



Science For A Better Life



Credit Suisse
15th Annual Global Ag Productivity Conference

Dr. Rüdiger Scheitza
Member of the Board of Management of
Bayer CropScience AG

March 10 | 2010 | London

Important Information



This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup 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 Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Overview



Record Sales in 2009



Leading Position in AgChem Innovation



Become an Integrated Ag Player



**Strategic Portfolio Extension
in Seeds and Traits**



Appendix



■ **Record Sales in 2009**



2009 Record Sales, Earnings Down on Fx and Higher Raw Material Costs



2009 Sales +2.0%

- Market share gains in agrochemicals
- New herbicides +15%
- Glufosinate-ammonium +37%
- Insecticides -3% due to drought in Latin America and low pest infestation
- Canola seed business +30%
Vegetable seeds +9%
- Selling prices +1.3%
- Considerable business expansion in North America and Asia Pacific

2009 underlying EBIT -6.2%

- Unfavorable currency development reduced earnings by 6%
- Higher raw material and energy costs lowered underlying EBIT by 7%
- €65m savings contribution from restructuring program



Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 5

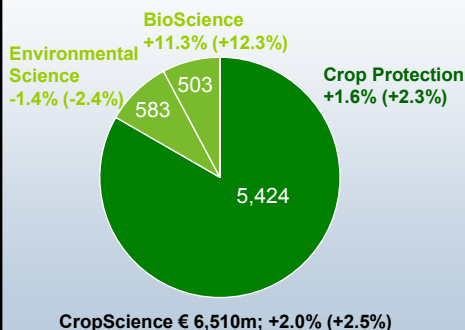
2009 Record Sales, Earnings Down on Fx and Higher Raw Material Costs



FY 2009 Sales

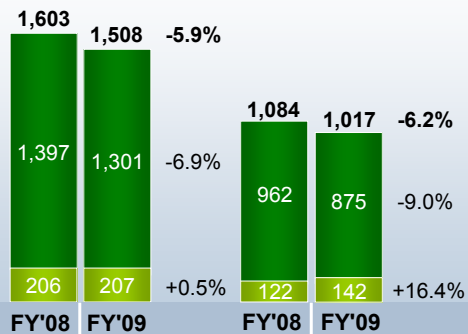
FY 2009 Earnings

In € million, Δ% y-o-y



Underlying EBITDA

Underlying EBIT



25.1% 23.2%
Underlying EBITDA margin

() Currency & portfolio adjusted

Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 6

Business Expansion in Herbicides and BioScience Driving Growth in 2009



Sales in € million	FY'08	Growth / Decline FY'09	FY'09	% yoy Fx adj.	
Herbicides			1,986	+8.3%	New products and glufosinate-ammonium drove growth
Fungicides			1,564	+1.2%	Weather-related decline offset by new products
Insecticides			1,234	-3.8%	First half drought in Latin America, low pest infestation
Seed Treatment	640	-0.4%			Solid growth in Brazil, lower sales in North America
Environmental Science	583	-2.4%			Decline due to economic crisis
BioScience	503	+12.5%			Strong increase in canola and vegetable seeds, cotton seeds flat

Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 7

Gained Market Share in Herbicides



€ 1,986 million Sales in 2009 (+8.3% Fx-adj.)

Attractive Portfolio Assets

- We are the global #3 in herbicides and the #1 in the more profitable selective herbicides segment
- Herbicides market declined in 2009 due to price decrease of glyphosate-based products
- New herbicide products +15%
- Glufosinate-ammonium sales +37% from plantations and newly launched Ignite brand in genetically modified crops
- Outstanding performance of our corn herbicides in North America

