



## **Spring Investor Conference**

Leverkusen, March 16, 2001

**Werner Wenning, CFO**

# Financial Highlights

€ million

	2000	Δ %	consensus
▲ Sales	30,971	+ 13.4	
▲ Sales (cont.)	29,986	+ 21.2	29,619
▼ Operating income	3,287	– 2.1	
▲ Operating income (cont.)	3,183	+ 44.6	
▲ Operating income pre-exceptionals (cont.)	3,340	+ 20.1	3,349
▲ Non-operating result	– 297	+ 43.0	
▲ Pre-tax income	2,990	+ 5.4	2,984
▼ After-tax income	1,842	– 8.7	
▼ Net income	1,816	– 9.3	1,825
▲ Net income (cont.)	1,730	+ 88.7	
▼ Earnings/share Euro	2.49	– 9.1	
▲ Dividend Euro	1.40	+ 7.7	

# Components of 2000 Sales Trend

€ million

	1999	2000	Δ %		
Sales	27,320	30,971	+ 13.4		
• Discontinuing	2,582	985			
• Continuing	24,738		%		
+ Acquisitions/ Divestitures		748	+ 3.0	Acquisitions	+ 833
				• Lyondell	+ 646
				• PC-sheets	+ 80
				• Misung	+ 58
				• Sybron	+ 35
				• Cytec	+ 14
				Divestitures	- 85
				• Tropon/Allergens	- 48
				• Biologicals	- 27
				• Others	- 10
+ Currencies		2,202	+ 8.9		
+ Prices		580	+ 2.3		
+ Volumes		1,718	+ 7.0		
• Continuing		29,986	+ 21.2		

# Quarterly Sales Development

€ million

	2000	1999	Δ %
4th quarter	8,053	6,821	+ 18.1
● Agfa		(10)	
● DyStar, Erdölchemie	(250)	(220)	
<b>Continuing operations</b>	<b>7,803</b>	<b>6,591</b>	<b>+ 18.4</b>
3rd quarter	7,680	6,275	+ 22.4
● Agfa		13	
● DyStar, Erdölchemie	(247)	205	
<b>Continuing operations</b>	<b>7,433</b>	<b>6,057</b>	<b>+ 22.7</b>
2nd quarter	7,907	7,230	+ 9.4
● Agfa		(752)	
● DyStar, Erdölchemie	(242)	(186)	
<b>Continuing operations</b>	<b>7,665</b>	<b>6,292</b>	<b>+ 21.8</b>
1st quarter	7,331	6,994	+ 4.8
● Agfa		(1,026)	
● DyStar	(84)	(77)	
<b>Continuing operations*</b>	<b>7,247</b>	<b>5,891</b>	<b>+ 23.0</b>

\* including Erdölchemie

# Comparable Operating Income

€ million

	2000	1999	Δ %
OPI reported	3,287	3,357	- 2.1
● Segments	3,422	2,625	+ 30.4
● Reconciliation	(239)	(423)	
Discontinuing operations	(104)*	(1,155)	
● Agfa		1,133	
● DyStar, Erdölchemie	104	22*	
OPI continuing	3,183	2,202	+ 44.6
Exceptional items (cont.)	157	578	
OPI underlying – continuing operations	3,340	2,780	+ 20.1

\* including – 12 exceptionals, previous year = (+ 1)

# Quarterly OPI Development

€ million

	2000	1999	Δ %
4th quarter	569	177	•
● Agfa IPO & Sale		(10)	
● DyStar, Erdölchemie	(40)	(25)	
● Exceptional items (cont.)	110	447	
<b>OPI underlying – continuing operations</b>	<b>639</b>	<b>589</b>	<b>+ 8.5</b>
3rd quarter	724	624	+ 16.0
● Agfa Sale		(67)	
● DyStar, Erdölchemie	(25)	8	
● Exceptional items (cont.)	25	83	
<b>OPI underlying – continuing operations</b>	<b>724</b>	<b>648</b>	<b>+ 11.7</b>
2nd quarter	960	1,685	– 43.0
● Agfa IPO & OPI		(985)	
● DyStar, Erdölchemie	(22)	(4)	
● Exceptional items (cont.)	18	54	
<b>OPI underlying – continuing operations</b>	<b>956</b>	<b>750</b>	<b>+ 27.5</b>
1st quarter	1,034	871	+ 18.7
● Agfa OPI		(70)	
● DyStar	(3)	4	
● Exceptional items (cont.)	4	(6)	
<b>OPI underlying* – continuing operations</b>	<b>1,035</b>	<b>799</b>	<b>+ 29.5</b>

