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News Release

Bayer upgrades currency-adjusted sales and earnings guidance for 2025 and establishes additional provisions for litigation in the United States

Leverkusen, July 31, 2025 – Ahead of the publication of its business results for the second quarter of 2025 on Wednesday, August 6, Bayer AG is providing an update on key financial figures. Due to a better-than-expected business performance at Pharmaceuticals in the first half of the year, Bayer is raising its full-year guidance for currency-adjusted sales and earnings. On a currency-adjusted basis (i.e. based on the average monthly exchange rates in 2024), Bayer now expects to post Group sales of 46 to 48 billion euros (previous forecast: 45 to 47 billion euros) and EBITDA before special items of 9.7 to 10.2 billion euros (previous forecast: 9.5 to 10.0 billion euros) for full-year 2025. The company is also raising its guidance for currency-adjusted core earnings per share to 4.80 to 5.30 euros (previous forecast: 4.50 to 5.00 euros). The forecast for currency-adjusted free cash flow remains unchanged at 1.5 to 2.5 billion euros. The company's currency-adjusted guidance for net financial debt remains unchanged at 31.0 to 32.0 billion euros.

For the Pharmaceuticals Division, Bayer now expects to post currency- and portfolio-adjusted sales growth of 0 to plus 3 percent (previous forecast: minus 4 to minus 1 percent) and a currency-adjusted EBITDA margin before special items of 24 to 26 percent (previous forecast: 23 to 26 percent). For Crop Science, the company is reaffirming its previous guidance. For the Consumer Health Division, the company now expects currency- and portfolio-adjusted sales growth to come in at the lower end of the projected range of plus 2 to plus 5 percent, while the forecast for the currency-adjusted EBITDA margin before special items remains unchanged at 23 to 24 percent.

Bayer is continuously evaluating the impacts of the current geopolitical developments, especially in relation to tariffs from the US government. The currently projected financial effects are accounted for in the updated full-year guidance.

Bayer expects currency effects to diminish Group sales by around 2 billion euros, EBITDA before special items by approximately 500 million euros, and core earnings per share by about 0.35 euros. Regarding net financial debt, the company expects a positive impact of 1.2 billion euros from currency.

Business performance in the second quarter

Subject to a final audit of its figures, Bayer generated Group sales of approximately 10.7 billion euros in the second quarter of 2025. While the Crop Science Division increased sales by 2.2 percent on a currency- and portfolio-adjusted basis (Fx & portfolio adj.), the Pharmaceuticals and Consumer Health divisions saw sales come in at prior-year levels, at plus 0.6 percent and plus 0.2 percent (Fx & portfolio adj.), respectively. Group EBITDA before special items came in at around 2.1 billion euros. At divisional level, EBITDA before special items increased to 0.7 billion euros at Crop Science and declined to 1.1 billion euros at Pharmaceuticals. At Consumer Health, EBITDA before special items was slightly above the prior-year level, coming in at 0.3 billion euros. In Reconciliation, EBITDA before special items improved to minus 13 million euros.

Core earnings per share increased to 1.23 euros, mainly driven by a year-on-year improvement in the financial result and lower tax expense. Free cash flow came in at around 0.1 billion euros, while net financial debt amounted to 33.3 billion euros.

Special items in EBIT totaled approximately minus 1 billion euros, and mainly related to approximately 0.8 billion euros in impairment loss reversals from impairment testing at Crop Science as well as approximately 1.7 billion euros in provisions and liabilities for litigation in the United States.

For the full-year, Bayer now expects special items in EBITDA to amount to minus 3.5 to minus 2.5 billion euros (previous forecast: minus 1.5 to minus 0.5 billion euros).

Litigation in the United States

Bayer has established additional provisions of around 1.2 billion euros for the Roundup™ (glyphosate) litigation. This figure is included in the around 1.7 billion euro total mentioned above. In addition to covering defense costs, these additional provisions were mainly attributable to an adverse verdict on the company's appeal in the Anderson et al. case. The company has taken further legal action against the ruling and filed an application for the case to be transferred to the Missouri Supreme Court for review.

Furthermore, the company has achieved a major settlement with a plaintiffs' law firm, reducing the total number of unresolved glyphosate claims to 61,000. Of the 192,000 claims in total, 131,000 have been settled or are not eligible.

Settlements are part of the company's multi-pronged strategy to significantly contain the US litigation by the end of 2026.

For PCBs, Bayer recorded 530 million euros in additional provisions and liabilities for the Burke case, potential future settlements related to the Sky Valley Education Center (SVEC) in the US state of Washington, and other litigation costs. This figure is likewise included in the around 1.7 billion euro total mentioned above. Most of the claims alleging personal injury due to PCB exposure relate to the SVEC, a school building in the Seattle area. With respect to the past SVEC verdicts, Bayer continues to await a ruling from the Washington Supreme Court on the Erickson case.

Bayer will publish detailed results for the second quarter on August 6, 2025. Definitions of the key performance indicators applied can be found on pages 76 to 78 of the 2024 Annual Report.

About Bayer

Bayer is a global enterprise with core competencies in the life science fields of health care and nutrition. In line with its mission, "Health for all, Hunger for none," the company's products and services are designed to help people and the planet thrive by supporting efforts to master the major challenges presented by a growing and aging global population. Bayer is committed to driving sustainable development and generating a positive impact with its businesses. At the same time, the Group aims to increase its

earning power and create value through innovation and growth. The Bayer brand stands for trust, reliability and quality throughout the world. In fiscal 2024, the Group employed around 93,000 people and had sales of 46.6 billion euros. R&D expenses amounted to 6.2 billion euros. For more information, go to www.bayer.com.

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pb/ha (2025-0142E)

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