Disclaimer

Cautionary Statements Regarding Forward-Looking Information

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Global Megatrends in Health & Nutrition
Attractive Macro Drivers of Our Businesses

Megatrends through 2050

Aging Population
- People 60+ more than doubling¹
- >20% of total population¹

Growing Population
- +2.2bn people¹
- +50%
- more food and feed required to meet growing demand²

Pressure on Ecosystems
- -17%
- Significant loss in arable land per capita⁴

- Harvest losses from climate change³

Societal Needs

Preserve and restore health

Secure sufficient supply of quality food

Our Mission

Use natural resources more efficiently and responsibly

We leverage science to address these societal needs – with the ultimate goal to improve people’s lives

² FAO 2017, (FAO Global Perspective Studies)
³ Nelson et. al, (2014); FAO 2016 “Climate change and food security”
Transformation into a Leader in Health & Nutrition – Next Phase to Deliver Future Value Creation

**Past**

- HealthCare
- Crop-Science
- Basic and Fine Chemicals
- Specialty Products
- Animal Health
- Wolff Walsrode
- H. C. Starck
- Polymers
- Plastics, Rubber
- Chemicals

**Today**

- Crop Science
- Pharmaceuticals, Biological Products
- Consumer Care, Diagnostics
- Animal Health
- Basic and Fine Chemicals
- Specialty Products
- Wolff Walsrode
- H. C. Starck
- Polymers
- Plastics, Rubber
- Chemicals

**Group Profile**

- HealthCare
- Crop-Science
- Basic and Fine Chemicals
- Specialty Products
- Animal Health
- Wolff Walsrode
- H. C. Starck
- Polymers
- Plastics, Rubber
- Chemicals

**Measures**

- Organic top-line growth and profitability improvement
- Transformational M&A in all of today's businesses
- Synergies realized from strategic acquisitions
- Value crystallized through optimally-timed divestments

- Shaping the future of Health & Nutrition
- Adjusted set-up for future value creation
We are a Global Leader in Health & Nutrition

Well-Positioned Across Our Businesses

~€45bn 2018 Pro-forma Sales\(^1\)

Crop Science
~€19bn / ~43% of Group
#1 Position

Growing ahead of competition over last five years on average
Best-in-class profitability through the cycle
// Leading portfolio of seed & traits, crop protection and digital farming
// World-class R&D platform with best talent and technology in the industry
// Positioned to shape the future of agriculture: development of tailored solutions to address farmers’ individual needs and challenges

Pharmaceuticals
~€17bn / ~38% of Group
Leading Positions in Key Therapeutic Areas

One of the fastest growing Pharma businesses over the past five years
Xarelto and Eylea among the world’s leading Pharma brands
// Innovative medicines in areas of high unmet medical need
// Therapeutic focus areas: Cardiology, Oncology, Gynecology, Hematology and Ophthalmology
// Strong position in emerging markets
// Leading in Radiology and Women’s Health

Consumer Health
~€5bn / ~12% of Group
#2 Position

Leading Positions in 7 of the Top 10 OTC Markets
// Focus categories: Allergy & Cold, Cough, Sinus and Flu; Nutritional; Dermatology; Pain and Cardio; Digestive Health
// Concentrated portfolio of 16 mega-brands with annual sales of >€100m

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\(^1\) The unaudited Pro-forma data are presented as if both the acquisition of Monsanto and the associated divestments had taken place as of January 1, 2018. Sales of Monsanto are presented in periods as per the Bayer fiscal year. One-time effects of business operations, the accounting for discontinued operations and the recognition and measurement of sales from certain business transactions have been adjusted in line with our accounting. Due to this simplified procedure, they explicitly do not reflect sales according to IFRS or IDW RH HFA 1.004, meaning they have not been audited.
FY 2018 – Sales Breakdown by Region

**Group €39,586m**

- **Pharma** €16,746m (42%*)
- **Crop Science** €14,266m (36%*)
- **Consumer Health** €5,450m (14%*)
- **Animal Health** €1,501m (4%*)

**Regions**

- **Europe / Middle East / Africa** 36%
- **North America** 29%
- **Latin America** 15%
- **Asia / Pacific** 20%

