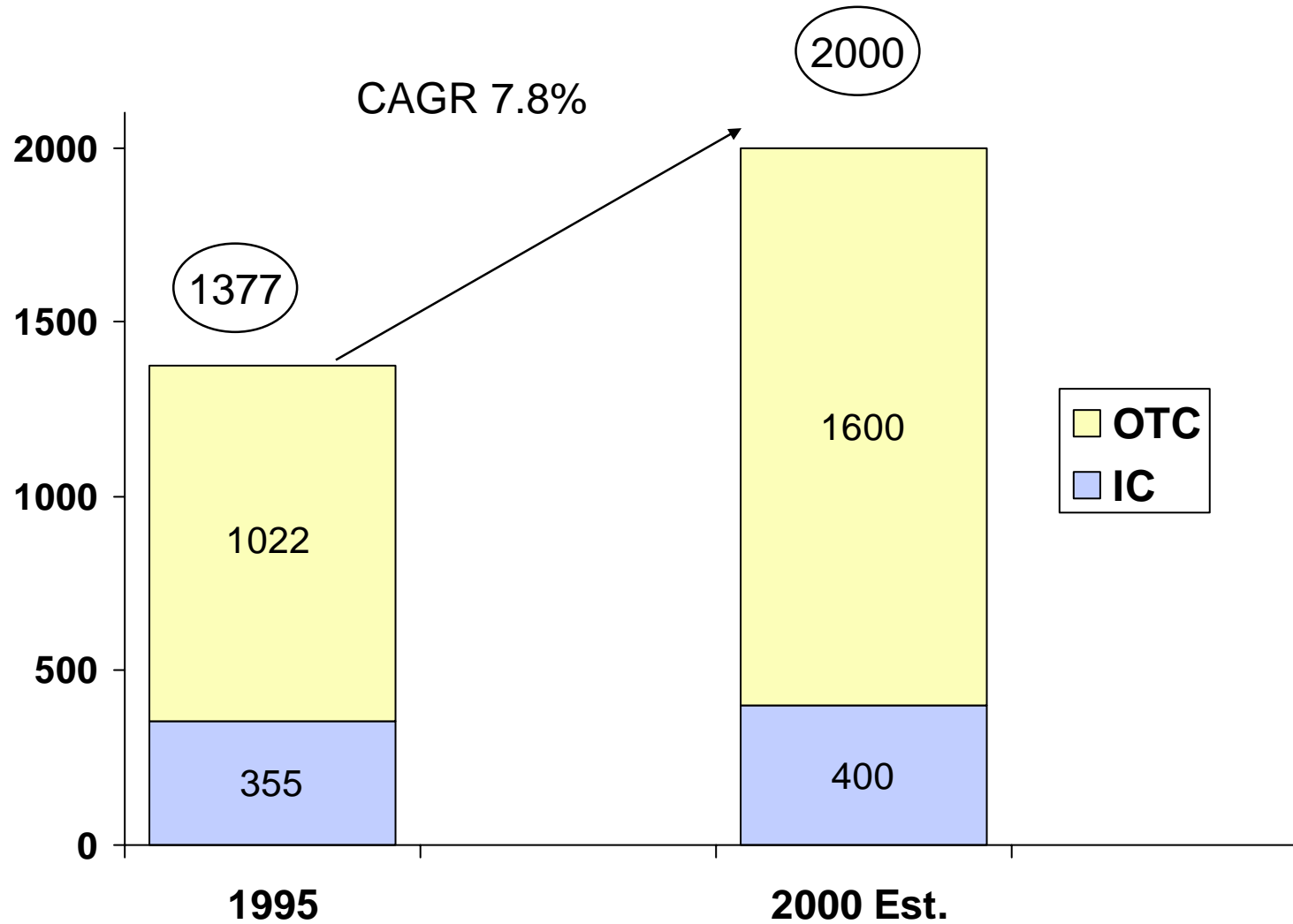
Consumer Care Sales: 1.7 Bn €
YTD through September +17% vs. YAG



- **5,300 employees**
- **Business in more than 80 countries**
- **Strong global platform to compete**
 - Critical Mass
 - Broad Geographic Presence
 - Strong Brand Platforms

CC World Net Sales 1995 - 2000

(in MM €)