\* including Erdölchemie

# Full Year 2000 Exceptional Items

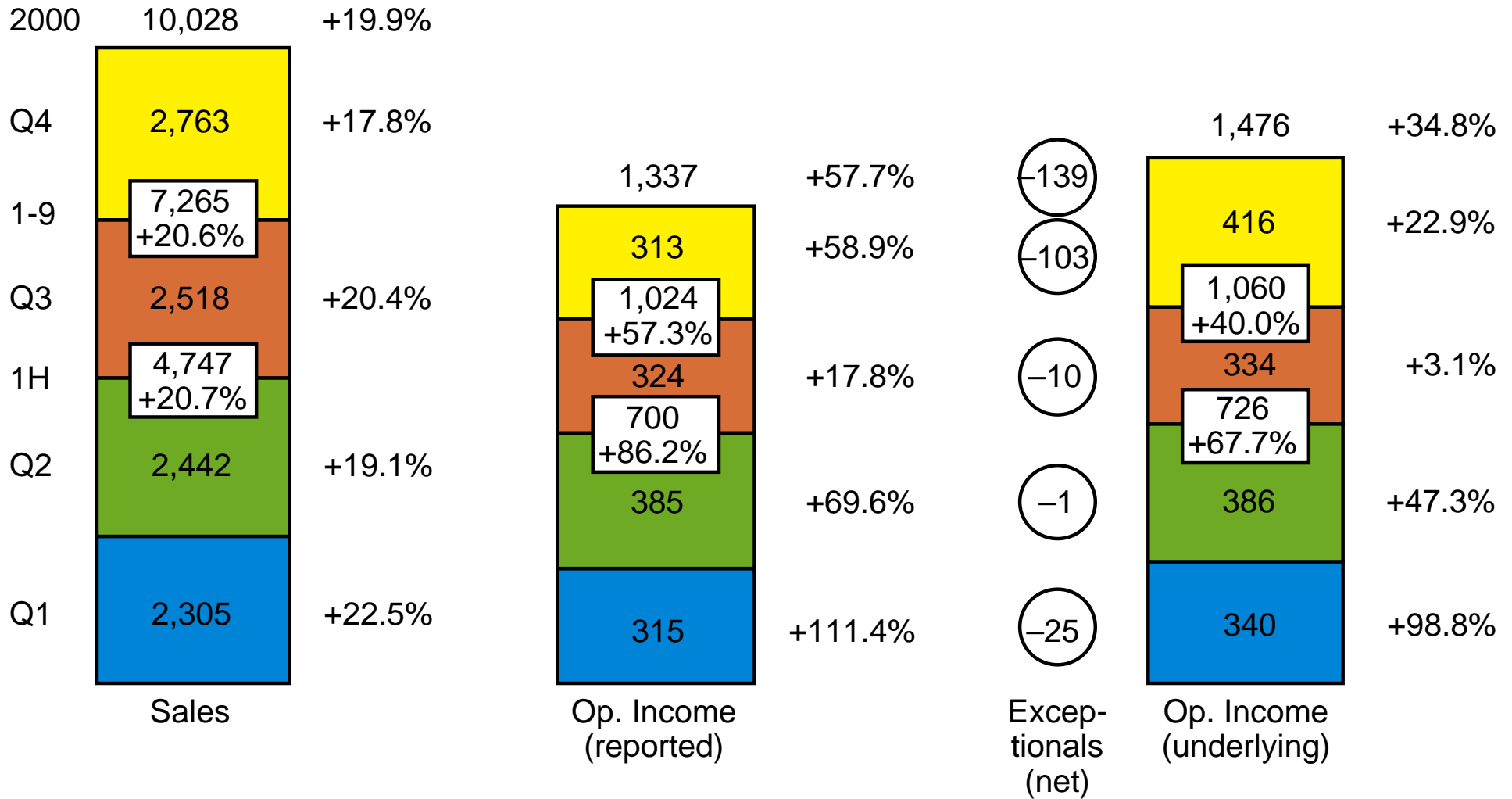
---

€ million

OPI (cont.)	3,183	
Exceptional charges	276	
• Restructuring DS		– 61
• Operational excellence PH		– 26
• Alka Seltzer Plus recall		– 58
• Site consolidation CC		– 15
• Lyondell integration		– 48
• Restructuring styrenics		– 32
• Other		– 36
Exceptional gains	(119)	
• Tropon, Biologicals, Solar Silicon		+ 57
• Real estate sale		+ 34
• Other		+ 28
Net charges	157	
OPI-underlying (cont.)	3,340	

