

**Bayer Group Consolidated Statements of Income**

€ million	Note	1999	1998*
<b>Net sales</b>	[1]	<b>27,320</b>	<b>28,062</b>
<i>Discontinuing operations</i>	[5]	(2,126)	(4,710)
Continuing operations		25,194	23,352
Cost of goods sold		(13,585)	(12,510)
<b>Gross profit</b>		<b>11,609</b>	<b>10,842</b>
Selling expenses		(5,679)	(5,343)
Research and development expenses	[2]	(2,141)	(1,811)
General administration expenses		(773)	(760)
Other operating income	[3]	702	688
Other operating expenses	[4]	(1,470)	(730)
<b>Result of continuing operations</b>		<b>2,248</b>	<b>2,886</b>
<i>Discontinuing operations</i>	[5]	79	269
<i>Income from the Agfa divestiture</i>		1,030 **	
<b>Operating result</b>	[6]	<b>3,357</b>	<b>3,155</b>
Income (Expenses) from investments in affiliated companies – net	[7]	(31)	21
Interest expense – net	[8]	(185)	(179)
Other non-operating expenses – net	[9]	(305)	(269)
<b>Non-operating result</b>		<b>(521)</b>	<b>(427)</b>
<b>Income before income taxes</b>		<b>2,836</b>	<b>2,728</b>
Income taxes	[10]	(818)	(1,113)
<b>Income after taxes</b>		<b>2,018</b>	<b>1,615</b>
Minority stockholders' interest	[12]	(16)	(1)
<b>Net income</b>		<b>2,002</b>	<b>1,614</b>
<b>Earnings per share (€)</b>	[13]	<b>2.74</b>	<b>2.21</b>

\* 1998 figures restated

\*\* The income from the sale of Agfa-Gevaert shares is tax-free.