



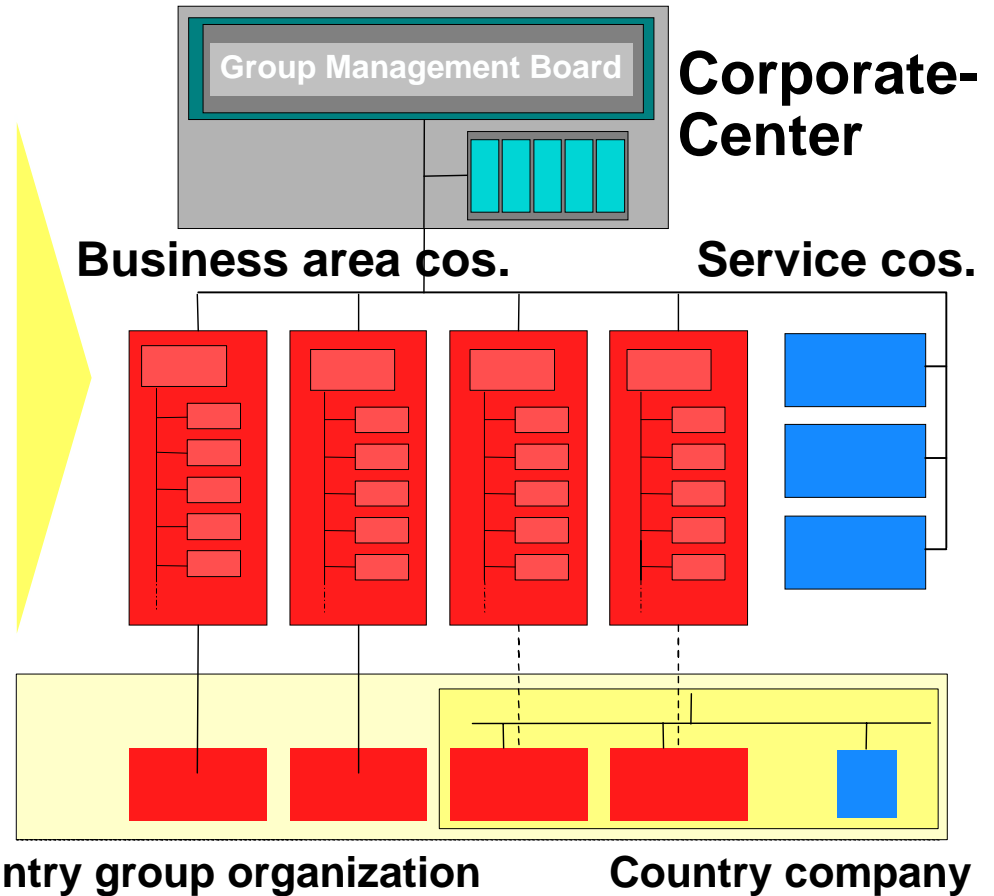
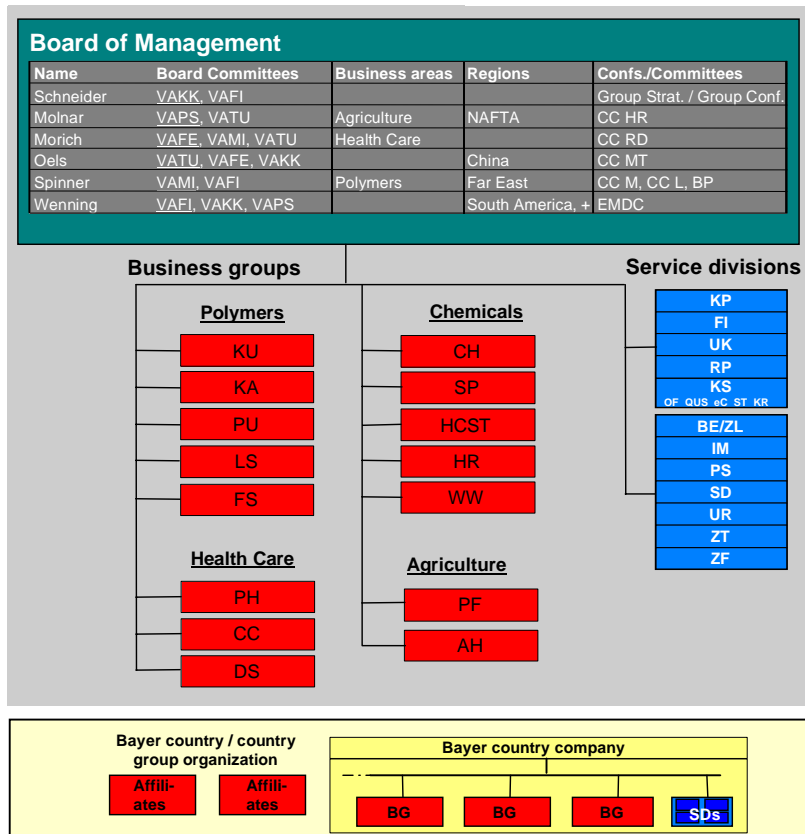
# The New Bayer