# Health Care – Targets Achieved

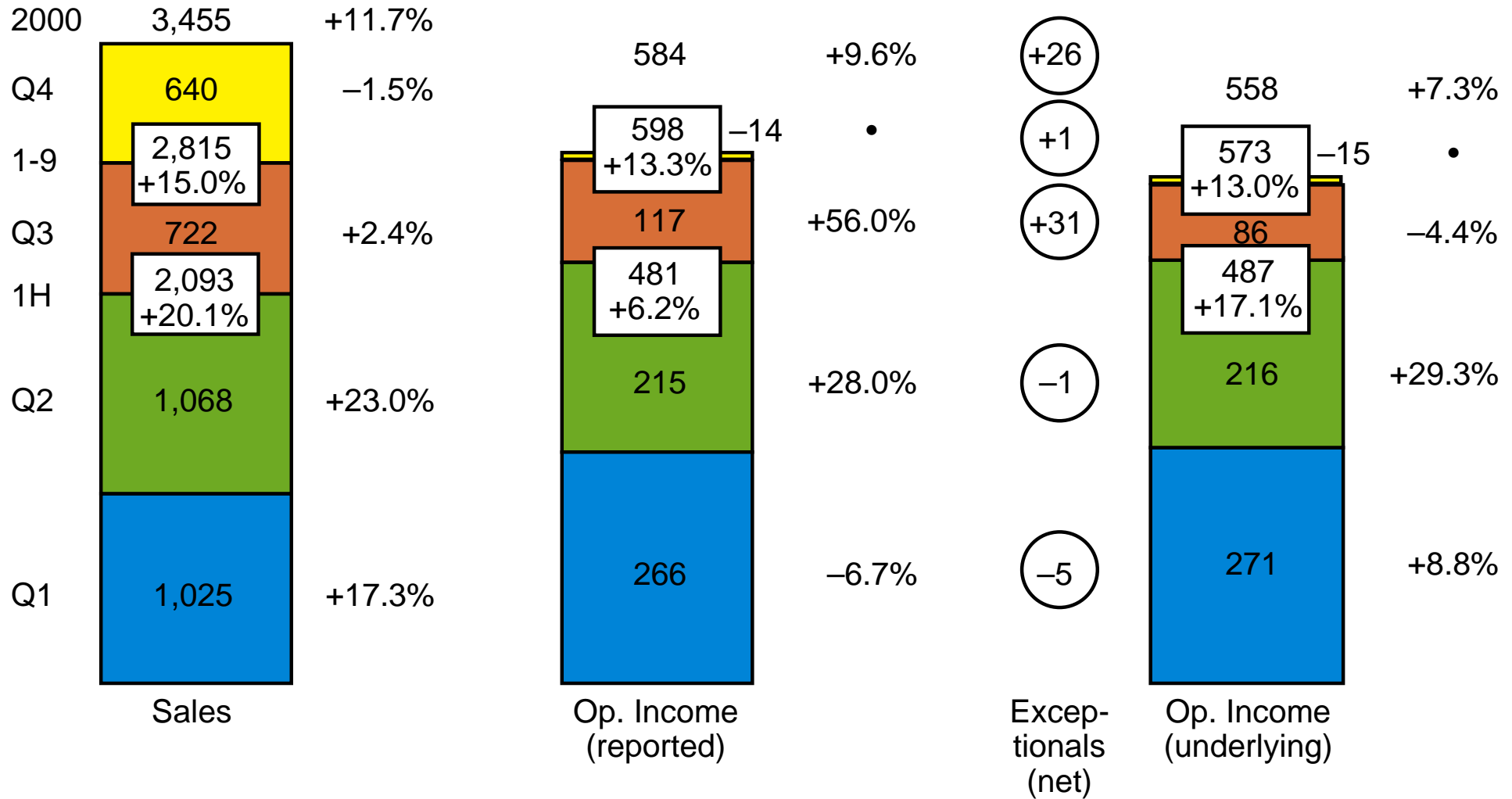
€ million





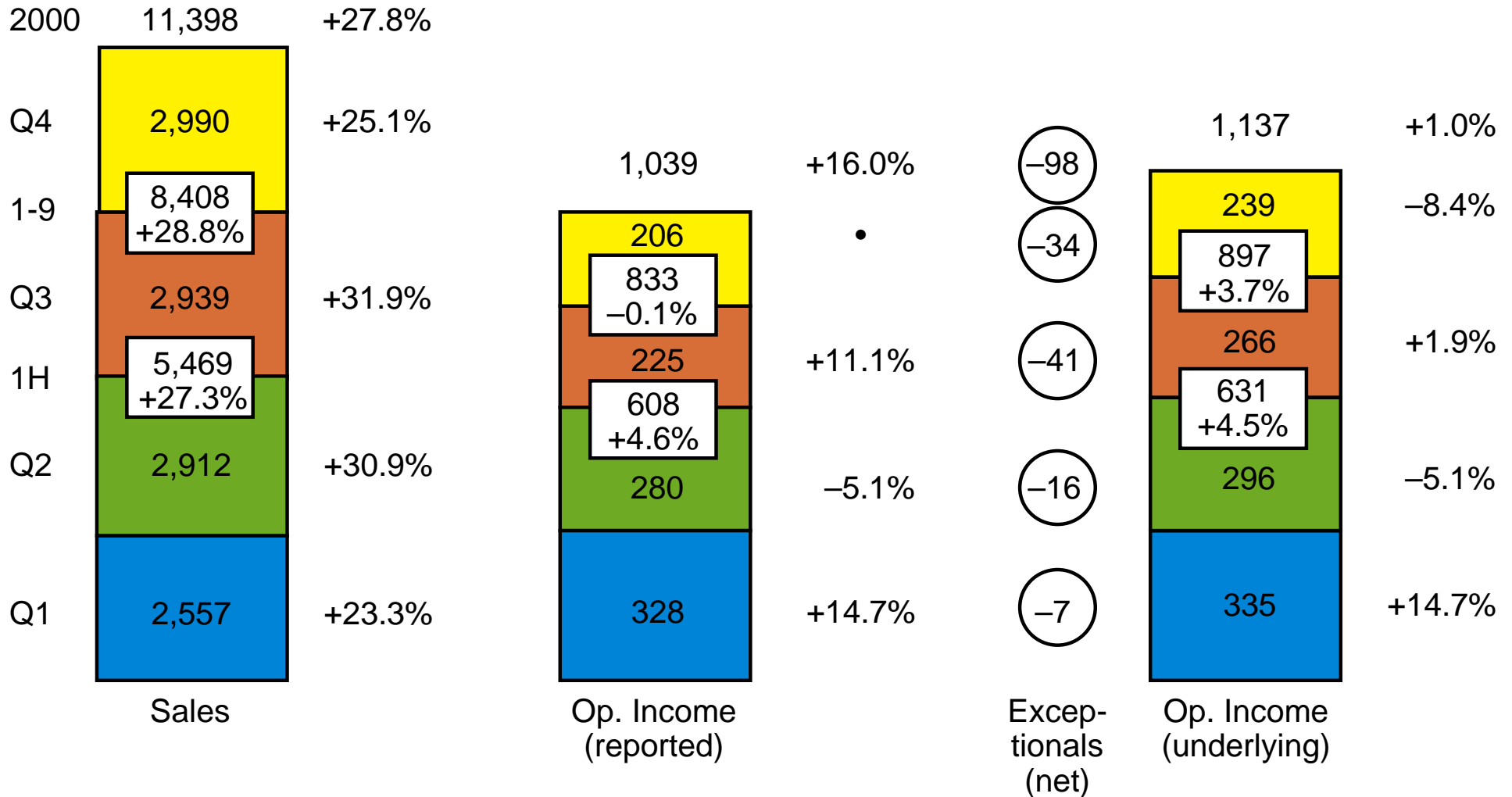
# Agriculture – Strong Growth

€ million

