



Science For A Better Life



Investor Conference Call

Q1 2009 Results

Werner Wenning, CEO

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Disclaimer



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- CropScience and Pharmaceuticals continue on a path of growth
- Slump in business at MaterialScience leaves a distinct mark
- Downturn at MaterialScience seems to be bottoming out, first signs of modest recovery are appearing
- Outlook increasingly demanding, though still achievable if there is a tangible recovery at MaterialScience

Q1 2009 – Economic Crisis With Clear Impact

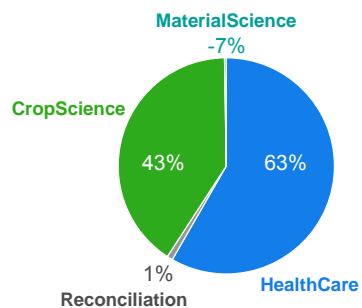


Key Figures

Underlying EBITDA by Subgroup

In € million, Δ% y-o-y

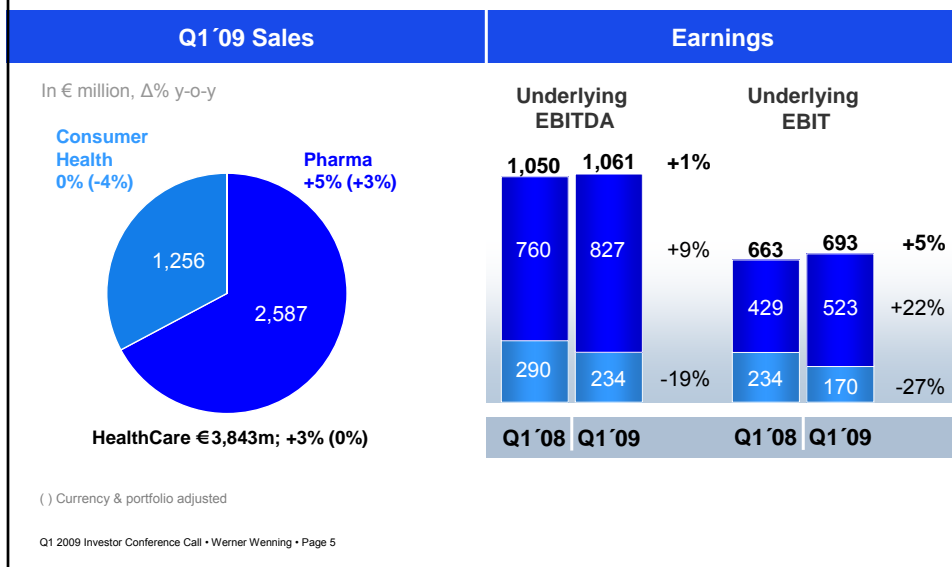
	Sales	EBITDA*	EBIT*	Core EPS
	7,895	1,695	1,017	€0.91
Δ%	- 8%	- 22%	- 32%	-37%
Δ% Adj. **	- 10%			