*in € million; Δ% yoy, Fx & portfolio adj.; *Sales share; remaining 4% all other segments and corporate
Pharma
Innovative Medicines in Areas of High Unmet Medical Need

Therapeutic area focus

Emerging markets exposure

Emerging markets include Latin America, Asia (w/o Japan, Australia, New Zealand), Africa and Middle East incl. Turkey, Eastern Europe

Emerging Markets

Sales 2018 €16.7bn

33%

Established Markets

Sales 2018 €16.7bn

Leading positions in important therapeutic areas

// Retinal Diseases
// Women´s Health
// Radiology
// Cardiovascular
// Hematology

Leading Brands

Emerging markets include Latin America, Asia (w/o Japan, Australia, New Zealand), Africa and Middle East incl. Turkey, Eastern Europe
Crop Science
World’s Broadest Commercial Footprint in Agriculture

~7,800 Customer-facing Employees with Significant Opportunity to Optimize Portfolio Across Key Regions

Sales 2018¹

- ~45%
- ~20%
- ~10%

€19.3bn

Seed & Trait Technology Acres 2017/2018²:
>400m acres (160m ha)

- ~45%
- ~45%
- ~5%

Crop Protection Sales 2018¹

- ~€9.5bn
- ~25%
- ~25%
- ~35%
- ~15%

¹ The unaudited Pro-forma data are presented as if both the acquisition of Monsanto and the associated divestments had taken place as of January 1, 2018. Sales of Monsanto are presented in periods as per the Bayer fiscal year. One-time effects of business operations, the accounting for discontinued operations and the recognition and measurement of sales from certain business transactions have been adjusted in line with our accounting. Rounded to the nearest 5%.

² Internal estimates; represents acres containing at least one Bayer seed or biotech trait technologies
Crop Science
The Established Leader in Crop Science
Industry Leading Sales and Unmatched Investment in R&D

Sales 2018 (€bn)

- Bayer Crop Science: 19.3
- ChemChina Ag: 14.4
- Corteva: 12.1
- BASF Ag: 7.6

2018 Ag R&D Investment (€bn)

- Bayer Crop Science: 2.3
- Corteva: 1.2
- ChemChina Ag: 1.1
- BASF Ag: 0.9

Notes:
1. The unaudited Pro-forma data are presented as if both the acquisition of Monsanto and the associated divestments had taken place as of January 1, 2017. Sales of Monsanto are presented in periods as per the Bayer fiscal year. One-time effects of business operations, the accounting for discontinued operations and the recognition and measurement of sales from certain business transactions have been adjusted in line with our accounting.
2. Excludes non-agro business sales of ADAMA (nutritional supplements, aromatic products, industrial products)
3. Includes BASF Ag Sales 2018 as reported plus €1.4bn (€2.027bn sales FY 2018 excluding €586m sales from Jan '18 until cut-off in Aug '18) reported sales in 2018 from Bayer businesses sold to BASF. Split between Seed and CP businesses based on internal estimates.
4. Exchange rate: FY 2018: ~1.18 USD/EUR
5. Competitor Pro-forma R&D cost split not available
Consumer Health
We Will Focus on our Core OTC Categories To Leverage our Science and Marketing Capabilities

### Categories to accelerate

- Allergy + Cough + Cold
- Nutritionals
- Dermatology
- Pain + Cardio
- Digestive Health

<table>
<thead>
<tr>
<th>Sales Split 2018</th>
<th>Global Position</th>
<th>Main Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>€5,450m</td>
<td>#5</td>
<td>Clariitin</td>
</tr>
<tr>
<td></td>
<td>#2</td>
<td>elevit</td>
</tr>
<tr>
<td></td>
<td>#2</td>
<td>Bepanthen</td>
</tr>
<tr>
<td></td>
<td>#4</td>
<td>Alevia</td>
</tr>
<tr>
<td></td>
<td>#2</td>
<td>MiraLAX</td>
</tr>
</tbody>
</table>

### Categories to exit

- Divestment of Rx Dermatology - US business closed; closing ex-US expected in H2 2019
- Suncare business divestment signed in May 2019
- Explore exit options for Footcare in 2019

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1 Excluding Derma Rx, Suncare, Footcare
2 PARS database January 2019
3 Subject to the fulfillment of customary closing conditions
Next Phase to Deliver Value Creation