- ▶ **more highly focused**
- ▶ **more flexible**
- ▶ **more transparent**
- ▶ **more strategic options**
- ▶ **more entrepreneurial responsibility**

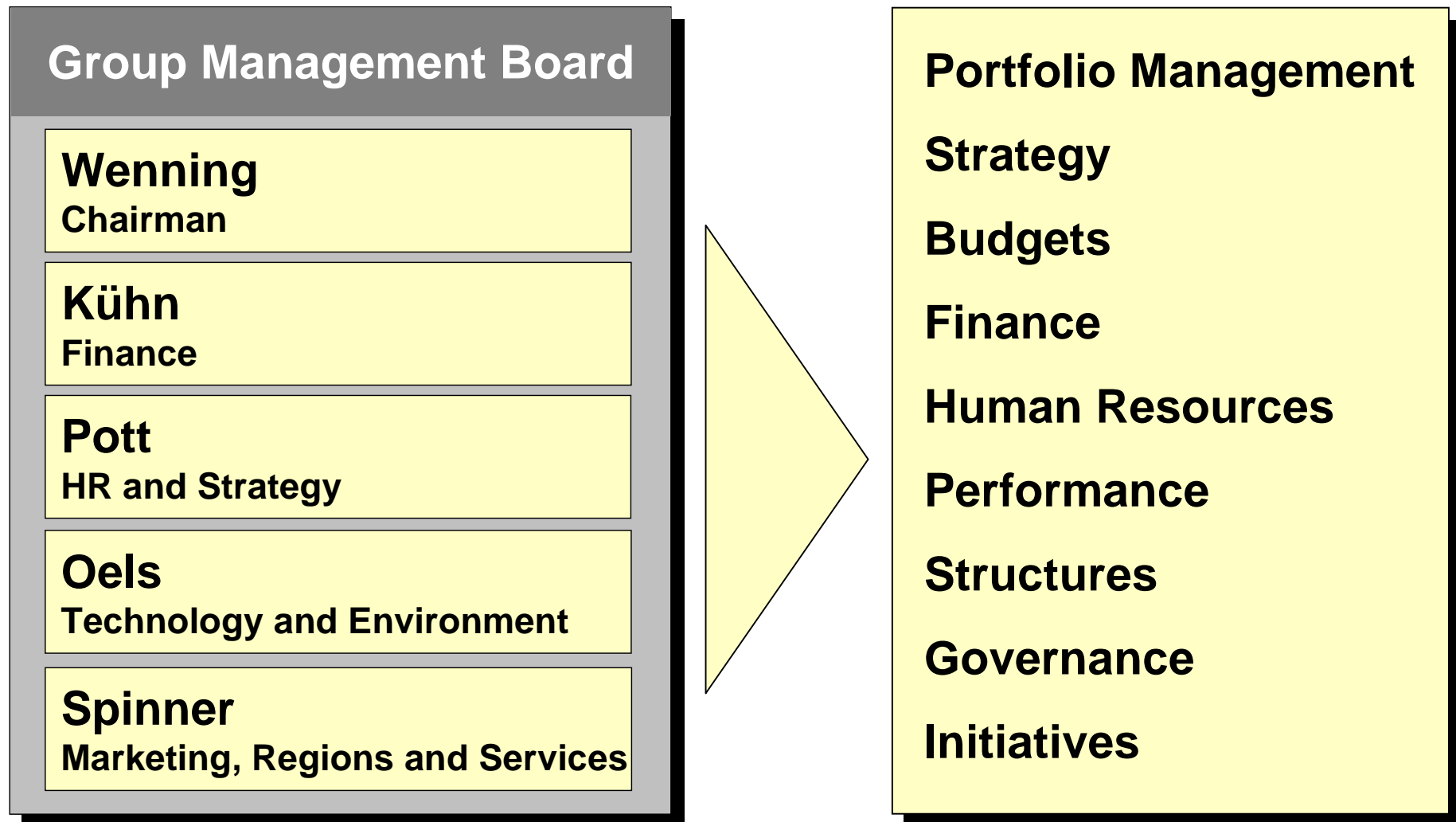


# Transforming Bayer into a Holding Structure

## Bayer AG



# Group Management



# Corporate Center

## Group Management Board

### Corporate Center Departments

**Corporate Planning  
and Controlling**

**Taxes**

**Communication  
Management**

**International HR  
Management**