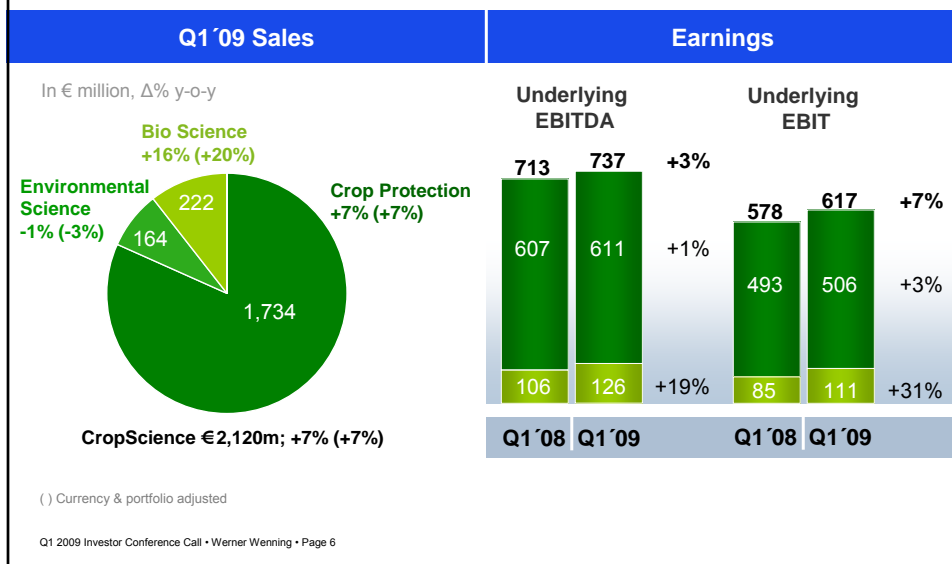
* Before special items

** Currency & portfolio adjusted

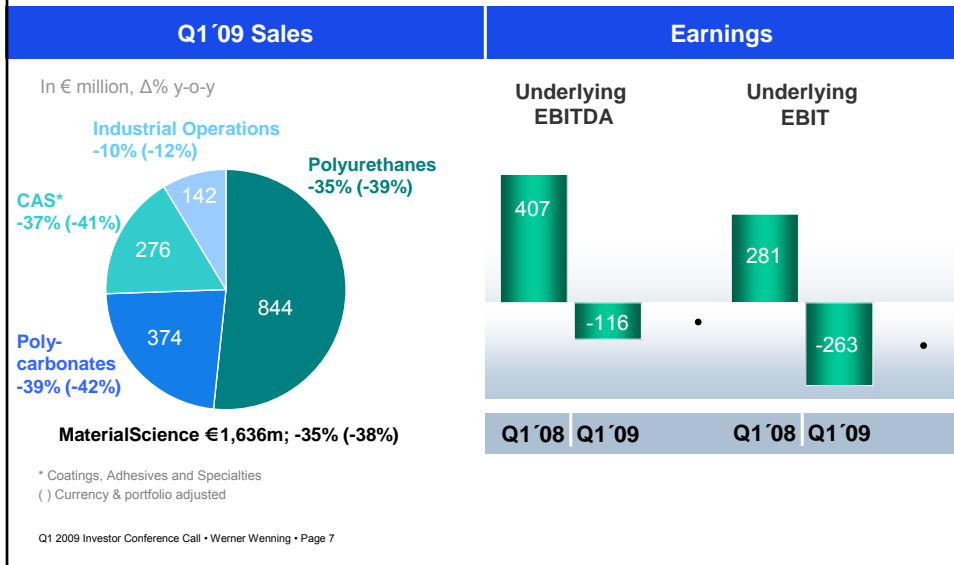
HealthCare – Full Year Outlook Remains Intact



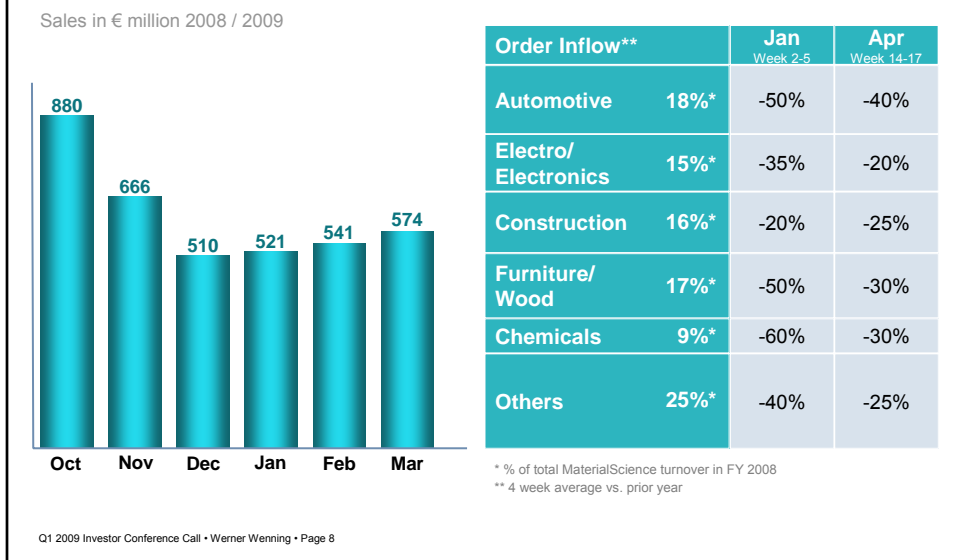
CropScience – Successful Start Into 2009 Season



MaterialScience – Unprecedented Drop in Demand



At MaterialScience Sales Seem To Be Bottoming Out



Cash Flow and Net Debt Development



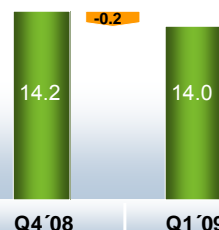
Q1 '09 Cash Flow

Net Debt Development

In € million

	GCF	NCF cont.	Investments	oFCF
	1,209	693	290	403
Δ % y-o-y	-27%	+31%	+1%	+68%

In € billion



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Restructuring Actions Lower Costs And Improve Operating Free Cash Flow



- Running savings / efficiency projects will be executed as planned
- MaterialScience 2009 savings target raised to €200m
- Bayer will decide on further actions during the 2nd quarter
- CapEx (PPE) will be further reduced from €1.5bn to €1.4bn
- Working Capital projects are fully underway and expected to deliver a €1bn improvement over 2008 (at constant currencies and prices)
- On target for net debt reduction towards €10bn

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2009 Outlook



Group

Aim of limiting the decline in Group underlying EBITDA to -5% increasingly demanding, though still achievable if there is a tangible recovery in the MaterialScience business

CapEx now approx. €1.4bn

R&D spending about €2.9bn

Net debt reduction towards €10bn

Subgroups

■ HealthCare - confirmed

Sales growth above market and improvement of underlying EBITDA margin towards 28%

■ CropScience - confirmed

Continued growth, underlying EBITDA margin in the range of 25%

■ MaterialScience - updated

Q2: Sales and underlying EBITDA above Q1'09
Full year: Severe drop in sales and positive underlying EBITDA



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