Transformation Completed

Next Phase Focused on …

1. Growth ahead of competition in Health and Nutrition
2. Consistent profitability enhancement
3. Strong free cash flow generation
4. Disciplined capital allocation
We Focus on Growth in Attractive Markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Bayer’s growth levers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bayer Group</strong></td>
<td>Using our leading positions in Agriculture, Pharmaceuticals and Self-care to address societal needs and benefit from global megatrends</td>
</tr>
<tr>
<td><strong>Crop Science</strong></td>
<td>Drive innovation</td>
</tr>
<tr>
<td>Size 2017</td>
<td>~€90bn&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>CAGR 2018-2022</td>
<td>~3%&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>~€870bn&lt;sup&gt;3&lt;/sup&gt;</td>
<td>Positioned to shape the future of agriculture: Development of tailored solutions to address farmers’ individual needs and challenges</td>
</tr>
<tr>
<td><strong>Pharmaceuticals</strong></td>
<td>Innovative medicines in areas of high unmet medical need</td>
</tr>
<tr>
<td>~€870bn&lt;sup&gt;3&lt;/sup&gt;</td>
<td>4-5%</td>
</tr>
<tr>
<td>4-5%</td>
<td>Leverage external innovation and partnering as well as pipeline and potential of current products</td>
</tr>
<tr>
<td><strong>Consumer Health</strong></td>
<td>Branded self-care solutions that help transform people’s daily health</td>
</tr>
<tr>
<td>~€140bn&lt;sup&gt;4&lt;/sup&gt;</td>
<td>3-4%</td>
</tr>
</tbody>
</table>

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<sup>1</sup> Pro-forma calculations Bayer, Bayer CS market model;  
<sup>2</sup> excluding potential cyclical recovery of the Crop Science market;  
<sup>3</sup> IQVIA;  
<sup>4</sup> Market model in-market sales OTC medicines, data from IQVIA, Nicholas Hall
Bayer 2022 Synergy & Efficiency Programs

<table>
<thead>
<tr>
<th>Platform</th>
<th>Crop Science</th>
<th>Consumer Health</th>
<th>Pharmaceuticals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Realization of Crop Science sales and cost synergies</td>
<td>Comprehensive growth acceleration program</td>
<td>Re-alignment of R&amp;D activities towards external innovation / Hemophilia production footprint</td>
</tr>
<tr>
<td></td>
<td><del>€0.17bn (=</del>$0.2bn) sales synergies (^1)</td>
<td>~€0.4bn contribution</td>
<td>~€0.2bn contribution</td>
</tr>
<tr>
<td></td>
<td><del>€0.47bn (=</del>$0.55bn) cost synergies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><del>€0.40bn (=</del>$0.45bn) cost synergies</td>
<td>~€0.1bn contribution</td>
<td></td>
</tr>
<tr>
<td>Adjustment of corporate platform</td>
<td>~€0.9bn contribution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 EBITDA before special items impact from sales synergies
2 Indicative Phasing: ~30% effective in 2020, ~70% in 2021 and 100% in 2022

- **Overall Contribution** ~€2.6bn
- **Global FTE impact** ~12,000
- **One-Time Cost** ~1.7X
Targeting Significant Profitability Improvements Across All Divisions

Sales and EBITDA before special items (margin) development (in €bn, %)

- **Crop Science**
  - 2018 PF: 19.3
  - Target 2022: ~34%
  - 2019 Guidance: ~4%

- **Pharmaceuticals**
  - 2018 PF: 16.7
  - Target 2022: >35%
  - 2019 Guidance: ~34%

- **Consumer Health**
  - 2018 PF: 5.5
  - 2019 Guidance: ~46
  - Target 2022: ~4%

- **Bayer Group**
  - 2018 PF: 44.7
  - Target 2022: ~4-5% p.a.
  - 2019 Guidance: ~27%

2022 targets at constant currencies, not including portfolio measures (except for Consumer Health)

1 Includes portfolio measures
Cash Flow Improvement Focusing on Capex and Working Capital Optimization

**Capex spend**
in €bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Intangibles</th>
<th>Fixed assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1.5</td>
<td>26%</td>
</tr>
<tr>
<td>2012</td>
<td>1.9</td>
<td>25%</td>
</tr>
<tr>
<td>2014</td>
<td>2.2</td>
<td>29%</td>
</tr>
<tr>
<td>2016</td>
<td>2.5</td>
<td>27%</td>
</tr>
<tr>
<td>2018</td>
<td>3.1</td>
<td></td>
</tr>
</tbody>
</table>