Balance
flexx



CORVUS >>> VelocityTM

Huskie INFINITY

Ignite

Launch in 2011*

■ Indaziflam

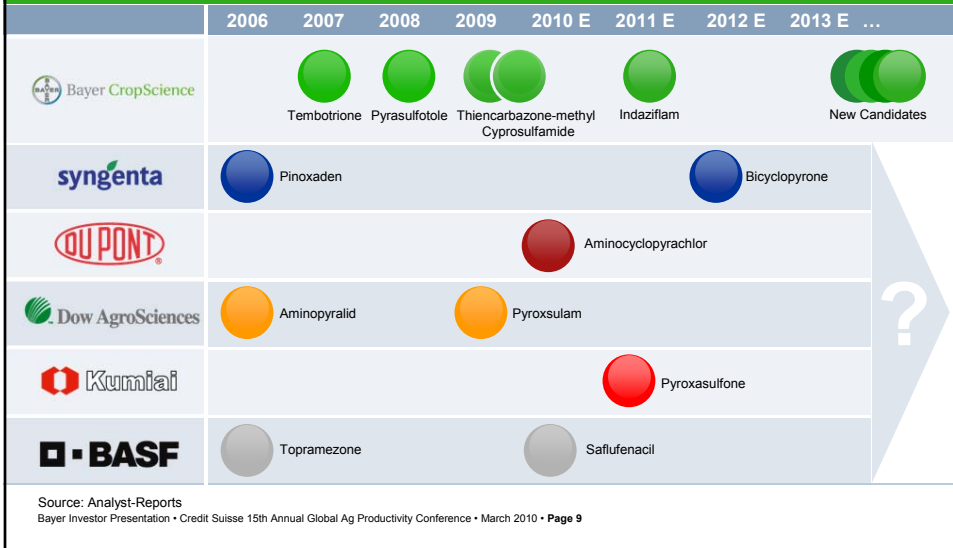
* subject to regulatory approval

Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 8

Bayer CropScience has Global Leadership in Herbicide A.I. and Safener Innovation



Development & Market Introduction of New Herbicides



Brazil: Strong Track Record of Performance



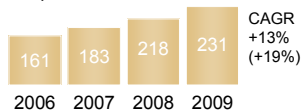
- 2009 market declined due to glyphosate price erosion and drought in first half
- Depreciation of USD put pressure on farmer profit margins
- Bayer is one of the leading suppliers and grew its position significantly (seed treatment, fungicides, agricultural seeds business)
- Close risk management and barter business expansion to limit potential impact of reduced credit availability
- Encouraging start into 2009/2010 season (Q4 +11% Fx adj.)
- 2010 crop protection market expected to rebound

India: Position Strengthened with Innovative Portfolio



- 2009 favorable market environment due to higher investments of farmers into profitable crops
- Improved winter season after delayed and erratic monsoon
- Bayer CropScience with balanced portfolio of innovative solutions and well established brands
- We gained market share with expansion of our insecticides, fungicides and seeds business
- Outlook positive for 2010

CropScience sales



Positive Outlook for 2010 and Beyond



- We anticipate slightly above-market growth in 2010, equivalent to a currency and portfolio-adjusted increase of approximately 4%
- We are targeting a small increase in EBITDA before special items. However, the business environment is currently more difficult than expected
- We aim to grow at least with the market through 2012 and to further improve EBITDA before special items



2010 Seed and Crop Protection Market Expected to Recover



- Constant need to raise productivity drives intensification of agriculture
- Prices for agricultural crop commodities and energy remain volatile
- Agchem market expected to grow approx. 3%, seeds and traits market > 5% (Fx adjusted)
- Growth price and volumes driven
- Q1 impacted negatively by phasing effects
- Growth to come from Latin America and Asia/Pacific region

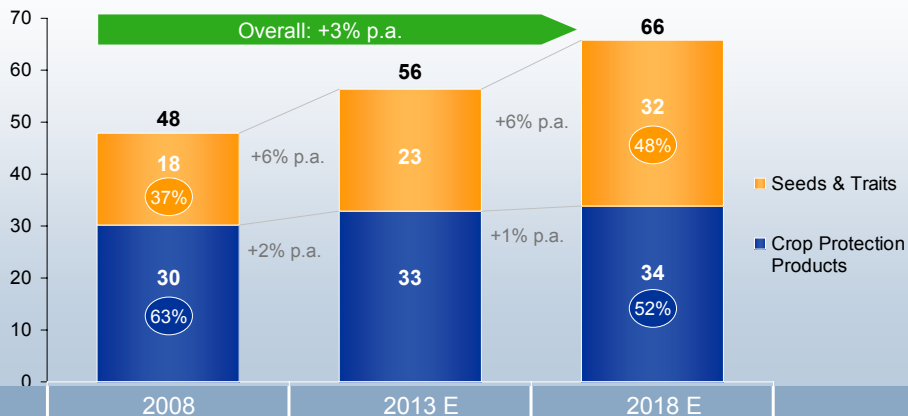
Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 13

