

## Bayer Group Consolidated Statements of Income

<i>(DM million)</i>	<i>Note</i>	<i>1998</i>	<i>1997*</i>
<b>Net sales</b>	[1]	<b>54,884</b>	<b>55,005</b>
Cost of goods sold		(30,269)	(30,999)
<b>Gross profit</b>		<b>24,615</b>	<b>24,006</b>
Selling expenses		(12,404)	(11,989)
Research and development expenses	[2]	(3,920)	(3,878)
General administration expenses		(1,910)	(1,737)
Other operating income	[3]	1,585	1,351
Other operating expenses	[4]	(1,815)	(1,735)
<b>Operating result</b>	[5]	<b>6,151</b>	<b>6,018</b>
Income from investments in affiliated companies – net	[6]	41	39
Interest expense – net	[7]	(350)	(308)
Other non-operating expense – net	[8]	(506)	(641)
<b>Non-operating result</b>		<b>(815)</b>	<b>(910)</b>
<b>Income before income taxes</b>		<b>5,336</b>	<b>5,108</b>
Income taxes	[9]	(2,177)	(2,156)
<b>Income after taxes</b>		<b>3,159</b>	<b>2,952</b>
Minority stockholders' interest	[11]	(2)	(11)
<b>Net income</b>		<b>3,157</b>	<b>2,941</b>
<b>Earnings per share</b>	[12]	<b>DM 4.32</b>	<b>DM 4.05</b>

\*1997 figures restated