**in % of sales**

- 2010: 4.3%
- 2012: 4.9%
- 2014: 5.7%
- 2016: 7.4%
- 2018: 7.0%

- Annual contribution of ~0.5bn EUR by 2022
- Past and current levels impacted by single large-scale investments in fixed assets
- Licensing will continue to be an element to drive growth

**Working Capital**
in €bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Intangibles</th>
<th>Fixed assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>9.3</td>
<td>26%</td>
</tr>
<tr>
<td>2012</td>
<td>10.1</td>
<td>25%</td>
</tr>
<tr>
<td>2014</td>
<td>12.0</td>
<td>29%</td>
</tr>
<tr>
<td>2016</td>
<td>9.5</td>
<td>27%</td>
</tr>
<tr>
<td>2018</td>
<td>14.1</td>
<td></td>
</tr>
</tbody>
</table>

**in % of sales**

- 2010: 26%
- 2012: 25%
- 2014: 29%
- 2016: 27%
- 2018: 32%

- Annual contribution of ~0.5bn EUR by 2022
- Focus on optimization of inventory levels and receivables management

**Intangibles Fixed assets**

- Crop Science 48%, Pharmaceuticals 24%, Consumer Health 24%

**Working capital optimization**

- ~32%
# Group Targets - Value Creation from Strengthened Base

## Triple Leverage

<table>
<thead>
<tr>
<th>€bn</th>
<th>2018 PF</th>
<th>Guidance 2019</th>
<th>Target 2022</th>
<th>CAGR 2018-22²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Group</strong></td>
<td>44.7</td>
<td>~46 (~4%)</td>
<td>~52</td>
<td>~4%</td>
</tr>
<tr>
<td>Crop Science</td>
<td>19.3</td>
<td>~4%</td>
<td></td>
<td>&gt;4%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>16.7</td>
<td>~4%</td>
<td></td>
<td>~4-5%</td>
</tr>
<tr>
<td>Consumer Health</td>
<td>5.5</td>
<td>~1%</td>
<td></td>
<td>~2%</td>
</tr>
</tbody>
</table>

| **EBITDA before special items (%)** | | | | |
| Total Group | ~12.2 (~27%) | ~16 (>30%) | | ~9% |
| Crop Science | ~25% | >30% | | |
| Pharmaceuticals | ~34% | >35% | | |
| Consumer Health | ~21% | ~24%⁴ | | |

| **Core EPS (€)** | ~6.8 | ~10 | | ~10% |
| **FCF** | ~4.7³ | ~3-4 | ~8 | ~18% |
| **Net financial debt** | ~35.7³ | ~36⁵ | ~26-28 | |

2022 targets at constant currencies, not including portfolio measures (except for Consumer Health)

1 Sales: cpa growth; ² CAGR from 2018 base year; ³ as reported; ⁴ includes portfolio measures; ⁵ including around ~€1bn lease liability due to IFRS 16
We Have Clear Priorities for Capital Allocation
Focus on Shareholder Return, Innovation and Deleveraging

Disciplined capital allocation

Shareholder Return
- Growing dividends
- Consider share buy backs with parts of divestment proceeds

Deleveraging
- Target range ~€26-28bn\(^1\) net financial debt by end 2022

Innovation & Acquisitions
- Investment in licensing opportunities
- Potentially selective bolt-on acquisitions

Free Cash Flow Targeted
~€23bn
2019e-2022e

\(^1\) Before M&A / Portfolio
We Will Create Significant Value Through 2022 and Beyond
Focus on Execution and Driving Sustained Profitable Growth…

1. We have completed Bayer’s portfolio transformation into a global leader in Health & Nutrition

2. The next phase is focused on driving value creation through (i) growth ahead of competition enabled by innovation and portfolio measures (ii) profitability enhancement through Bayer 2022 synergy and efficiency programs and (iii) strong cash generation