Ag Markets Expected to Grow Sustainably



Anticipated market development

Market value in € billion



Source: Context Network, Bayer CropScience estimates, 2009
 Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 14



■ Leading Position in AgChem Innovation

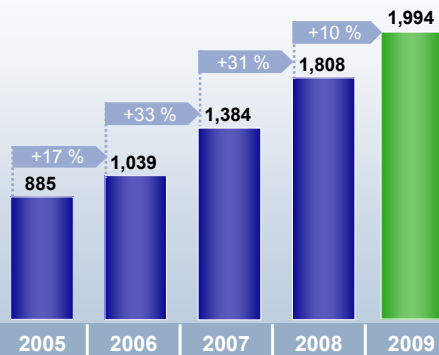


Targeted New Product Sales of approx. €2bn Reached



Sales of new active ingredients (A.I.s)

in € million

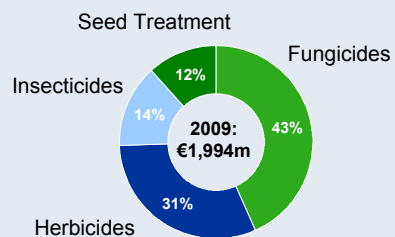


Agchem sales: Crop Protection and Environmental Science, excl. BioScience
 * Crop Protection only: 33.5 % in FY'08, 36.4% in FY'09

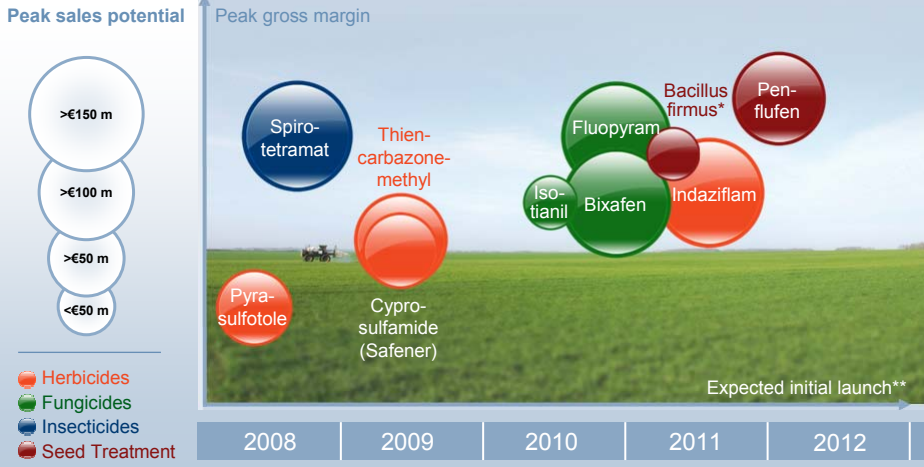
New active ingredients in 2009

- New active ingredients make for 33% of agrochemical sales
- Novel Herbicide products grew above average (+15%)

New a.i. sales split by indication



Attractive AgChem Pipeline with Increased Combined Peak Sales Potential of €1.25bn



▶ Peak sales potential raised in view of outstanding properties of active ingredients

* Biological control agent; ** Subject to regulatory approval
 Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 17



■ Become An Integrated Ag Player



Building Blocks for a Leading Integrated Ag Player



Crop Protection

- Broad portfolio and best-in-class pipeline across all indications
- Complementary technologies
- Research activities in new growth areas (e.g. plant health, yield, diagnostics)