**Investor  
Relations**

**Legal, Intellectual Property  
Management, Insurance**

**Finance**

**Health, Security,  
Environment Management**

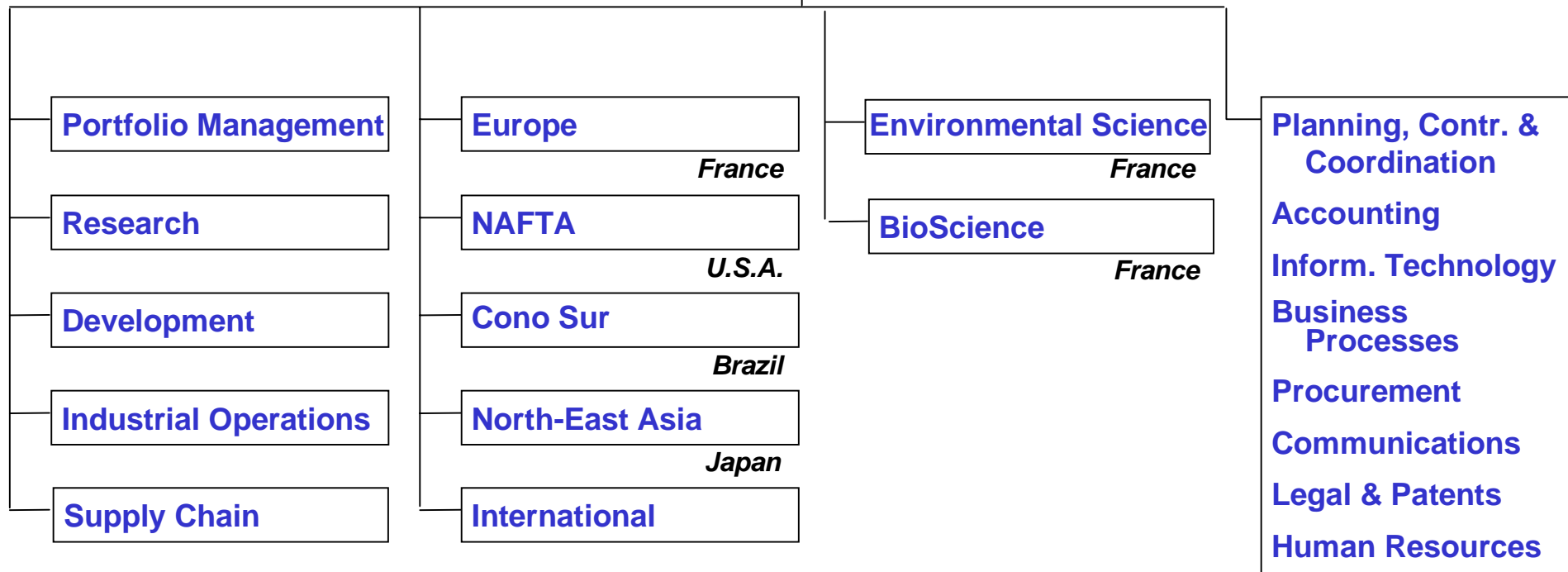
**Corporate Auditing**



# Bayer CropScience - Management Organization

**Managmt. Board of Bayer CropScience AG**

<b>Chairman</b>	<b>Wulff</b>
<b>Business Operations</b>	<b>Zirakparvar</b>
<b>Technology</b>	<b>Garthoff</b>
<b>Administration</b>	<b>Scherf</b>