- **Internal Growth**

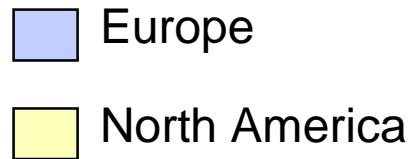
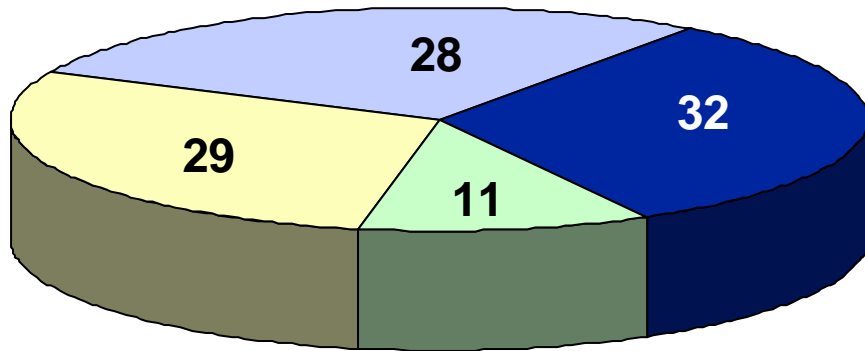
- Key Brands
- New Products

- **External Growth**

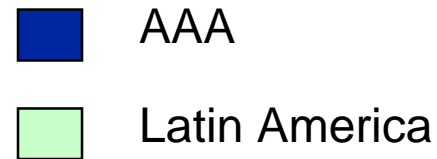
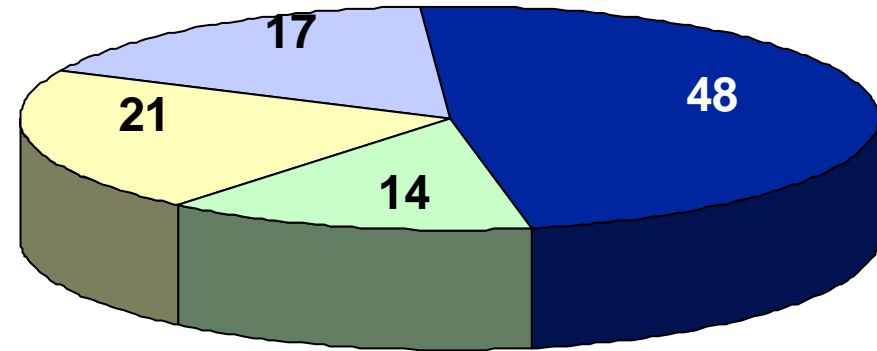
- Sterling North America 1994
- Roche J.V. USA 1997
- Brand Acquisitions 1999/2000
UK, USA, Germany

World OTC Market (= 46 Bn €)

in %



World IC Market (= 4 Bn €)