Traits

- Crop transformation, gene discovery, event development
- Trait pipeline and business (in/out-licensing)
- Technology licensing



Seeds

- Elite and proprietary germplasm: best-in-class genetics in our core crops
- Excellence in breeding
- Presence in major broad acre crops and vegetables

Value shift between Crop Protection, Seeds and Traits



With presence in all three blocks we can capitalize on integrated product offerings to exploit further growth opportunities

Strong Established Seeds Platform



2009 Sales	CAGR 2002* – 2009		2008 Market position
Oilseeds €114m 	Average growth p.a.* of 22%	“Highest yielding canola seed” InVigor	Worldwide No. 1 in hybrid canola (based on seed acres planted)
Cotton €96m 	Average growth p.a.* of 21%	“The ultimate cotton fiber” FiberMax 	Worldwide No. 1 in cotton (based on seed acres planted)
Rice €22m 	Average growth p.a.* of 34%	“Tomorrow’s rice” Arize	Worldwide No. 1 in hybrid rice (based on seed acres planted excl. Chinese hybrids)
Vegetables €240m 	Average growth p.a.* of 6%	“The global specialist in vegetable seeds” 	Worldwide No. 4 in vegetables (based on sales)

* 2002 pro-forma sales Bayer + Aventis CropScience

InVigor - A Canola Success Story

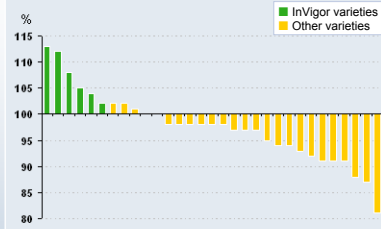


€114 million Sales in 2009 (+31% yoy Fx adj.)

- Market leader in North America
- Constant InVigor seed yield advantage proven
- InVigor Health – a successful downstream product development of a “designer oil” under alliance with Cargill
- LibertyLink herbicide tolerance technology builds platform for integrated €250 million canola business (crop protection+seeds+trait)
- Promising trait pipeline
- Our researchers were first to sequence the entire genome of rapeseed/canola
- Expansion into new geographies in the mid-term

Highest Yields with InVigor

Indexed yield of Canola varieties 2009 in Canada



Source: Independent Prairie Canola Variety Trials (Canola Council)

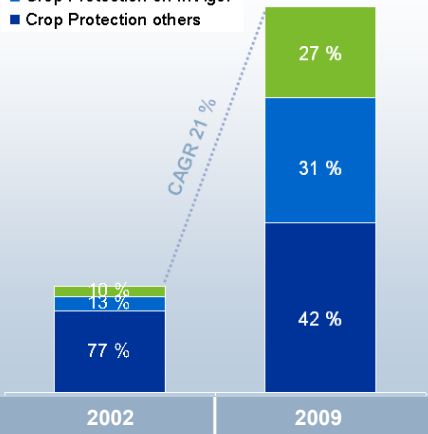


Integrated Canola Offer Key Growth Driver for Business in Canada

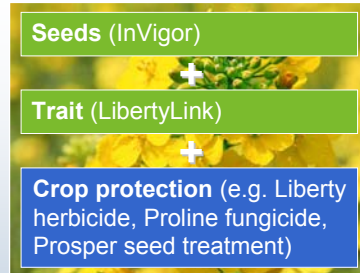


% of sales in Canada

- InVigor
- Crop Protection on InVigor
- Crop Protection others



■ Integrated canola offer in Canada:



- High-yielding seeds plus innovative crop protection products well accepted by the farmers
- With each Euro of sales with InVigor seed we make 1.15 Euros of sales with crop protection on InVigor



