



Science For A Better Life



Investor Handout

March 2015



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Figures for 2012 have been restated due to changes in accounting policies relating to the accounting standards IAS 19R ("Employee Benefits") and IFRS 11 ("Joint Arrangements"). In addition, Bayer changed accounting for the stock-based compensation program.

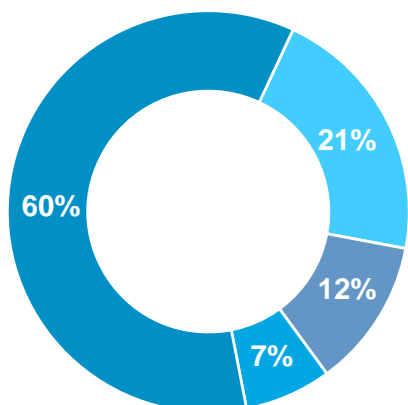


Disclaimer

Leading Positions in Key Healthcare Markets



Sales by Segment 2014



HealthCare €19,975m

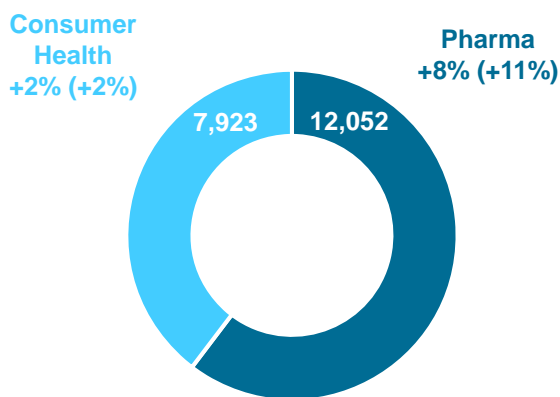
Segment	Sales (€m)	Key Positions
Rx Pharma	€12,052m	• Leading positions in key therapeutic categories
Consumer Health Consumer Care	€4,245m	• Global #2 in OTC-pharmaceuticals
Consumer Health Medical Care	€2,360m	• #1 in fluid injection systems, #1 in contrast media, #3/4 in blood glucose meters
Consumer Health Animal Health	€1,318m	• Global #5, #2 in parasiticides

FY 2014 - Dynamic Growth of HealthCare Driven by Pharma



Sales

€ million, Δ% yoy, () = Fx & portfolio adj.

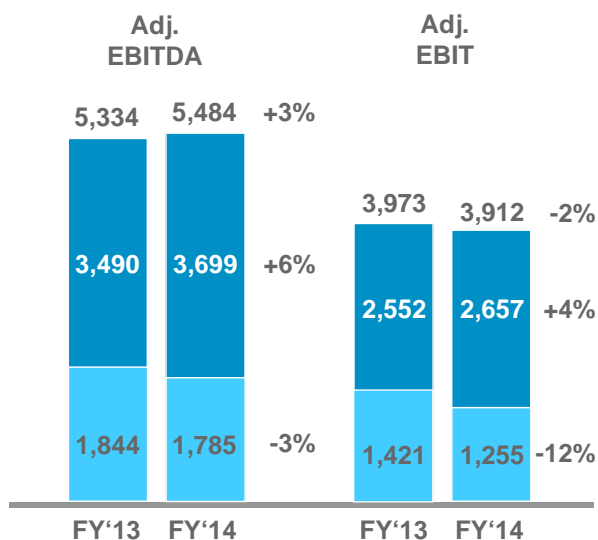


HealthCare €19,975m; +6% (+8%)

Price	Volume	Fx	Portfolio
+1%	+6%	-4%	2%

Earnings

Before special items, in € million, Δ% yoy





HealthCare: 2015 Financial Outlook

Sales Δ Fx & portfolio adj.

	Sales*	EBITDA before special items*
HealthCare	Mid-single-digit % increase (Fx +3%)	Mid-teens % increase
Pharma	Mid-to-high-single-digit % increase (Fx +2%) <i>Launch product sales: increase towards €4bn</i>	Low-teens % increase Slight margin improvement
Consumer Health	Mid-single-digit % increase (Fx +3%)	Mid-to-high twenties % increase



HealthCare: Aspirations 2017

	Sales CAGR (2014-2017)	EBITDA margin 2017 (before special items)
HealthCare*	~6% to above €25bn	29 - 31%
Pharma	~7% to above €15bn	32 - 34%
Consumer Health*	~4% to above €10bn	24 - 26%