OTC Top Players

1.	J&J
2.	Glaxo-SB
3.	AHP
4.	W-L/Pfizer
5.	Bayer
6.	Novartis
7.	Taisho
8.	P&G
9.	Roche
10.	BMS

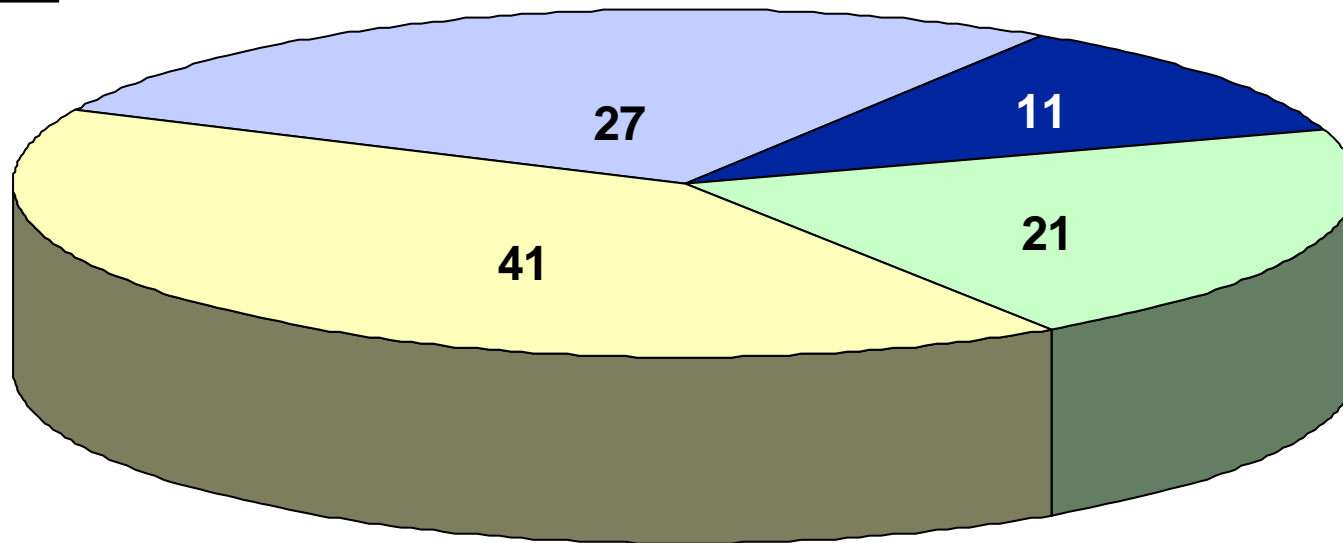
IC Top Players

1.	S.C. Johnson
2.	Bayer
3.	Earth Seiyaku
4.	Reckitt Benckiser
5.	Dainippon

Sales: Ex. Manufacturer - IMS, IRI, SDI, Local

Total Sales = 1.7 Bn €

in %



Europe AAA Latin America North America

IMS OTC *Mirror Award 2000 - Europe*

Assessment of OTC manufacturer quality by pharmacists



Portugal



Germany



Spain



Austria



Poland



Hungary

- Bayer #1 for the most **effective, quality products**
- Bayer # 1 OTC company in Europe on **training skills, information and relationship**

OTC-business

USA

1. J&J
2. AHP
3. Glaxo-SB
4. W-L/Pfizer
5. **Bayer**
6. Novartis
7. Schering P.
8. P&G
9. BMS
10. P&U

Europe

- Novartis
Aventis
Glaxo-SB
Sanofi-Syn.
Roche
W-L/Pfizer
Boehringer I.
Bayer
BMS
AHP

LA

- Bayer**
Roche
Aventis
Boehringer I.
J&J
AHP
Glaxo-SB
Novartis
Schering P.
Aché Labs

AAA

- Taisho
Takeda
Esu-Esu
Kowa
Sato
Glaxo-SB
Rohto
Eisai
Chugai
Sankyo

IC-business

LA / USA

1. S.C. Johnson
2. **Bayer**
3. Clorox
4. Reckitt Benckiser
5. -

Europe

1. **Bayer**
2. S.C. Johnson
3. Sara Lee
4. Fumakilla
5. Reckitt Benckiser

AAA

1. Earth Seiyaku
2. Dainippon
3. **Bayer**
4. Lizi Industr. Co.
5. Fumakilla

US Ranking 1993 vs. 1999 (Net Sales)

1993

1.	Johnson & Johnson
2.	American Home
3.	Procter & Gamble
4.	SmithKline Beecham
5.	Warner-Lambert
6.	Bristol Myers Squibb
7.	Schering-Plough
8.	Eastman Kodak
9.	Ciba-Geigy
10.	Bausch & Lomb
11.	Bayer