■ Strategic Portfolio Extension in Seeds & Traits

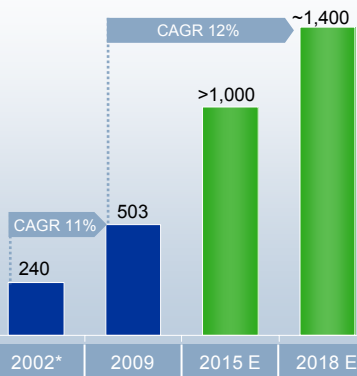


Target to Grow BioScience Sales to €1.4bn in 2018



Planned sales development

in € million



*2002 sales pro-forma Bayer + Aventis CropScience

Key growth drivers

- Introduction of new varieties
- Regional expansion
- Exploit traits potential through licensing agreements
- Extension of our crop-portfolio

Comparison of R&D expenditures 2008

in % of seeds & traits sales



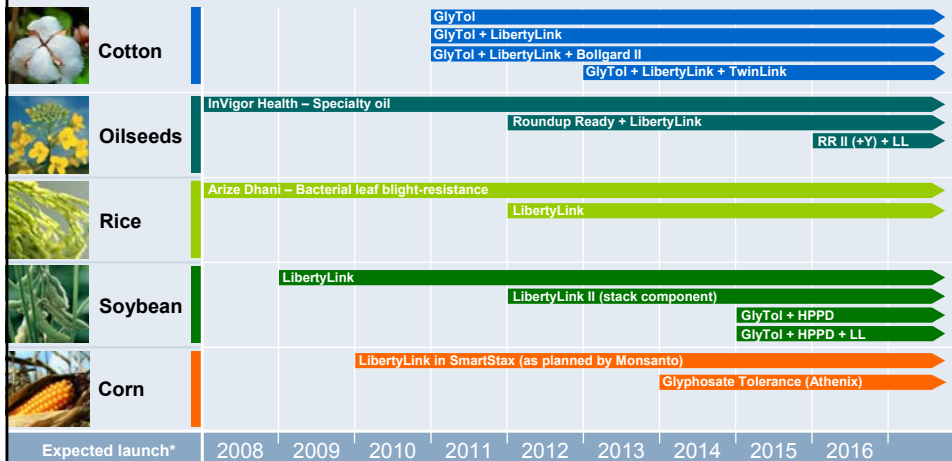
Top 3 competitors**



Bayer CropScience

**Average of Monsanto, DuPont, Syngenta; Source Croprosis

Seeds & Traits Pipeline with Incremental Peak Sales Potential of about €500m



SmartStax, Bollgard, Roundup Ready are registered trademarks of Monsanto Co.

* Subject to regulatory approval

Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 25

Further Strengthening our Traits Pipeline With the Acquisition of Athenix Corp.



- US biotech company with extensive traits pipeline and powerful gene discovery platform
- Numerous traits for various important crops under development
- 65 employees, incl. several renowned scientists in plant biotechnology
- Purchase price: \$365m (nearly €250m) plus milestone payments of up to \$35m (approx. €24m)
- Enriching our traits pipeline and strengthen position as trait provider and partner of choice for seed industry
- Potential additional trait fee income from established Athenix collaborations with large agbiotech players starting mid of next decade
- Expansion of R&D capacity in North America, the most important seed technology market worldwide

Athenix IP Portfolio of Novel Agricultural Traits



Insect resistance

- Largest collection of Bt genes in the industry
- European corn borer, corn rootworm, cotton Lepidoptera and rice Lepidoptera are initial targets



Herbicide tolerance

- New genes provide highest levels of glyphosate tolerance available, giving corn growers a broader margin of safety
- Launch of glyphosate tolerance in corn planned for 2014



Nematode resistance

- Current chemical options for nematode control are limited
- Effective nematode trait in soybean could be differentiating



Optimistic for Future Development



Long-term growth drivers intact

- Raising productivity is essential to safeguard future food supply



Market environment deteriorated temporarily

- Record sales growth achieved in 2009 despite a shrinking market overall
- Further growth in sales and underlying EBITDA expected



Determined execution of strategic agenda

- Become an integrated ag player
- Substantially extend seeds and traits business