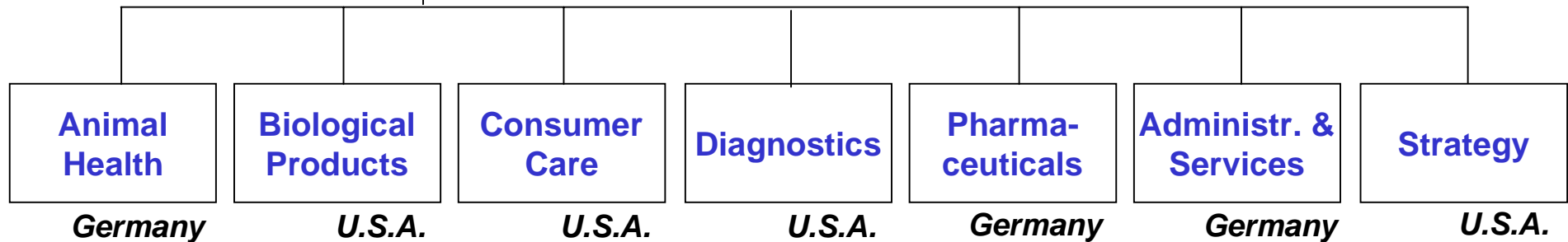
# Bayer HealthCare - Management Organization

**Managmt. Board of Bayer HealthCare AG**

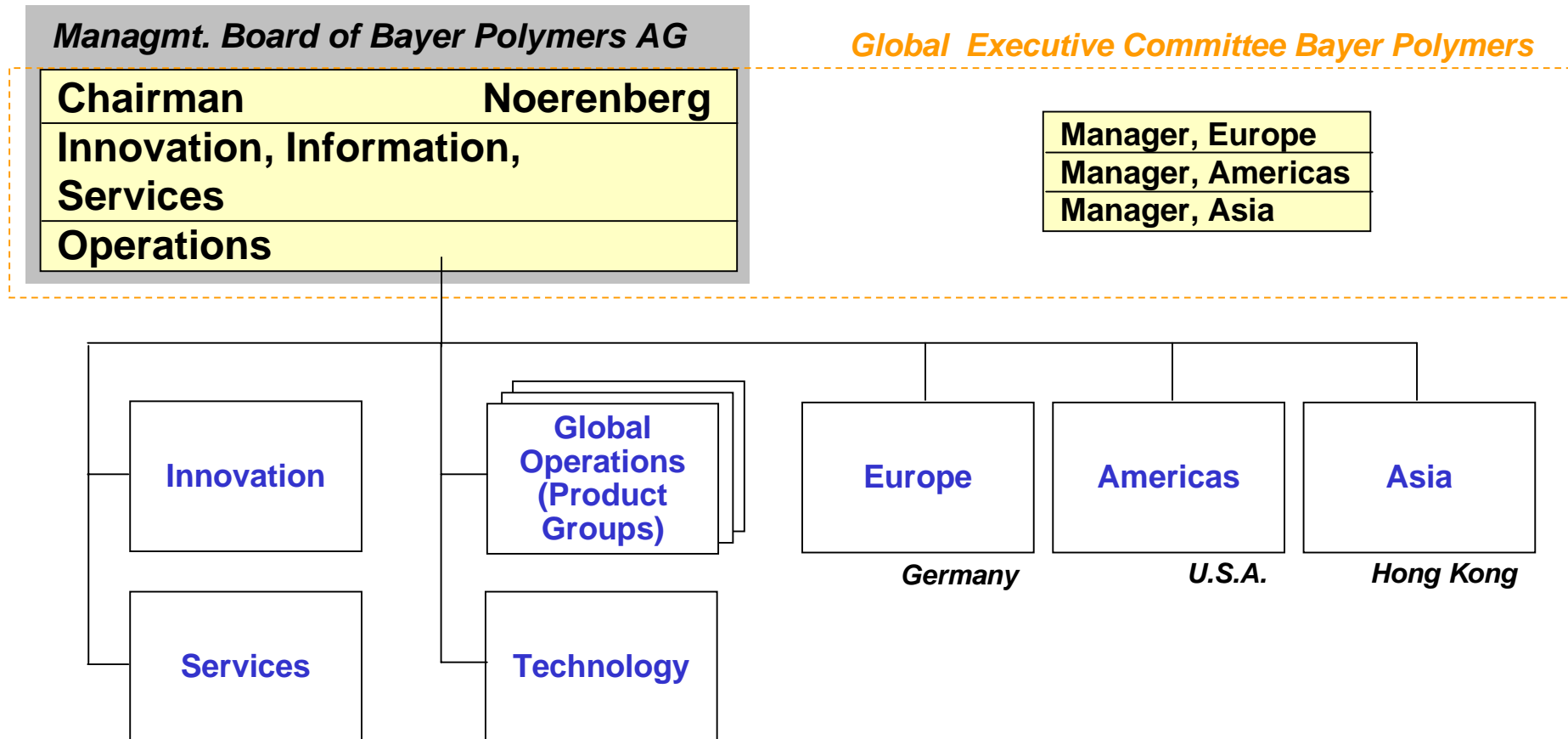
**Global Executive Committee Bayer HealthCare**