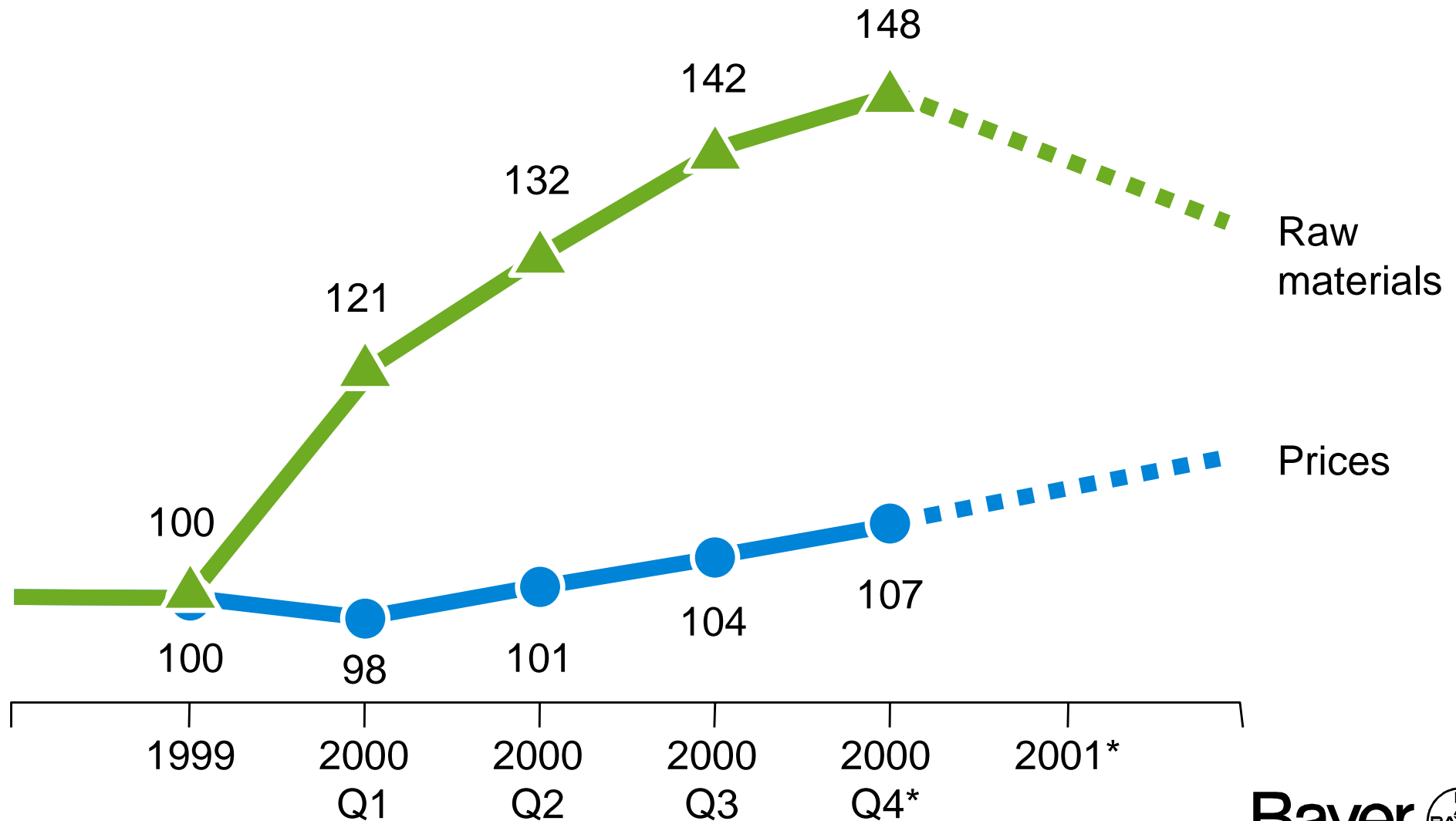


# Polymers – Higher Raw Material Costs

€ million



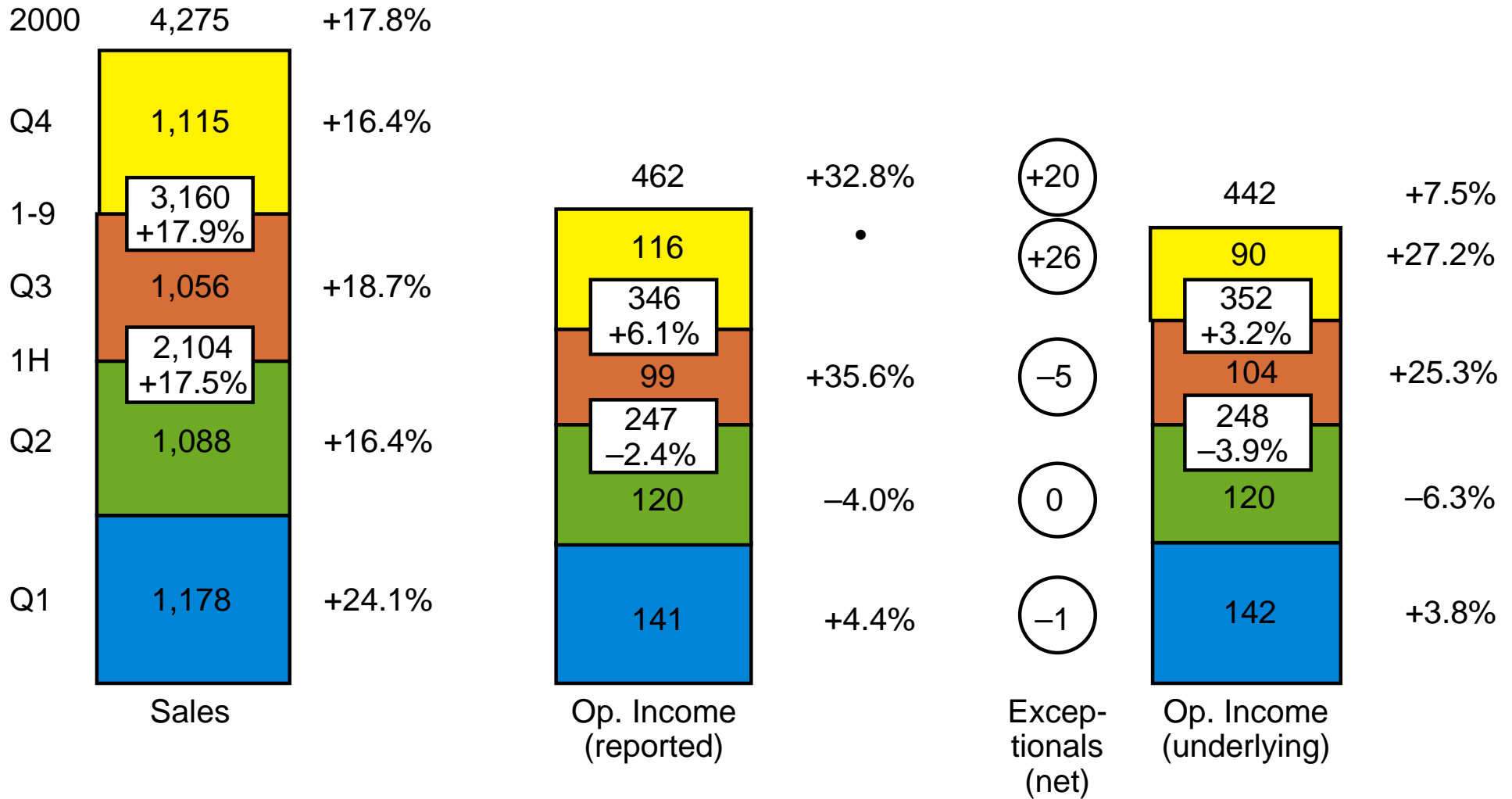
# Polymers – Raw material and selling price development