Appendix

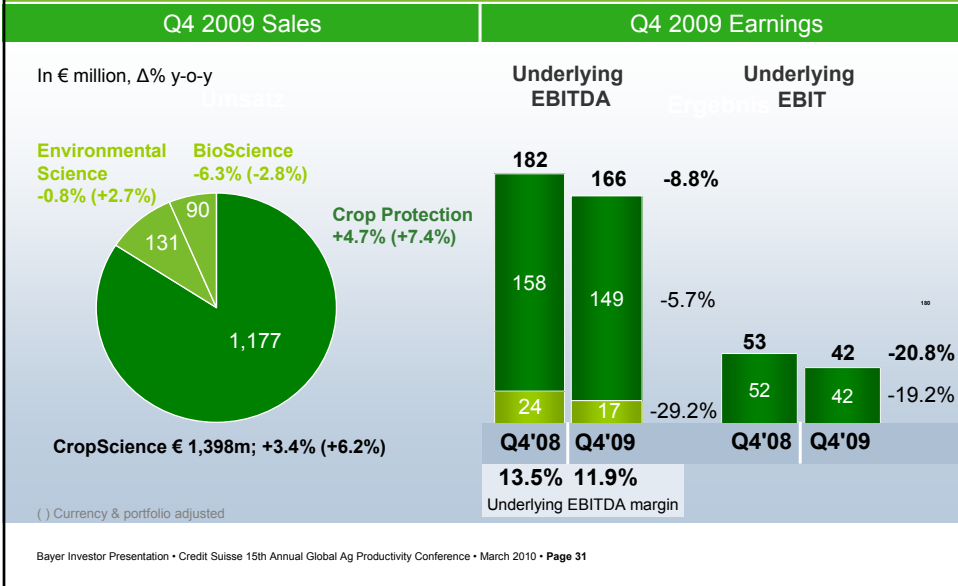


2009 Bayer CropScience Key Figures

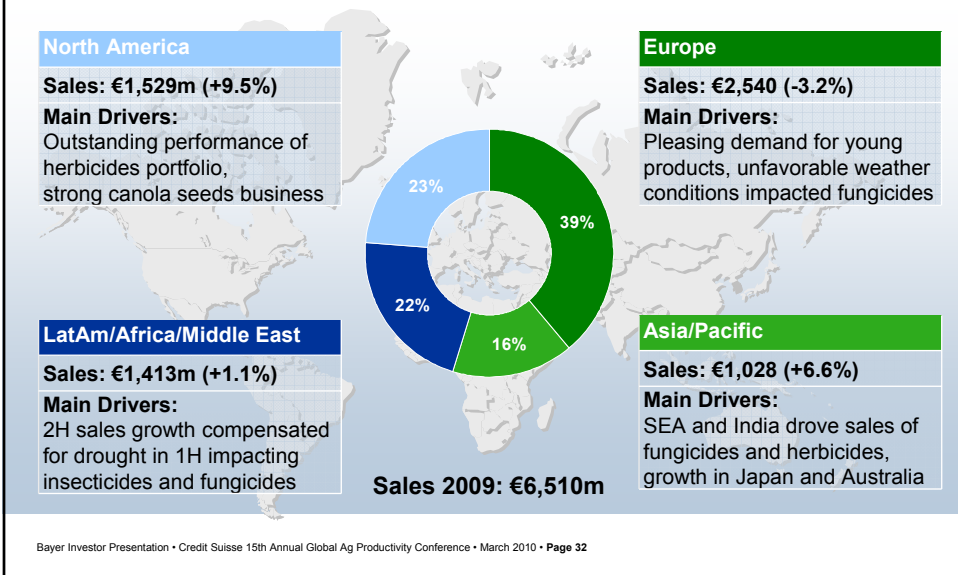


in € million	FY 2008	FY 2009	Δ YOY
Sales	6,382	6,510	2.0%
EBITDA before special items	1,603	1,508	- 5.9%
EBITDA margin before special items	25.1%	23.2%	•
EBIT before special items	1,084	1,017	- 6.2%
Special items	(166)	(219)	•
EBIT reported	918	798	-13.1%
Gross Cash Flow	1,192	1,043	- 12.5%
Net Cash Flow	736	745	1.2%

