Bayer
Q3 2025 Results

Wednesday, 12th November 2025

Introduction

Jost Reinhard

Head of Investor Relations, Bayer AG

Welcome

Good afternoon. Good morning, everybody. Welcome to our Conference Call to discuss the Results for the Third Quarter of 2025.

Agenda

For our presentation today Bill will kick us off with our year-to-date business performance and an update on our strategic priorities. Wolfgang will then focus on more detailed drivers for the third quarter results and our outlook. Following the prepared remarks, they are then available together with the three presidents of our three divisions for the questions.

Disclaimer

Before we begin, please note the cautionary language in our safe harbor statement. And with that, over to you, Bill.

Business Overview

Bill Anderson

CEO, Bayer AG

Introduction

Thanks, Jost. Thanks to all of you for joining our call today.

On Track to Deliver the Full Year

We posted our results for the third quarter earlier. And as you saw, our sales are slightly up in currency and portfolio adjusted terms both in the quarter and year-to-date. And you'll note that we refer to currency and portfolio adjusted sales growth figures throughout the presentation today. So Core EPS is at EUR 4.29, up 7% from last year. And free cash flow is at negative EUR 800 million, which is in line with our projections and the seasonality of our business.

So here's what the picture looks like in our divisions.

First, in Crop Science, Q3 is always a smaller quarter for our agriculture business, but Crop Science continued to show resilience. Sales are slightly down nine months into the year with the significant regulatory effects that we're absorbing. Corn is up 9% this year with solid Q3 growth coming from increased acreage in the U.S. and a strong start to the LATAM season. Our Core Crop Protection business was down 2% in Q3 on the expiration of Movento's Europe license. Glyphosate, which we steer separately, posted slight Q3 growth on account of pricing. On the bottom line, we're realizing efficiency gains from our operating model and profitability measures. While Q3 had some favorable phasing, we're very well positioned to deliver our commitments for the full year.

Moving on to Pharmaceuticals. We remain encouraged by the resilience of our top line. Both Nubeqa and Kerendia continued their impressive momentum with Nubeqa up 60% year-over-year and Kerendia up nearly 80% in the same timeframe, thanks in particular to strong growth in the U.S. and China. Eylea declined in Q3. We saw significant pricing pressure in both Japan and Canada as well as some one-time effects, but we remain confident in our ambition to keep 2025 Eylea sales stable relative to 2024. Our year-to-date EBITDA margin is at 26.1%. This is down slightly from last year due to pricing pressure, currency effects and investments into our launches, but we're on track to land within the guidance we upgraded in summer.

In Consumer Health, we see an increasingly challenging market environment, particularly in the U.S. and China. In that context, our year-to-date growth is currently behind our full year projection due to the soft market environment. We expect those dynamics will put further pressure on our top line growth in Q4 so we're lowering our 2025 sales growth expectation for Consumer Health. Regardless of how the market develops, we're committed to delivering an EBITDA margin in line with our guidance of 23% to 24% and continued strong cash contributions.

Overall, in a pivotal year, we're in a strong position to deliver the 2025 group guidance we upgraded last quarter. There's more to do this year and beyond. Looking at 2026, we look forward to continued growth from Nubeqa, Kerendia and the first meaningful sales from Beyonttra and Lynkuet, which we just received FDA approval for. We remain confident that our dynamic shared ownership system will deliver continued efficiency gains in line with our commitments. We're aware that we have challenges to navigate including declines in Xarelto sales, currency headwinds and some trade uncertainty. However overall, we're confident in our improvement plan and the trajectory for our business. We're finalizing our assumptions and will provide more transparency on 2026 in our call on 2025 full year results. That's going to be in February.

Progressing in Our Transformation

Now let's take a look at our strategic agenda. I'll mention a few of the highlights that are captured on this slide. On our Pharma pipeline, we announced FDA approval of Lynkuet just 2.5 weeks ago, and we expect it to reach the U.S. market this month. Further, we're making good progress with our cell and gene therapy assets against Parkinson's, which are now in Phase III and Phase II, respectively.

In addition, we just announced study data for Kerendia in patients with chronic kidney disease associated with type 1 diabetes, making it the first medicine in over 30 years to demonstrate positive results in addressing the high risk of kidney disease progression and cardiovascular events in this patient population. In litigation, as each prong of our strategy advances, we have a clearer view of the paths to significant containment. I say paths, plural, because there isn't just one way to get there and no one way alone will be enough. We're making significant progress, and we're confident in our objective to significantly contain the litigation risk by the end of 2026.