<b>Chairman</b>	<b>Morich</b>
<b>Head of Animal Health</b>	
<b>Head of Pharmaceuticals</b>	
<b>Chief Administration Officer</b>	

<b>Manager, Biol. Products</b>
<b>Manager, Diagnostics</b>
<b>Manager, Consumer Care</b>
<b>Manager, Strategy</b>



# Bayer Polymers - Management Organization





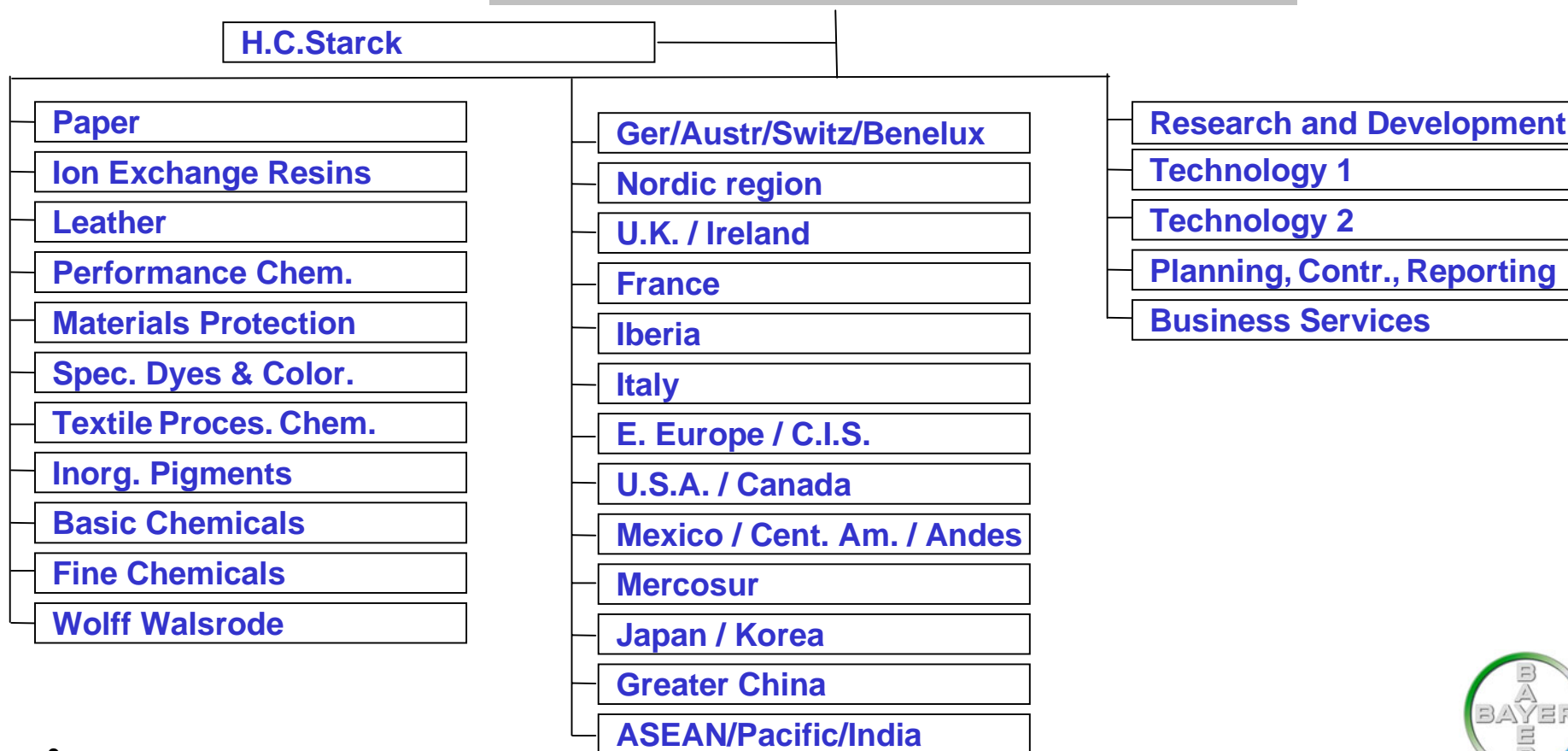
# Bayer Chemicals - Management Organization