Q4 2009 Strong Growth, Earnings Down on Fx And Weaker Prices



Bayer CropScience Sales by Region



Top 10 Active Ingredients



in € million		FY 2008	FY 2009	Δ YOY	Δ YOY ^{Fx}
Imidacloprid		599	606	1.2%	-0.3%
Trifloxystrobin		365	400	9.6%	8.0%
Glufosinate-ammonium		235	323	37.4%	34.3%
Prothioconazole		246	267	8.5%	12.3%
Mesosulfuron		244	231	-5.3%	-3.0%
Tebuconazole		242	210	-13.2%	-12.0%
Clothianidin		223	183	-17.9%	-17.4%
Deltamethrin		175	170	-2.9%	-0.9%
Fenoxaprop-p ethyl		203	167	-17.7%	-14.5%
Fluoxastrobin		132	146	10.6%	13.7%
Total Top 10 Active Ingredients		2,664	2,703	1.5%	1.9%

New active ingredients

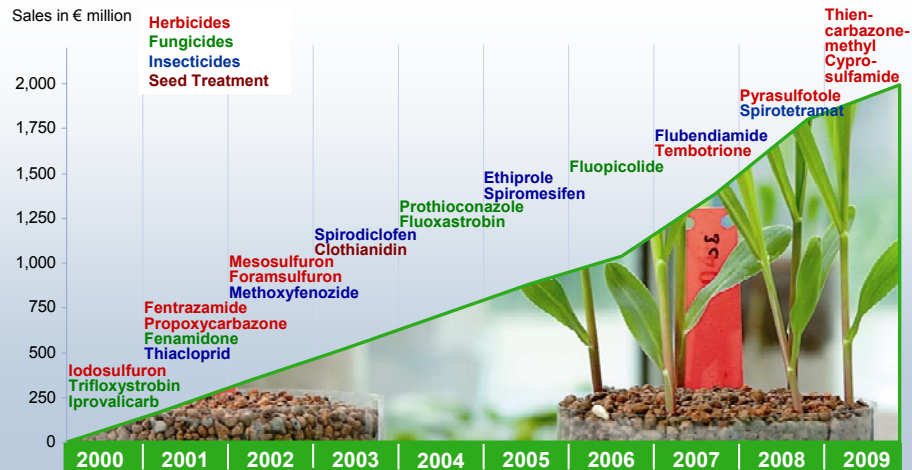
Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 33