\* expected

# Chemicals – Improving Greatly

€ million

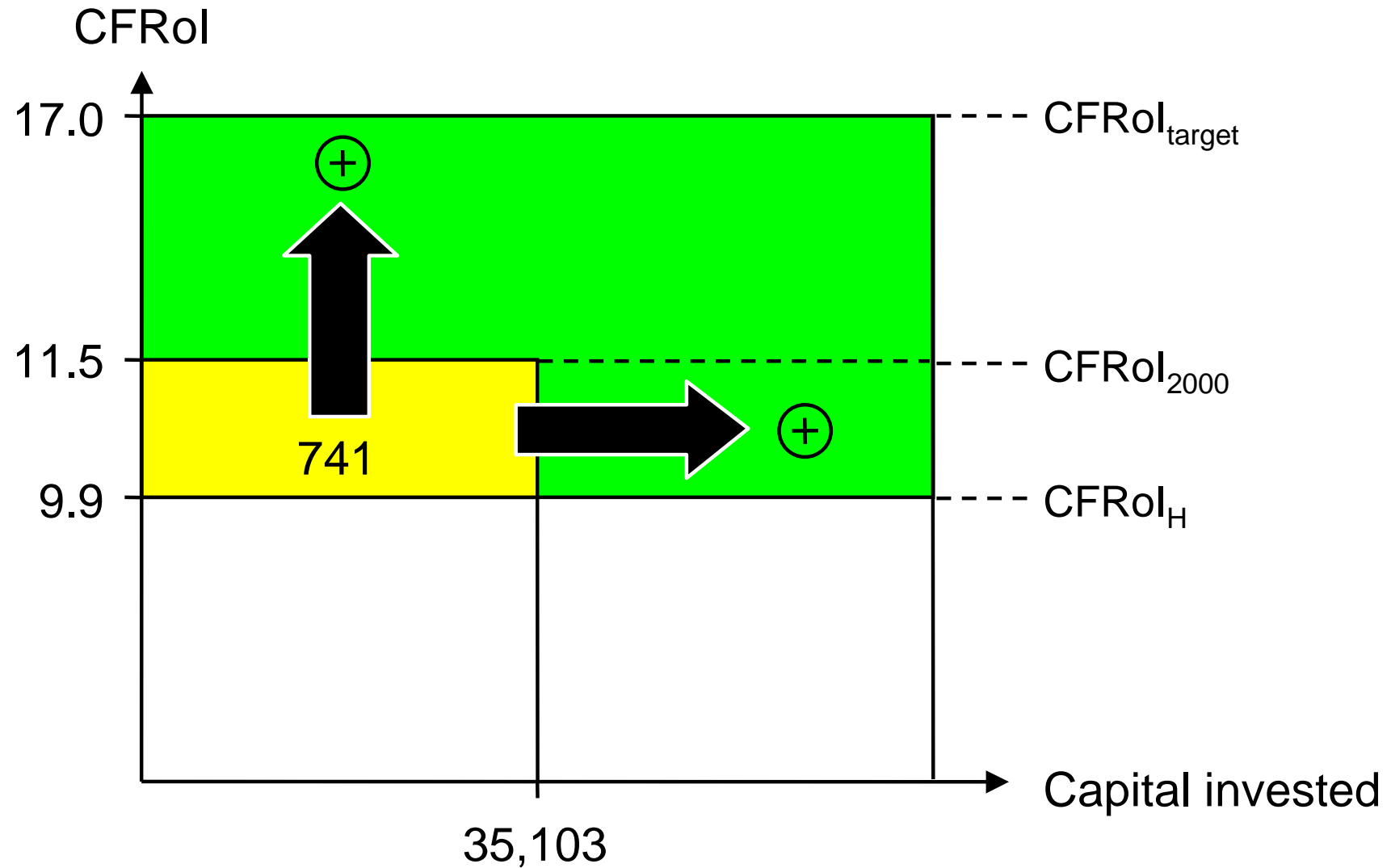


# Non-operating result

---

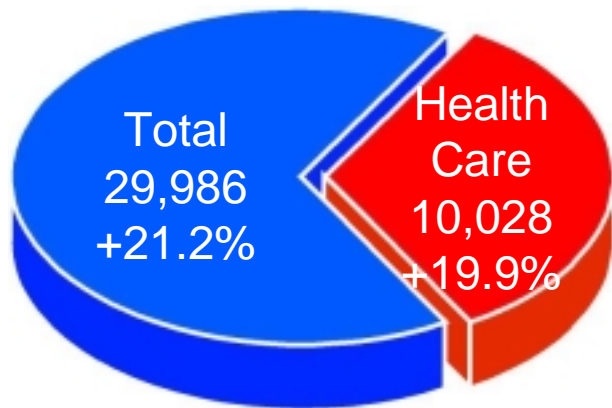
€ million	1999	2000	Δ %
Non-operating result	– 297	– 521	+ 43.0
• Income from affiliated companies – net	+ 283	– 31	•
– Schein	+ 142		
– Myriad	+ 65		
– Others (net)	+ 76		
• Net interest charge	– 311	– 196	+ 58.7
• Interest on pension provisions & other expenses net	– 269	– 294	+ 9.1

# Value Management



# Health Care – High Growth Prospects

€ million

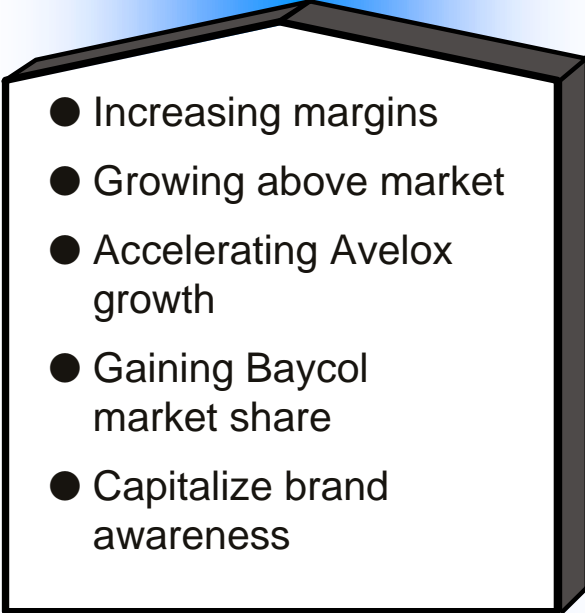


Sales 2000	Δ %	market*	objective
Pharma 6,140	+22.7	7–9	≥
Consumer Care 1,923	+14.3	≈ 4	>
Diagnostics 1,965	+16.9	4–6	≥

\* long term expected market growth p.a. in %

# Health Care – Growth/Value Drivers

---



- Increasing margins
- Growing above market
- Accelerating Avelox growth
- Gaining Baycol market share
- Capitalize brand awareness