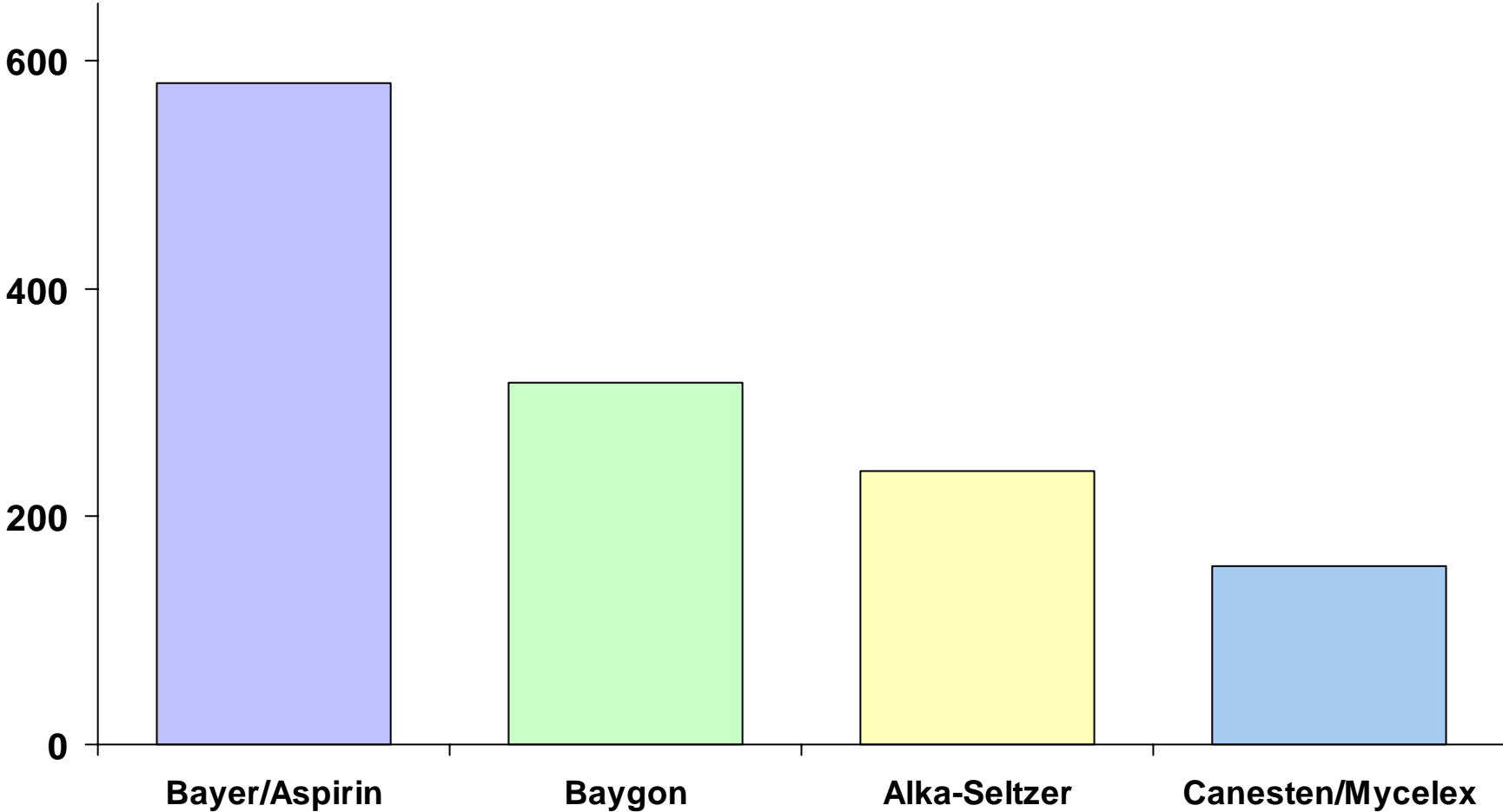
1999

1.	Johnson & Johnson
2.	American Home
3.	SKB/Glaxo
4.	W-L/Pfizer
5.	Bayer
6.	Novartis
7.	Schering
8.	Procter & Gamble
9.	Bristol Myers Squibb
10.	Pharmacia Upjohn

Strong Brand Platforms

Sales 1999 (MM €)

Consumer Care



Powerful pain relief and so much more...

	<u>1994</u>	<u>1999</u>	<u>CAGR/Share Chg.</u>
Sales (MM \$)	80.7	158.8	14.5%
Market Share	4.5%	6.2%	1.7 pts

- **Facts**

- No OTC pain reliever proven stronger
 - Not Tylenol, Advil etc.
 - No other pain reliever offers life saving benefits

- **Strategy - Powerful pain relief and so much more**

- R&D pain claims work - Tylenol with codeine Rx claim
 - Migraine claim
- Prevention regulatory/scientific work
 - Secondary heart attack
 - Acute heart attack
 - Primary heart attack
 - Alzheimer's
 - Cancer
- Drug Interactions
 - Ibuprofen effect on Aspirin regimen use

Next Steps

- **Translate USA Successes**
 - Canada 1999-2000
 - Germany - Strong pain
 - Migraine launch 2000
 - Balance of Europe/Latin America 2001-2002

- **Strengthen core brands**
 - Marketing Excellence
 - R&D Claims/New Products

- **Continue to seek Internal/External Growth**
 - Technology transfer
 - Licensing
 - Joint Ventures
 - Acquisitions

- **Increase organization effectiveness and efficiency**
 - Plant rationalizations
 - Technology - SAP, E-Business

- **Strong global platform**

- Critical Mass
- Broad Geographic Presence
- Strong Brand Platform