*Managmt. Board of Bayer Chemicals AG*

**Chairman Koemm**

**Technology, R&D, Services**

**Business units, country groups**



# Bayer Service Companies

***Bayer Business  
Services GmbH***

**Managing Director Plumpe**

***Bayer Technology  
Services GmbH***

**Managing Director Wagner**

***Bayer Standort Dienste  
GmbH & Co. OHG (= Site Services)***

**Managing Director Hinz**





# 2001 Highlights

- ▶ **Unqualified opinions from auditors of Group and parent company statements**
- ▶ **Shares listed successfully on NYSE**
- ▶ **Decline in gross cash flow, substantial improvement in net cash flow**
- ▶ **Discontinuing operations: Erdölchemie and H&R**
- ▶ **Dividend per share: EUR 0.90 (vs. EUR 1.40 for 2000)**



# One-Time Effects in Pharmaceuticals

EUR million	2001	2000	Δ
<b>Sales</b>	<b>1,319</b>	<b>1,861</b>	<b>- 542</b>
• Biological Products	949	1,221	- 272
• Lipobay/Baycol	370	640	- 270
<b>OPR before exceptionals</b>	<b>(590)</b>	<b>31</b>	<b>- 621</b>
• Biological Products	(306)	194	- 500
• Lipobay/Baycol	(284)	(163)	- 121
<b>Exceptional items</b>	<b>(328)</b>	<b>0</b>	<b>- 328</b>
• Lipobay/Baycol	(328)	0	- 328
<b>OPR after exceptionals</b>	<b>(918)</b>	<b>31</b>	<b>- 949</b>
• Biological Products	(306)	194	- 500
• Lipobay/Baycol	(612)	(163)	- 449



# Non-Operating Activities

EUR million	2001	2000	Δ%
<b>Non-operating result</b>	<b>(496)</b>	<b>(297)</b>	<b>- 67.0</b>
■ <b>Income from affiliates</b>	<b>54</b>	<b>283</b>	<b>- 80.9</b>
■ <b>Net interest expense</b>	<b>(349)</b>	<b>(311)</b>	<b>- 12.2</b>
■ <b>Net exchange gain (loss)</b>	<b>49</b>	<b>(21)</b>	<b>.</b>
■ <b>Pension interest</b>	<b>(274)</b>	<b>(272)</b>	<b>- 0.7</b>