Strategic Priorities for Pharma



Maximize the value of recently launched products



Achieve phase III readiness for key phase II assets by mid-2016



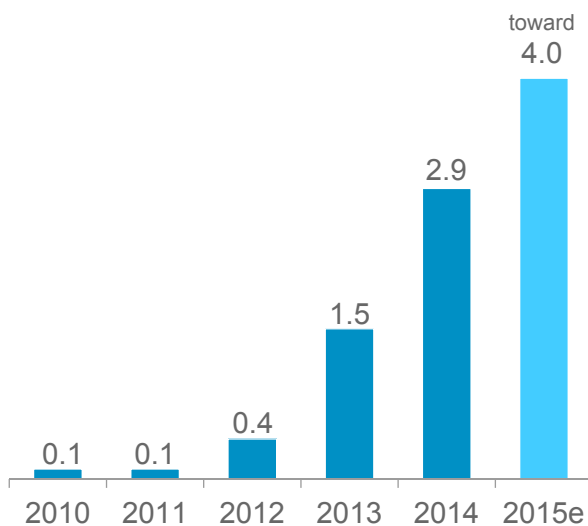
Advance early and mid-stage pipeline

Pharma Launch Products Drive Growth: Combined Peak Sales Potential of \geq €7.5bn



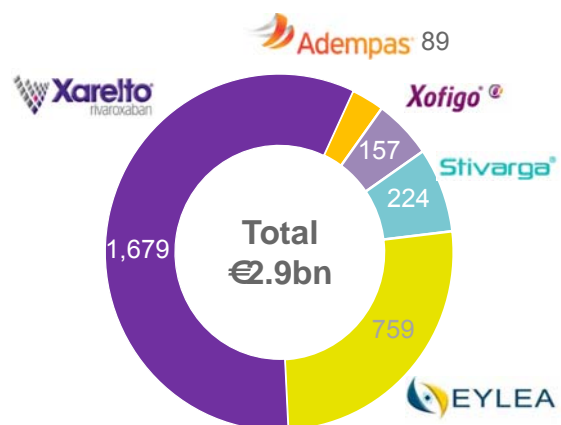
Collective Sales

€ billion



FY 2014 Individual Sales

€ million

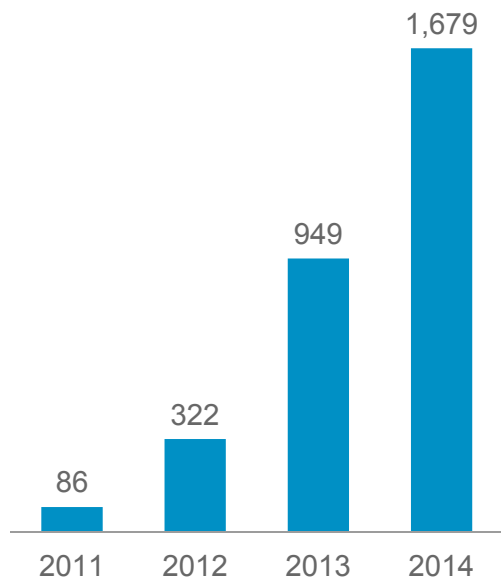


Xarelto: The Leading Novel Oral Anticoagulant



Sales

€ million



Achievements

- Continued dynamic growth
- Clear market share lead among novel oral anticoagulants:
 - Xarelto: ~32%
 - Pradaxa: ~13%
 - Eliquis: ~11%

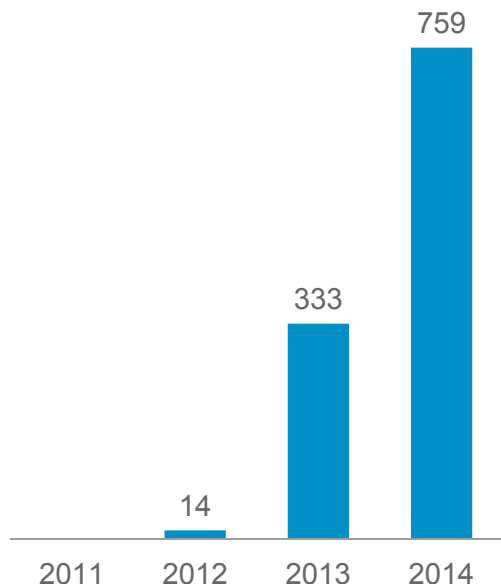
(Global anticoagulant market, sales share, Dec. 2014)
- >10 million patients treated to date
- Comprehensive global life-cycle-management program in place
- Label expansion: Recommend for cardioversion in Afib-patients in Europe