3. We target Sales, Core EPS and FCF CAGR* until 2022 of 4%, 10% and 18%, respectively

4. Strong FCF along with proceeds from divestments enable (i) growing dividends, (ii) quick deleveraging of our balance sheet and (iii) selective bolt-ons and in-licensing transactions

2018e PF used for Sales and Core EPS; 2018e used for FCF
## Q1 Results

### Sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'18</td>
<td>9,138</td>
<td>+42%</td>
</tr>
<tr>
<td>Q1'19</td>
<td>13,015</td>
<td>+45%</td>
</tr>
</tbody>
</table>

Positive Fx effect of €108m

### EBITDA

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'18</td>
<td>2,896</td>
<td>31.7%</td>
</tr>
<tr>
<td>Q1'19</td>
<td>4,188</td>
<td>32.2%</td>
</tr>
</tbody>
</table>

Negative Fx effect of €110m

### Core EPS

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'18</td>
<td>2.24</td>
<td>+14%</td>
</tr>
<tr>
<td>Q1'19</td>
<td>2.55</td>
<td>+98%</td>
</tr>
</tbody>
</table>

- # of shares increased from 886m to 980m
- Core financial result went from -€106m to -€370m

### Free Cash Flow

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'18</td>
<td>257</td>
<td>32.2%</td>
</tr>
<tr>
<td>Q1'19</td>
<td>508</td>
<td>+98%</td>
</tr>
</tbody>
</table>

Expanded CS business working capital need offset by positive PH and CH development

**EBITDA Margin before special items**
Divisional Q1 Results

**Crop Science**
- Sales: Q1’18 2,861 million €, Q1’19 6,444 million €, +6% yoy, Fx & portfolio adj.
- EBITDA: Q1’18 1,042 million €, Q1’19 2,322 million €, +100% yoy, before special items
- EBITDA Margin: Q1’18 36.4%, Q1’19 36.0%

**Pharma**
- Sales: Q1’18 4,075 million €, Q1’19 4,354 million €, -5% yoy, before special items
- EBITDA: Q1’18 1,415 million €, Q1’19 1,512 million €, -7% yoy, before special items
- EBITDA Margin: Q1’18 34.7%, Q1’19 34.7%

**Consumer Health**
- Sales: Q1’18 1,409 million €, Q1’19 1,395 million €, -1% yoy, before special items
- EBITDA: Q1’18 313 million €, Q1’19 279 million €, -11% yoy
- EBITDA Margin: Q1’18 22.2%, Q1’19 20.0%
## FY 2019 Guidance Confirmed after Q1

<table>
<thead>
<tr>
<th></th>
<th>2018¹</th>
<th>Group Forecast 2019</th>
<th>Δ 2018 – 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>€39.6bn</td>
<td>~€46bn</td>
<td>+~16% (thereof +~12% portfolio)</td>
</tr>
<tr>
<td><strong>EBITDA</strong> (before special items)</td>
<td>€9.5bn</td>
<td>~€12.2bn</td>
<td>+~28%</td>
</tr>
<tr>
<td><strong>Core EPS</strong></td>
<td>€5.94</td>
<td>~€6.80</td>
<td>+~14%</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>€4.7bn</td>
<td>~€3-4bn</td>
<td>~(-15%) – (~36%)</td>
</tr>
</tbody>
</table>

**Fx-sensitivity:**

± 1% change of the € vs all other currencies =

† ~€340m on Sales &

† ~€100m on EBITDA (before special items)

¹ Monsanto included since June 7 and assets divested to BASF included until August 2018
Progress in All Focus Areas

1. **Target Delivery**
   - Deliver on operational targets

2. **Crop Science**
   - Integration of acquired business to shape the future of agriculture

3. **Pharmaceuticals**
   - Further strengthening of pipeline and intensify external sourcing

4. **Consumer Health**
   - Drive performance improvement

5. **Efficiency / Bayer 2022**
   - Execute efficiency improvement program and realize synergies

6. **Portfolio Measures**
   - Execution of announced portfolio measures for sharpened business focus
Additional Debt
Investor Information

June 2019
Bayer Pursues Conservative Financial Policy…

Key objectives
- Ensure liquidity and creditworthiness
- Long term target of investment grade rating in single A category
- Sustained increase in enterprise value