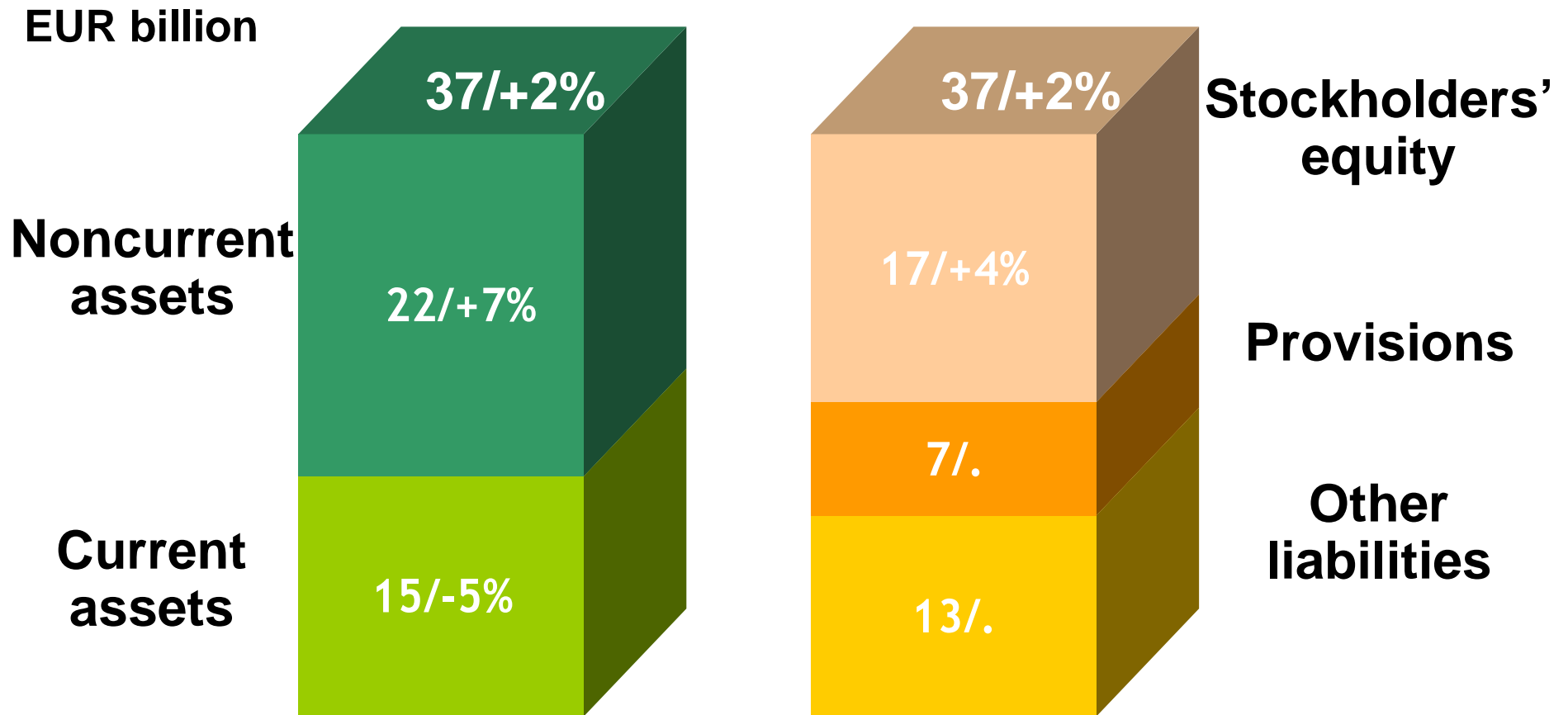


# Taxes

EUR million	2001	2000	Δ
■ Income taxes paid or accrued	<u>624</u>	<u>763</u>	- 139
■ Germany	122	442	- 320
■ Other countries	502	321	181
■ Deferred taxes	<u>(470)</u>	<u>385</u>	- 855
■ Income tax expense	154	1,148	- 994
■ Other taxes	247	229	18
<b>Effective tax rate %</b>			
■ Income taxes	14	38	
■ Total taxes	29	43	