Eylea: Label Expansion to Support Further Growth



Sales

€ million



Achievements

- Strong growth driven by continued roll-out activities
- Label expansion in 2H 2014 including:
 - DME Europe & Japan
 - mCNV Japan
- Positive data from NIH/DRCR sponsored study comparing Eylea, Avastin™ and Lucentis™ in DME¹
- Agreement with Regeneron to develop a coformulation of Eylea and a PDGFR-β antibody for treatment of wAMD

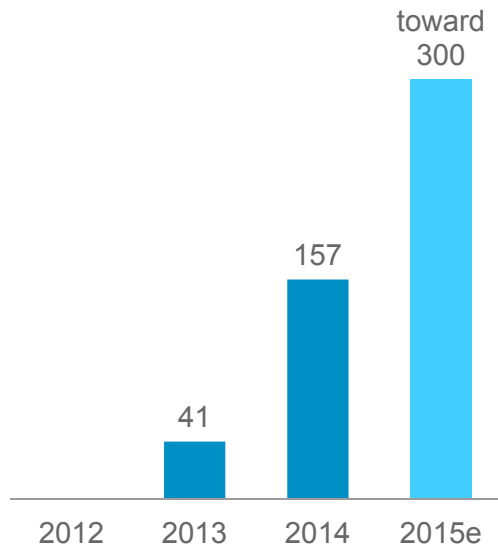
¹) NEJM February 18, 2015 DOI: 10.1056/NEJMoa1414264



Xofigo: Significant Growth Expected

Sales

€ million



Achievements

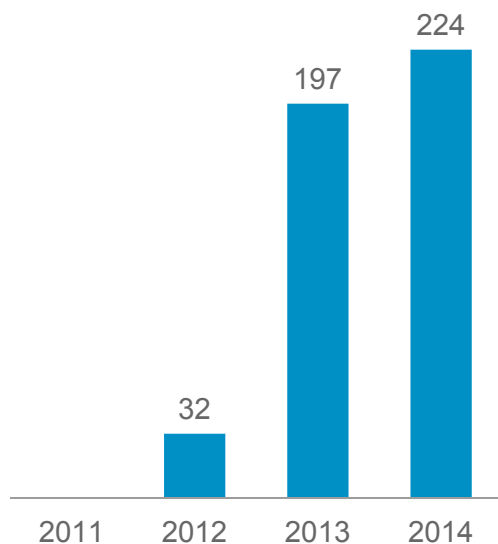
- Launch activities ongoing
 - Approved in 41 countries¹
 - Launched in 27 countries¹
- Q4 2014 affected by temporary drug shortage
- Supply of Xofigo resumed in November 2014
- Life-cycle management program targeting label expansions in CRPC and additional cancer indications underway

Stivarga: Leading 3L+ Treatment of Metastatic Colorectal Cancer



Sales

€ million



Achievements

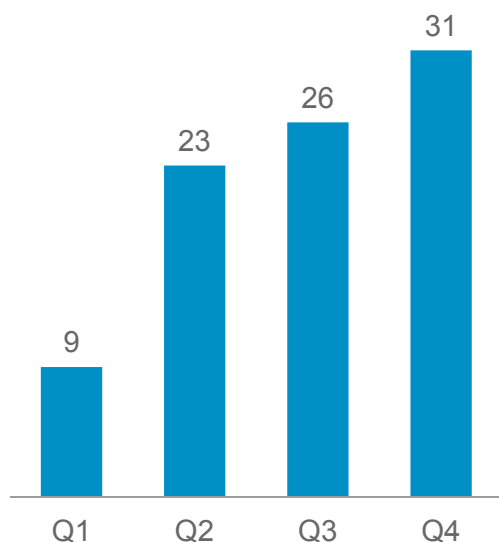
- Most prescribed agent in 3rd-line plus treatment of mCRC in the US and in Japan
- Roll-out activities in mCRC and GIST continuing
- Targeting increased use in 3L- treatment of mCRC
- ~40,000 patients treated to date