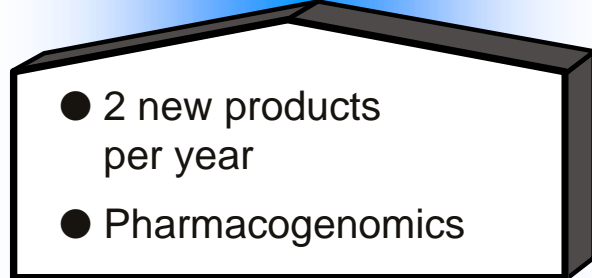
short term  
2001



- Achievement of targets in 2002
- New product launches
- Pipeline growth
- Kogenate & plasma gaining momentum

... plus

mid term



- 2 new products per year
- Pharmacogenomics

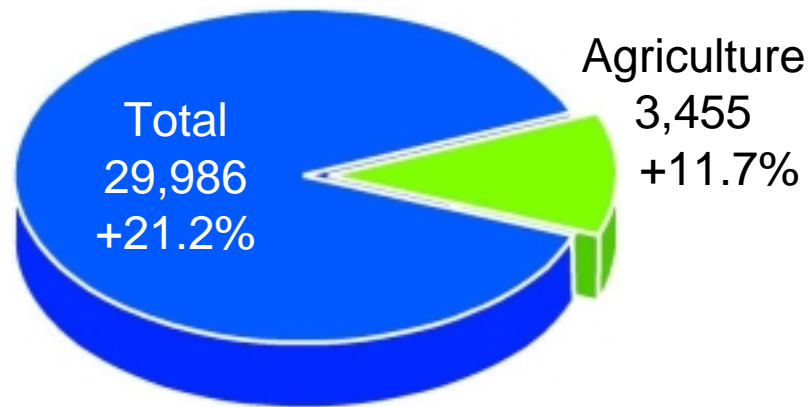
... plus

long term



# Agriculture – Strong Positions in a Growing Industry

€ million



Sales 2000	Δ %	market*	objective
Crop Protection 2,456	+12.8	1–2	>
Animal Health 999	+8.9	1–3	>

\* long term expected market growth p.a. in %

# Agriculture – Growth/Value Drivers

---

- Growing imidacloprid business
- Flint & Mikado acquisition
- Seed treatment
- GPC-business

short term  
2001

- Consolidation opportunities
- 2–3 product launches/year
- Pipeline growth
- Improving product portfolio
- Growing companion animal business

... plus

mid term

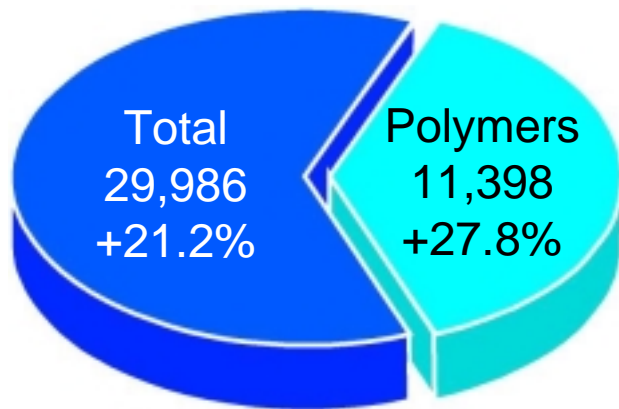
- Output traits
- “Genomics” derived products