Here's where we stand. I'll start with PCBs. We recently received an adverse verdict on PCB Erickson case by the Supreme Court in the state of Washington. This verdict confirms that our earlier decision to reach settlements on the remaining Sky Valley cases was the right one. Nonetheless, we disagree with that decision and we concur with the descending justices who found the court's opinion judicially inconsistent on the statute of repose issue. We're considering further legal options for that specific case. Overall, we will continue to consider all options to limit the company's risk exposure.

In the glyphosate litigation, we're expecting a recommendation from the U.S. Solicitor General as to whether or not the U.S. Supreme Court should hear our case. We remain optimistic that this recommendation will occur in time for the current session, which ends in June 2026. This is an important decision, and we have plans in place for all outcomes. In the legislative realm, we continue to believe that U.S. farmers need certainty. That's particularly true in times of challenging farm economics.

At the federal level, both the Appropriations Bill and the Farm Bill are important pieces of legislation that reinforce clarity on how essential crop protection tools are regulated in American agriculture. The government shutdown has delayed congressional activity. It's essential that progress is made, and we're making that case. At the state level, another round of legislative sessions will soon kick off beginning in January. We think it's very important to defend the work of American farmers, and we will advocate for the innovation and the regulation they need.

Overall, we know that we have a crucial and highly dynamic phase ahead of us. You see this dynamic reflected in our provision, which moved over the past quarter due to a range of factors. For example, after Q2, we announced some confidential settlements which were followed by a moderate increase in glyphosate case filings. It's natural that the prospect of settlements would prompt an increase in the case count, and we expect that to continue as our containment efforts mature. The case count leads to additional provisions as do the cost of litigation. At the same time, we've reached settlements on some of the verdicts at both the appeals and post-trial motion phases because settling them was advantageous in limiting the company's exposure.

Finally, the recent PCB Erickson verdict led to an upward adjustment of our provision. I share that background because it's emblematic of what we expect in the coming phase: consequential decisions, some in our control and others not, with important bearings on

our path forward and the future of glyphosate in American agriculture. We're convinced our multipronged strategy is the right one. As we continue to advance it, we'll continuously adjust our approaches to resolution, evaluating them for their future optionality, finality, cost and risk.

On cash and deleveraging, we saw a further reduction in net financial debt in Q3, and we confirm our full year free cash flow outlook including litigation-related payouts.

Our Crop Science organization is aggressively focused on execution of our 5-year plan. We're actively streamlining our portfolio and operations by outsourcing 12 active ingredients and discontinuing 150 products. This strategic focus enables us to concentrate on innovative crop solutions. A prime example is our recent launch of Plenexos. It's a cutting-edge insecticide which hit the Latin American market last week.

Finally, on our operating model, we see benefits on the top and bottom line. Our organization continues to get leaner and more efficient and we're seeing benefits in terms of speed and focus. I'll close with an example from our Pharmaceuticals division. Twenty months ago, we announced a deal to in-license Beyonttra in Europe. Prior to that, this medicine wasn't on the radar for many people in the company. But by April of this year, we had launched it in Germany, and the first European patients were able to receive Beyonttra.

Today the medicine is off to a strong start, already exceeding our ambitions for 2025. Only months into the launch, we've reached around 50% market share in new-to-brand prescriptions in Germany, one of the fastest uptakes of a cardiovascular treatment that we've seen. The teams are now focused on making Beyonttra the new standard of care in its treatment setting. And they attribute their speed and success in part to their ability to cut out inefficient handovers, to make flexible resource allocation across markets and with a keen focus on the most important work.

With that, I'm going to hand it over to Wolfgang. But before I do so, you've seen announced last week Wolfgang's successor. Judith Hartmann will be joining Bayer in March of next year, and she'll take over as CFO on the 1st of June. Judith brings with her a wealth of finance and leadership experience across industries and countries, and we look forward to welcoming her.

It's far too early to say good-bye to Wolfgang, who will be retiring in June of next year, as previously communicated. We've got a crucial period ahead for the company, and he's going to be dialed in on delivering 2025, planning 2026 and continuing our efforts to significantly contain litigation. So Wolfgang, I look forward to continuing to work with you on that and hand it over to you.

Financials

Wolfgang Nickl

CFO, Bayer AG

Q3 2025: Group Performance

Thank you, so much, Bill. Welcome also from my side.