Adempas: Encouraging Early Launch Experience



Sales 2014

€ million



Achievements

- Launched in PAH and CTEPH in first countries
- | | PAH | CTEPH |
|-----------------------|-----|-------|
| Approved ¹ | 45 | 48 |
| Launched ¹ | 24 | 26 |
- ~3,000 patients treated to date²
 - Life-cycle management trials in systemic sclerosis, cystic fibrosis and in PH associated with idiopathic interstitial pneumonias initiated
 - Agreement with Merck & Co. for joint development and commercialization of sGC-modulators in place

Increasing R&D-investment to Support Short-, Mid- and Long-term Growth at Pharma



Life-cycle Management

- Xarelto (Rivaroxaban)
- Eylea (Aflibercept)
- Xofigo (Radium-223 dichloride)
- Stivarga (Regorafenib)
- Adempas (Riociguat)

Projects from Mid- and Late-stage Pipeline

- Finerenone
- Copanlisib
- Molidustat
- Vericiguat
- Vilaprisan
- Damoctocog alfa pegol
- ODM-201

Opportunities in Research and Early Pipeline

- Cardiology
- Hematology
- Oncology
- Gynecological Therapies
- Ophthalmology
- Inflammation

Rivaroxaban - Comprehensive Life-cycle Management Program Underway



Indication

Trial

End date*

Areas with patients at risk of arterial thromboembolism:

Chronic heart failure and significant coronary artery disease

Major cardiovascular events in **coronary or peripheral artery disease**

Embolic stroke of undetermined source (**ESUS**)

Peripheral artery disease undergoing peripheral artery interventions

Acute coronary syndrome (**ACS**)

COMMANDER-HF

Apr 2017

COMPASS

Jan 2018

NAVIGATE ESUS

Jan 2018

VOYAGER PAD

Yet to start

GEMINI ACS 1

Jan 2017 (PH II)

Specific AF-patient populations:

Non-valvular atrial fibrillation + **catheter ablation**

Non-valvular atrial fibrillation + **cardioversion**

Non-valvular atrial fibrillation + **left atrial/left atrial appendage thrombus**

Non-valvular atrial fibrillation + **percutaneous coronary intervention**

VENTURE-AF

completed

X-Vert

published

X-TRA

completed

PIONEER AF-PCI

Aug 2016

DVT and PE in specific patient populations:

Long-term prevention of symptomatic **recurrent DVT and/or PE**

Symptomatic DVT and/or PE due to concurrent **medical illness**

Treatment and sec. prevention of DVT and/or PE in **pediatric patients**

EINSTEIN CHOICE

Nov 2016

MARINER

Feb 2017

EINSTEIN JUNIOR

Nov 2018

Committed to Improving Thrombosis Management – Clinical Studies and Registries



Registries N≈97,000	
Phase IV/NIS N≈47,000	
Phase IIIb N≈2,400	
Phase II/III N≈51,000	
Completed	

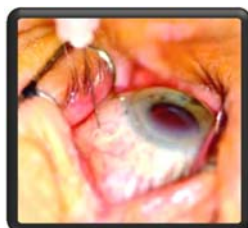
Over 275,000 patients are expected to be included in both clinical trials and real world settings.