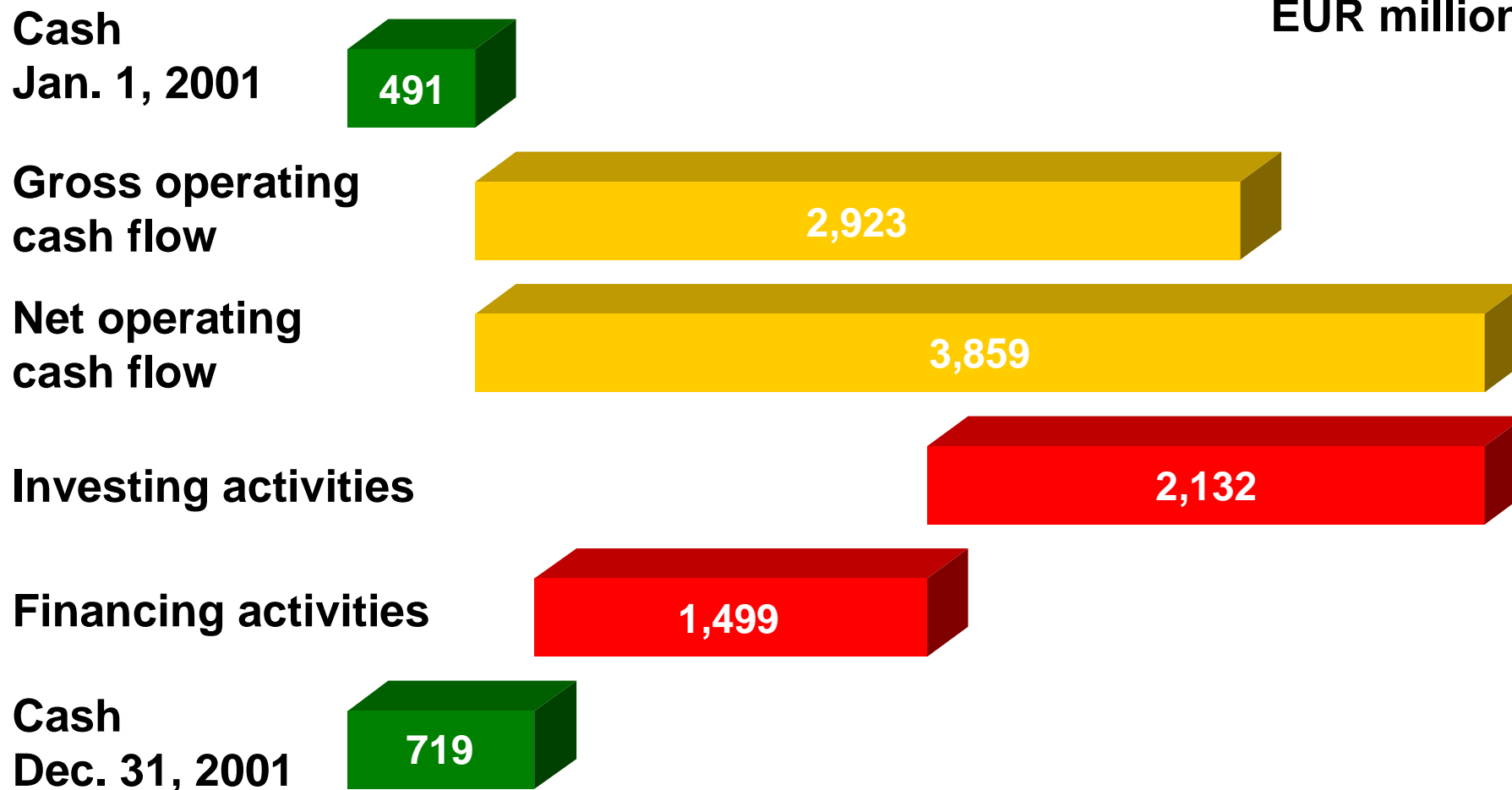
# Balance Sheet Structure





# Cash Flow Statement

EUR million



# Dividends/Ratios per Share