Let's look at the group picture for Q3 first. Net sales grew by 1% versus the prior year quarter in currency and portfolio adjusted terms. As reported, we saw a decline of 3% with continued foreign exchange headwinds affecting our top line with about EUR 450 million. In a seasonally low quarter, EBITDA before special items of EUR 1.5 billion came in 21% above the prior year. The increase was largely driven by better Crop Science and Reconciliation results, offsetting a decline in Pharmaceuticals.

Let me pause right here and give you some more background on the Reconciliation line. It includes a rather predictable element for our enabling function costs that cannot be clearly allocated to the divisions. In addition, there are other elements, mainly around incentive provisions, site businesses such as our soccer club and balance sheet-related hyperinflation effects that are more unpredictable. These factors can vary significantly from quarter-to-quarter and versus the prior year periods.

For Q3, the main drivers versus last year were lower expenses for personnel-related adjustments and lower hyperinflation effects, while additions to long-term incentive provisions were comparable to the prior year. For the full year, we anticipate favorability in enabling function costs on top of positive one-offs in our site businesses. While some elements can still move, we now expect around minus EUR 400 million in Recon EBITDA before special items for 25, an improvement of about EUR 100 million versus our previous guidance. Core earnings per share of EUR 0.57 was EUR 0.33 above the prior year quarter, largely due to the higher EBITDA as well as better core financial result. The core financial result improved by about EUR 56 million year-on-year, largely driven by lower interest expenses due to lower debt.

In the appendix to this presentation, we have included the bridge from core to reported earnings per share, which came in at minus EUR 0.98 for the quarter. Main driver for the delta, next to the regular amortization of intangibles, are additional litigation-related provision classified as special items in the total amount of EUR 934 million. These include amounts for the glyphosate litigation, reflecting an increased case count, other litigation costs and the settlement of some cases which were strategically advantageous to resolve, as Bill mentioned also in his remarks already.

We've also adjusted the provision for the impacts from the recently received PCB Erickson ruling by the Washington Supreme Court. Our free cash flow came in at about EUR 0.6 billion for Q3. The delta versus the prior year is mainly driven by higher settlement payouts. Compared to the end of Q2, net financial debt decreased by about

EUR 600 million to EUR 32.7 billion, mainly due to the operational cash inflow. Year-on-year, net financial debt was down by about EUR 2.3 billion.

Q3 2025: Core Business Growth Driven by Higher Corn Area

Let's now take a closer look at our divisional performance. For Crop Science, net sales came in at EUR 3.9 billion in the third quarter, up 1% versus the prior year. Demand was strong as volumes increased most notably in corn and Crop Protection, offsetting regulatory challenges and pricing pressure. Our core business grew by 1% versus the prior year with seeds and traits up 7% for the quarter.

Corn sales rose by 22%, mainly driven by the acreage expansion in the U.S. and a strong start into the Latin America season, driven by acreage recovery and performance of our products. Our hybrid performance was strong this year, demonstrating strong resilience to the increased southern rust pressure seen in the U.S., while the adoption of new corn technology nearly doubled year-over-year.

Our soy and cotton businesses were impacted by some end-of-season effects in North America from the dicamba label vacatur and a lower planted area in the U.S., while we saw growth in vegetable and other seeds and traits for the quarter.

Core Crop Protection decreased 2% for the quarter as pricing pressure remains. Other drivers include a 9% decline in Insecticides due to the expiration of the Movento registration in the EU and lower Fungicide sales, partially offset by higher demand for non-glyphosate herbicides.

Glyphosate sales increased 1% compared to the prior year quarter as generic reference pricing has recovered above the historical 15-year median price, and we have taken a price increase in the United States. However delayed purchases in Latin America pushed some volume into the next quarter.

On profitability, EBITDA before special items came in at EUR 172 million, resulting in a margin of 4.5% for our seasonally lowest quarter. Margin was supported by favorable COGS, in addition to intense expense management.

Q3 2025: Strong Volume Growth Compensating for Increased LoE, VBP, and Pricing Pressures

Let's next look into our Pharma performance. Net sales were on prior year level with 0.4% growth and EUR 4.3 billion. Our launch brands, Nubeqa and Kerendia, continued the strong growth momentum, which more than offset the expected LoE-related Xarelto declines. Nubeqa increased 56% versus the prior year quarter with continued strong growth across regions.