Regorafenib – Potential for Significant Advances in Treating wAMD



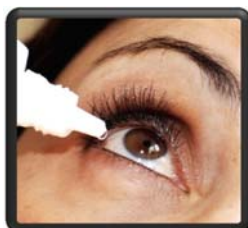
Current Standard intravitreal injection

Today's standard of care is administered by injection into the eye



Project Goal topical treatment (drops) as additional option

Eye drops could reduce efforts, costs, logistics and would be more convenient



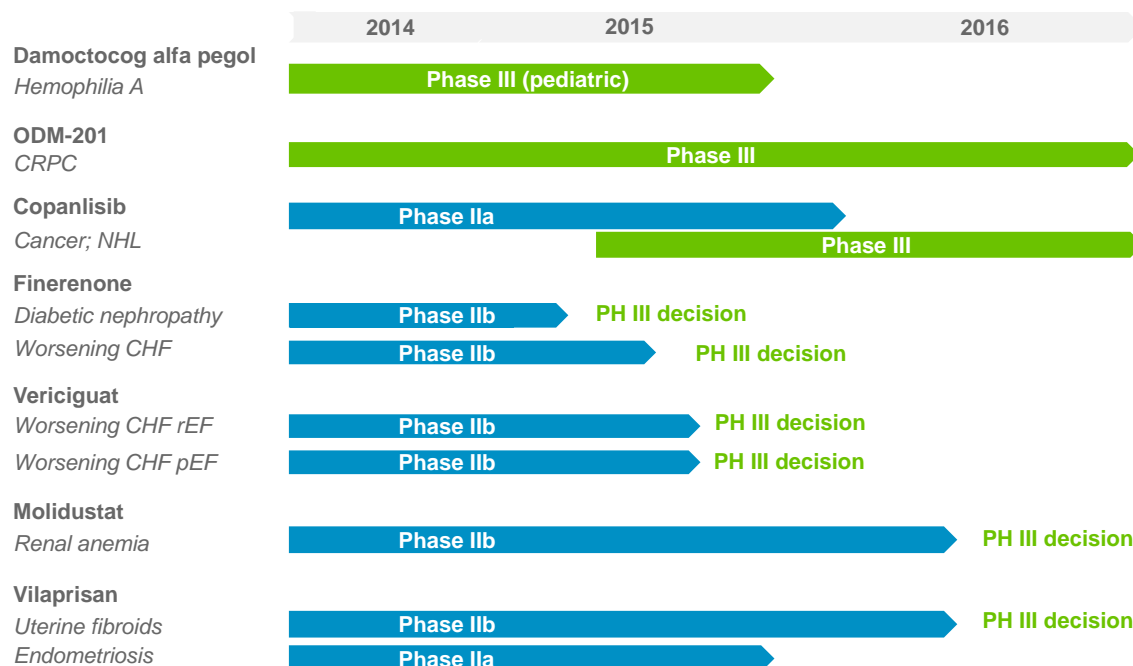
- Regorafenib inhibits VEGF receptor signaling, a well established principle to treat wAMD
- Regorafenib eye drops may offer topical treatment of wAMD - targeting superior convenience but non-inferior efficacy
- Phase I completed
- Phase IIa/b initiated
 - Comparator: Lucentis
 - Target enrollment: N=540 patients
 - Completion expected April 2016

Key Mid- and Late-Stage Pharma Pipeline Assets



Project	Mechanism	Indication
Damoctocog alfa pegol	Long-acting rFVIII	Hemophilia A
ODM-201	Androgen Receptor Inhibitor	Castration Resistant Prostate Cancer
Copanlisib	PI3-Kinase Inhibitor	Cancer (NHL)
Finerenone	MR Antagonist	Chronic heart failure (CHF) Diabetic nephropathy (DN)
Molidustat	HIF-PH Inhibitor	Anemia
Vericiguat	sGC Stimulator	Worsening chronic heart failure
Vilaprisan (sPRM)	Progesterone Receptor Antagonist	Symptomatic uterine fibroids Endometriosis

Mid- and Late-Stage Pharma Pipeline Progressing – Current Timelines



Attractive Early Pipeline Projects*



Project	Mechanism	Target Indications	Status
BAY 1067197	Non-nucleosidic partial A1 receptor agonist	Worsening clinical heart failure	Phase IIa
BAY 1213790	FXIa antibody	Anti-coagulation therapy	Phase I
BAY 1142524	Chymase inhibitor	Cardiovascular diseases	Phase I
Plasminogen-Inhibitor	Inhibition of fibronolysis	Various bleeding disorders incl. hemophilia	Phase I start Q1 2015e
BAY 1000394	Pan-CDK-inhibitor	Small-cell lung cancer	Phase II
BAY 94-9343	Mesothelin antibody-drug-conjugate	Solid tumors	Phase Ib
BAY 1179470	FGFR2 antibody	Solid tumors	Phase I
BAY 2010112	PSMA-BiTE	Prostate cancer	Phase I
BAY 1128688	AKR1C3 inhibitor	Endometriosis	Phase I



Well-positioned for Growth

- One of the fastest growing global Pharma companies
- Pharma launch products drive growth - Combined peak sales potential of \geq €7.5bn
- Comprehensive life-cycle management program to fully exploit potential of launch products
- Mid- and late-stage pharma pipeline progressing - Expect increasing visibility in 2015



Date	Event	Publication
Thursday, April 30, 2015	Investor Conference Call	First Quarter 2015 Results Stockholders' Newsletter
Wednesday, May 27, 2015	Annual General Meeting	
Thursday, June 25, 2015	Meet Management in New York	Investor Conference
Wednesday, July 29, 2015	Investor Conference Call	Second Quarter 2015 Results Stockholders' Newsletter
Thursday, October 29, 2015	Investor Conference Call	Third Quarter 2015 Results Stockholders' Newsletter



Reporting Events and AGM



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