Fx = currency adjusted

Proven Track-Record of Innovation



23 new active ingredients launched since year 2000

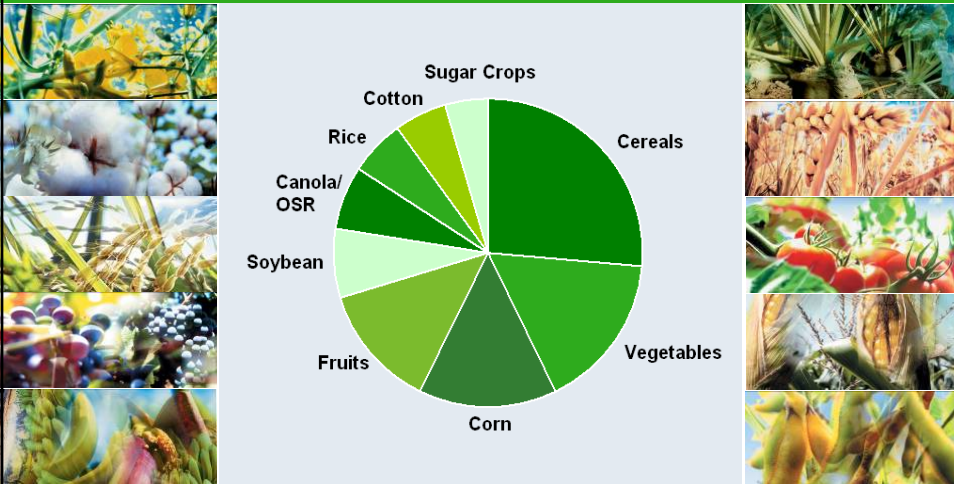


Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 34

Cereals and Vegetables A Major Part of Our Portfolio



2009 Bayer CropScience Sales Split by Major Crop Groups*



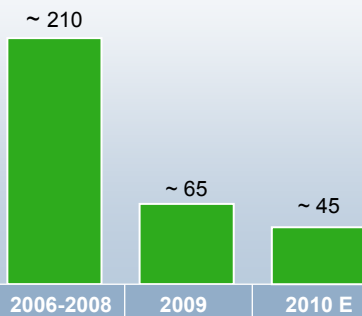
* excluding industrial business and non-agricultural solutions and non-key crops
 Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 35

Restructuring Actions Completed by 2009



Savings contributions

in € million



Performance program "NEW"

- Total savings targeted: approx. €300m p.a.
- Total one-time costs: cash charge of €330m and approx. €120m write-downs

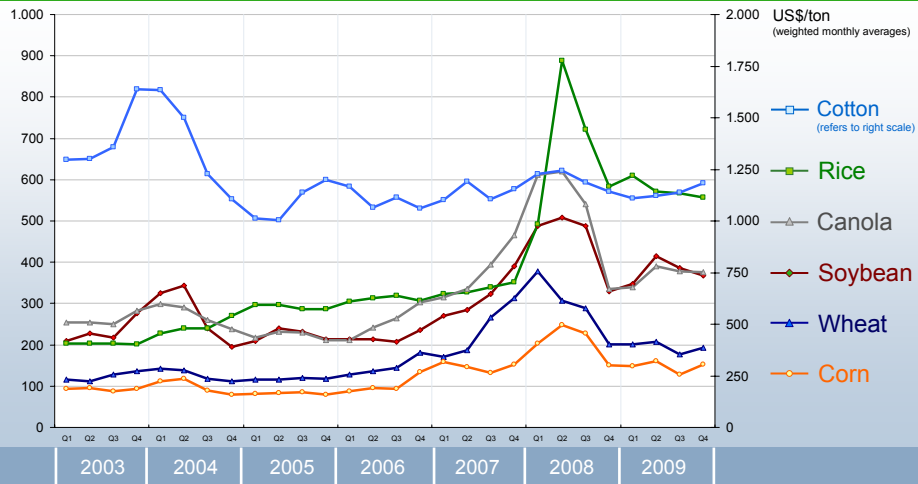
Status 2009

- Restructuring measures completed, full EBIT impact in 2010
- Approx. €120m one-time costs in 2009, booked as special items

Despite Volatility, Commodity Prices Are Still Above Historic Average



Quarterly closing price development 2003 - 2009



Source: Global Insight, February 26, 2010
 Bayer Investor Presentation • Credit Suisse 15th Annual Global Ag Productivity Conference • March 2010 • Page 37

Reporting Events and AGM



Date	Event	Publication
Wednesday, March 17, 2010	Meet Management Investor Day	
Thursday, April 29, 2010	Investor Conference Call	First Quarter Results Stockholders' Newsletter
Friday, April 30, 2010	Annual General Meeting	
Thursday, July 29, 2010	Investor Conference Call	Second Quarter Results Stockholders' Newsletter
Thursday, October 28, 2010	Investor Conference Call	Third Quarter Results Stockholders' Newsletter

Investor Relations Contacts



Dr. Alexander Rosar

Head of Investor Relations

Phone: +49-214-30-81013

E-mail: alexander.rosar@bayer-ag.de

Dr. Jürgen Beunink

Phone: +49-214-30-65742

E-mail: juergen.beunink@bayer-ag.de

Ilia Kürten

Phone: +49-214-30-35426

E-mail: ilia.kuerten@bayer-ag.de

Peter Dahlhoff

Phone: +49-214-30-33022

E-mail: peter.dahlhoff@bayer-ag.de

Judith Nestmann

Phone: +49-214-30-66836

E-mail: judith.nestmann@bayer-ag.de

Dr. Olaf Weber

Phone: +49-214-30-33567

E-mail: olaf.weber@bayer-ag.de