Financing instruments
- Syndicated credit facilities
- Global Commercial Paper program
- Multi-currency bonds
- Hybrid bonds
- Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity
... and Remains Committed to Rating in Single A Target Category

Development of Ratings and Leverage

Schering
- 2005: 2.6x
- 2006: 2.9x
- 2007: 2.4x
- 2008: 2.1x
- 2009: 1.9x
- 2010: 1.6x
- 2011: 1.9x
- 2012: 2.5x
- 2013: 2.4x
- 2014: 1.9x
- 2015: 2.4x
- 2016: 1.9x
- 2017: 2.1x
- 2018: 2.6x
- E2019: 1.1x

Merck OTC
- 2005: 2.6x
- 2006: 4.2x
- 2007: 4.5x
- 2008: 3.4x
- 2009: 4.1x
- 2010: 3.5x
- 2011: 1.9x
- 2012: 2.6x
- 2013: 2.5x
- 2014: 2.9x
- 2015: 2.1x
- 2016: 3.4x
- 2017: 2.6x
- 2018: 1.9x
- 2019: 1.1x

Monsanto
- 2005: 2.6x
- 2006: 4.2x
- 2007: 4.5x
- 2008: 3.4x
- 2009: 4.1x
- 2010: 3.5x
- 2011: 1.9x
- 2012: 2.6x
- 2013: 2.5x
- 2014: 2.9x
- 2015: 2.1x
- 2016: 3.4x
- 2017: 2.6x
- 2018: 1.9x
- 2019: 1.1x

(Net Financial Debt + Pensions - 50% of Hybrid Volume) / reported EBITDA before special items

1 Figures as reported in the respective year’s annual report without restatements; Guidance 2019 based on average monthly exchange rates from 2018 and Pensions flat at 2018 level
2 Ratios of years were closing of acquisition took place are not fully comparable as EBITDA before special items of acquired business is only considered for months after closing
3 Based on 2018 unaudited pro forma EBITDA of combined business as shown on Capital Markets Day in December 2018, multiple results in 3.7x instead of 4.5x
4 Value for Q1 2019 considering trailing 12 months reported EBITDA before special items
5 Solicited since 2018

Proven track record of disciplined deleveraging
Bayer’s Maturity Profile is Well Balanced

**Currency Exposure incl. Derivatives**
as of March 31, 2019

- **€36.7bn**

**Bond and Loan Maturity Profile**
as of April 26, 2019

- **Hybrid (first Call Dates)**
- **Exchangeable Bond**
- **JPY Private Placements**
- **EUR Senior Bonds**
- **USD Term Loan**
- **Mandatory Convertible Notes**
- **USD RegS/144a**

1 Converted at EURUSD 1.11 and EURJPY 124; MCN in 2019 only considered with interest portion
2 Based on quarter-end FX rates
### Overview of Bayer’s Funding Structure

#### Net Financial Debt

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 2018</th>
<th>Mar. 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds and notes / promissory notes</td>
<td>35,402</td>
<td>35,840</td>
</tr>
<tr>
<td>of which hybrid bonds(^2)</td>
<td>4,537</td>
<td>4,538</td>
</tr>
<tr>
<td>Liabilities to banks</td>
<td>4,865</td>
<td>4,150</td>
</tr>
<tr>
<td>Liabilities under finance leases</td>
<td>399</td>
<td>1,370</td>
</tr>
<tr>
<td>Liabilities from derivatives(^3)</td>
<td>172</td>
<td>113</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>556</td>
<td>664</td>
</tr>
<tr>
<td>Receivables from derivatives(^3)</td>
<td>(137)</td>
<td>(181)</td>
</tr>
<tr>
<td><strong>Financial debt</strong></td>
<td><strong>41,257</strong></td>
<td><strong>41,956</strong></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(4,052)</td>
<td>(4,062)</td>
</tr>
<tr>
<td>Current financial assets(^4)</td>
<td>(930)</td>
<td>(478)</td>
</tr>
<tr>
<td>Shares in Covestro(^5)</td>
<td>(596)</td>
<td>(676)</td>
</tr>
<tr>
<td><strong>Net financial debt</strong></td>
<td><strong>35,679</strong></td>
<td><strong>36,740</strong></td>
</tr>
</tbody>
</table>