... plus

long term

# Polymers – Tremendous Potential

€ million



Sales 2000	Δ %	market*	objective
Plastics 3,520	+27.1	4–6	>
Rubber 2,296	+23.6	2–3	≥
Polyure- Thanes 3,131	+44.0	≈ 5	>
Coatings & Colorants 1,946	+12.6	≈ 3	>
Fibers 505	+29.2	1–3	•

\* long term expected market growth p.a. in %

# Polymers – Growth/Value Drivers

- Declining raw material prices
- Higher selling prices
- Increasing PUR competitiveness
- Strong PC growth
- Coatings increasing strongly

short term  
2001

- Capacity additions
- Improved processes
- Cost cuttings
- Improving business mix
- ABS achieving hurdle
- Powder coatings

... plus

mid term

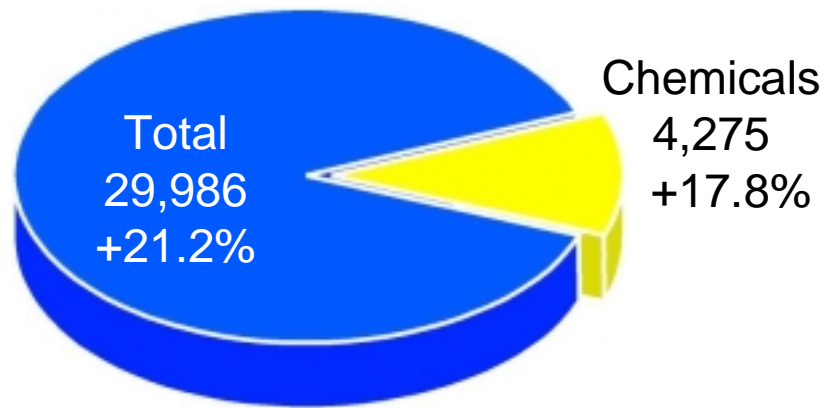
- Achievement of margin target
- New applications

... plus

long term

# Chemicals – Attractive Opportunities

€ million

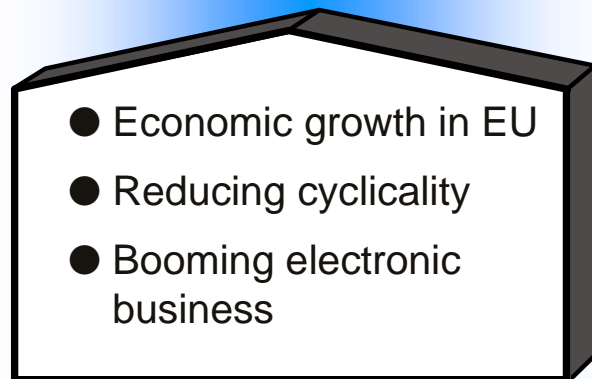


	Sales 2000	Δ %	market*	objective
Basic & Fine Chemicals	1,006	+13.5	2–4	≥
Specialty Products	1,312	+14.2	1–3	>
H & R	865	+11.6	2–3	>
H. C. Starck	665	+52.9	2–6	>
Wolff W.	427	+10.9	2–3	>