1 For definition see Annual Report 2018, A 2.4 “Alternative Performance Measures Used by the Bayer Group.”
2 Classified as debt according to IFRS
3 These include the market values of interest-rate and currency hedges of recorded transactions
4 These include short-term loans and receivables with maturities between 3 and 12 months outstanding from banks and other companies as well as financial investments in debt and equity instruments that were recorded as current on first-time recognition
5 Covestro shares are held for risk management purposes relating to the exchangeable bond issued in 2017 that matures in 2020.
6 MCN only considered with interest portion of 0.3bnUSD

#### Nominal Volume of Mayor Instruments (bn)

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior EUR Bonds</td>
<td>€6.3</td>
</tr>
<tr>
<td>RegS/144a USD Bonds</td>
<td>$27.2</td>
</tr>
<tr>
<td>JPY Private Placements</td>
<td>¥30.0</td>
</tr>
<tr>
<td>Exchangeable Bond</td>
<td>€1.0</td>
</tr>
<tr>
<td>Hybrid EUR Bonds</td>
<td>€4.6</td>
</tr>
<tr>
<td>USD Term Loan</td>
<td>$3.8</td>
</tr>
<tr>
<td>Mandatory Convertible Notes(^6)</td>
<td>€4.0</td>
</tr>
<tr>
<td>Other Sources of Liquidity</td>
<td></td>
</tr>
<tr>
<td>Syndicated Loan Facility</td>
<td>€4.5</td>
</tr>
<tr>
<td>Commercial Paper Program</td>
<td>$8.0</td>
</tr>
</tbody>
</table>

\(^1\) As of March 31, 2019
\(^2\) These include the market values of interest-rate and currency hedges of recorded transactions
\(^3\) These include short-term loans and receivables with maturities between 3 and 12 months outstanding from banks and other companies as well as financial investments in debt and equity instruments that were recorded as current on first-time recognition
\(^4\) Covestro shares are held for risk management purposes relating to the exchangeable bond issued in 2017 that matures in 2020.
\(^5\) MCN only considered with interest portion of 0.3bnUSD

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Main Issuing Entities at Bayer Group

- Bayer AG
  - Germany
- Bayer Holding Ltd.
  - Japan
- Bayer US Finance LLC
  - USA
- Bayer US Finance II LLC
  - USA
- Bayer Corp.
  - USA
- Monsanto Company
  - USA

Instruments issued or guaranteed by Bayer AG
Indirect Hold through other entities

1 Exchangeable Bond
2 Mandatory Convertible Notes
### Profile of €1bn Covestro Exchangeable Bond due 2020

Bayer has the flexibility to settle the bonds in cash, by delivery of Covestro shares or by a combination thereof. Bayer can determine a specified proportion of 1%-150% of the Principal Amount / Exchange Price on the last day of the calculation period to fix the number of shares taken for repayment at 1% discount.

<table>
<thead>
<tr>
<th>Face value</th>
<th>Exchange Price</th>
<th>Reference Dividend</th>
<th>Issuance</th>
<th>Maturity</th>
<th>Term</th>
<th>Coupon</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1bn</td>
<td></td>
<td></td>
<td>Jun 2017</td>
<td>Jun 2020</td>
<td>3 years</td>
<td>0.05%</td>
</tr>
<tr>
<td></td>
<td>At Issuance: €80.9300</td>
<td>At Issuance: €1.4000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>After two Dividend Adjustments: <strong>€78.5514</strong></td>
<td>After two Dividend Adjustments: <strong>€1.3588</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Next Dividend Adjustment: <strong>April 2020</strong></td>
<td>Next Dividend Adjustment: <strong>April 2020</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Conversion Price: €78.5514

- Investor’s Upside
- Covestro Share Price at Maturity
- Value (mEUR)
- Covestro Share Price at Maturity
- Repayment at 100%
- Market Value of Shares

---

1 Bayer can determine a specified proportion of 1%-150% of the Principal Amount / Exchange Price on the last day of the calculation period to fix the number of shares taken for repayment at 1% discount.
Hybrid Bonds at Bayer

**NC6 3% €1.75bn:**
- 217.6 bps spread + 5Y Swap
  - 1st Step-up: +25bps
  - 2nd Step-up: +75bps

**NC10 3.75% €1.5bn:**
- 230 bps spread + 5Y Swap
  - 1st Step-up: +25bps
  - 2nd Step-up: +75bps

**NC7.5 2.45% €1.3bn:**
- 200.7 bps spread + 5Y Swap
  - 1st Step-up: +25bps
  - 2nd Step-up: +75bps

---

1 Swap is reset every fifth year starting with the first call date
## $56.9bn Monsanto Acquisition Loan Facilities

<table>
<thead>
<tr>
<th>Transaction Value at Closing</th>
<th>Acquisition Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$63bn</strong></td>
<td><strong>$56.9bn</strong></td>
</tr>
</tbody>
</table>

### Equity Value
- **$57bn**

### Net Debt
- **$6bn**

### Bridge Loan
- **$46.9bn**
  
<table>
<thead>
<tr>
<th>Tranche</th>
<th>Final Maturity</th>
<th>Initial Amount in $bn</th>
<th>Outstanding in $bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan A1</td>
<td>Jun. 2019</td>
<td>39.9</td>
<td>-</td>
</tr>
<tr>
<td>Loan A2</td>
<td>Jun. 2020</td>
<td>7.0</td>
<td>-</td>
</tr>
</tbody>
</table>

### Term Loan
- **$10bn**
  
<table>
<thead>
<tr>
<th>Loan</th>
<th>Final Maturity</th>
<th>Initial Amount in $bn</th>
<th>Outstanding in $bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan B1</td>
<td>Jun. 2020</td>
<td>4.0</td>
<td>-</td>
</tr>
<tr>
<td>Loan B2</td>
<td>Sep. 2021</td>
<td>6.0</td>
<td>4.9</td>
</tr>
</tbody>
</table>
Mechanics of €4bn Mandatory Convertible Notes

<table>
<thead>
<tr>
<th>Face value</th>
<th>Min. Conversion Price</th>
<th>Max. Conversion Price</th>
<th>Settlement</th>
<th>Maturity</th>
<th>Term</th>
<th>Coupon</th>
</tr>
</thead>
</table>
| €4bn       | • At Issuance: €90 (100%)  
             | • After Adjustments for three Dividends and one Right Issue: €80.1522 | • At Issuance: €108 (120%)  
             | • After Adjustments for three Dividends and one Right Issue: €96.1827 | Nov 2016  | Nov 2019  | 3 years | 5.625% |

Graph shows situation at current conversion prices

Conversion at max. conversion ratio: 49.9m shares for €4bn

Conversion at market price: €4bn Share price

Conversion at min. conversion ratio: 41.6m shares for €4bn
Other Sources of Liquidity

### Syndicated Loan Facility

The multicurrency Syndicated Loan Facility can be used for general corporate purposes and is primarily a back-up line. Thus, it is not intended to be drawn in the course of ordinary business. The participating banks form Bayer’s global banking group. Last renewed in December 2018, the credit facility was self-arranged.

<table>
<thead>
<tr>
<th>Borrower</th>
<th>Bayer AG, Germany // Bayer Corporation, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Amount</td>
<td>€4.5bn, thereof €1.5bn/$1.5bn Swingline</td>
</tr>
<tr>
<td>Signing</td>
<td>December 2018</td>
</tr>
<tr>
<td>Tenor</td>
<td>5Y + two 1Y extension options</td>
</tr>
<tr>
<td>Syndicate Size</td>
<td>23 Banks</td>
</tr>
<tr>
<td>Purpose</td>
<td>General Corporate Purposes</td>
</tr>
</tbody>
</table>

### Commercial Paper Program

Commercial Paper (CP) is a short-term unsecured debt instrument. CP are normally issued at a discount and redeemed at nominal value. The term of CP generally lie between 1 and 364 days. Bayer’s CP program allows the company to issue in both the U.S. market (USCP) and the Euro market (ECP). It is structured as a SEC regulation’s section 4(a)(2) program so that there are no restrictions related to the use of proceeds.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Bayer AG, Germany // Bayer Corporation, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantor</td>
<td>Bayer AG</td>
</tr>
<tr>
<td>Total Amount</td>
<td>$8bn or equivalent</td>
</tr>
<tr>
<td>Issuing and Paying Agent</td>
<td>BNY Mellon</td>
</tr>
</tbody>
</table>