\* long term expected market growth p.a. in %

# Chemicals – Growth/Value Drivers

---



short term  
2001



... plus

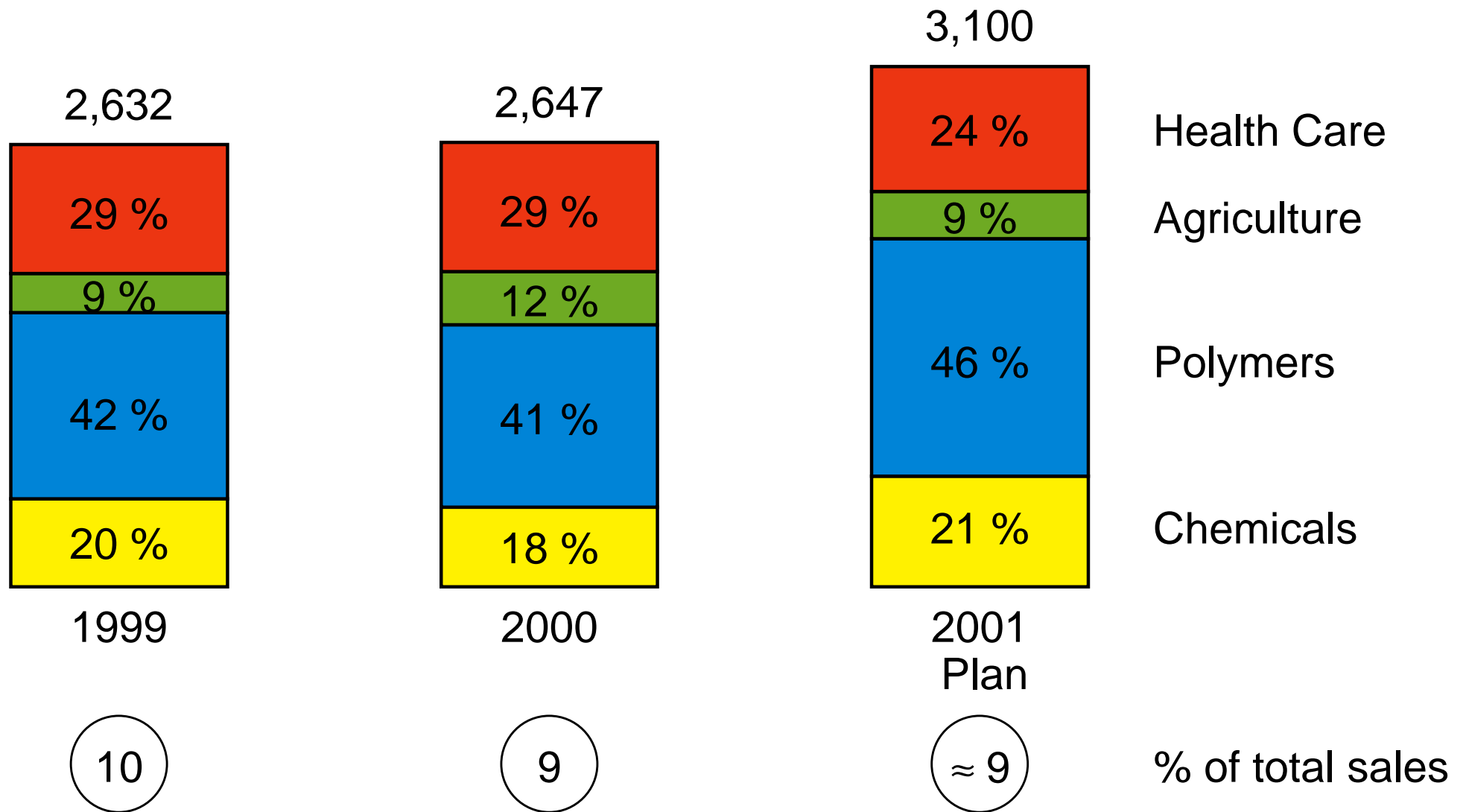
mid term



... plus

long term

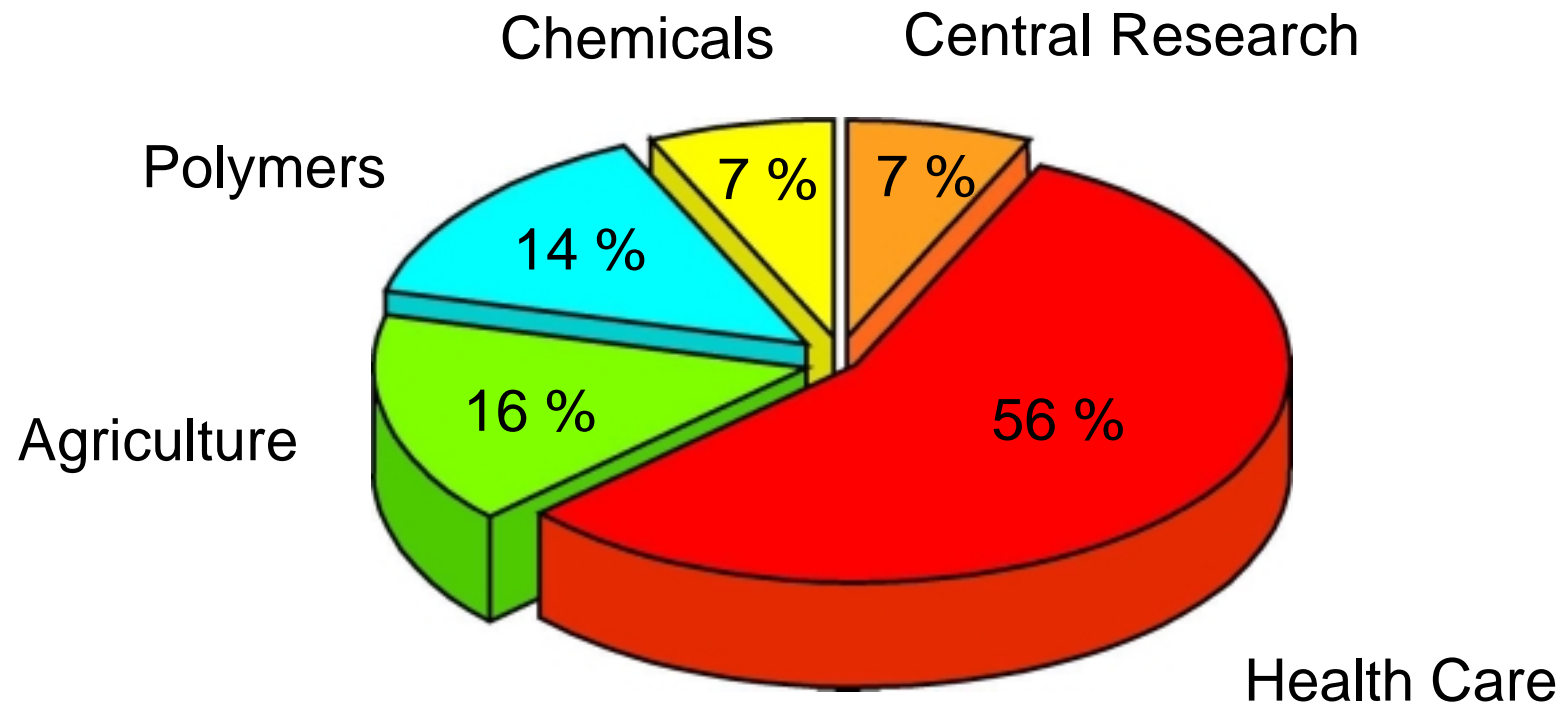
# Capital Expenditures



# R & D-Budget 2001

---

Total €2,400 million





# Outlook 2001

---

Sales (cont.) growth

> 10 %

● Health Care

≥ market growth

● Agriculture

> market growth

● Polymers

> market growth

● Chemicals

> market growth

OPI underlying (cont.) growth

> 10 %

Exceptionals

● Erdölchemie

approx. 400 m €

● Charges

approx. – 200 m €

Reconciliation

approx. – 250 m €