In the U.S., the IRA-related pricing pressure was more than offset by significant volume expansion. Kerendia grew by 85%, particularly driven by the U.S. and China. Together both launch brands achieved EUR 843 million in net sales in the third quarter and EUR 2.2 billion in the first nine months of this year. I hope you can agree with me that this is an impressive number, and we are well on track to achieving consensus for full year 2025.

Eylea continued to show good volume growth and an increasing contribution of the 8-milligram dose, which contributed 27% of total Eylea sales. However, we also recorded increasing pricing pressure, particularly in Japan and Canada. In addition, sales were negatively impacted by an order shift into fourth quarter in Japan as well as a prior year one-time benefit from a reimbursement in the U.K. All in all, this led to an 11% sales drop in Q3 and a decline of minus 1% year-to-date. Despite this soft quarter, we remain confident to keep our full year ambition of stable sales versus last year.

For Xarelto, generization continued as expected, resulting in a 31% decline last quarter.

Finally, our base business remained robust with strong volume growth in Radiology and an 11% increase in Women's Health, largely compensating VBP headwinds in China as well as declines in Hematology.

On the bottom line, EBITDA before special items came down by 5% to about EUR 1 billion and a margin of 24.1%. The lower margin versus the prior year was mainly driven by lower pricing and higher growth investments, which were almost offset by higher volumes, lower year-on-year incentive true-ups and continued savings from our efficiency programs.

Q3 2025: Moderate Growth in an Increasingly Challenging Market

Sales in our Consumer Health business grew 2% in Q3 with balanced contributions from price and volume. Absolute sales remained flat year-over-year as portfolio gains from the Natsana business offset significant foreign exchange headwinds. Our focus on innovation, Power Couples and a more agile resource allocation drove strong category growth in Dermatology, Digestive Health and also in Pain & Cardio.

Overall, we are expecting challenging market conditions, especially in the U.S. and China including weaker consumer sentiment and store closures. In this environment, Allergy & Cold declined 8%, cycling over a strong prior year quarter. Seasonal pre-orders for cough and cold products were fulfilled in Q3. Due to lower incident levels compared to previous years and continued scrutiny of retailers to carefully manage inventory levels, we anticipate softer orders in Q4. Nutritionals grew by 1% with gains in EMEA and LATAM, while consumption in the U.S. and China remains reduced due to consumer confidence.

We delivered an EBITDA margin before special items of 25.7% or EUR 363 million in absolute terms, both in line with last year. This reflects the strength of our new operating

model and disciplined cost management while we continue to sufficiently invest in our innovative brands to foster consumption and to reach more people with self-care products. Year-to-date, our margin is at 23.9%, in line with our guidance range.

Outlook 2025: Updated Divisional Outlook

Based on the year-to-date performance, we feel confident in the full year outlook for Crop Science and Pharmaceuticals both in terms of top and bottom line. For the fourth quarter, we expect to see the following developments.

For Crop Science, growth in the fourth quarter is driven by glyphosate, which is now anticipated at the upper end of our full year sales guidance range but will have a dilutive impact on margin in Q4. In addition, growth is anticipated for Latin America recovering from a weak prior year period.

For our Pharma business, we anticipate increased pricing pressure for Eylea in conjunction with the entry of 2-milligram biosimilars in Q4. In addition, we expect continued genericization of Xarelto as well as VBP related impacts on our business in China. The continued growth of our launch assets is expected to compensate for these headwinds. On our margin, we expect see accelerated launch investments in Q4, for example, linked to our Lynkuet launch activities.

And for Consumer Health, we have already pointed out to the lower end of our sales growth guidance range for the full year at our Q2 call in August. Given our significant exposure to markets with challenging dynamics like the U.S. and China, we now expect full year sales growth for Consumer Health to be in the range of minus 1% to plus 1%. This does not impact our group outlook. In close partnership with retailers, we will carefully manage the balance of sell-in and sell-out to ensure sustainable growth going forward. In terms of profitability, we are committed to achieve the expected EBITDA before special items margin range of 23% to 24% for the full year.

Based on months end September rates, we see similar foreign exchange effects for all three divisions compared to prior guidance.

Outlook 2025: Group Outlook Confirmed

Let's conclude with the group outlook for '25 and early insights into the business drivers for 2026. Overall for the group, we confirm our full year 2025 outlook at constant currencies and the latest currency estimates which did not change materially from months end June rates when we compare to months end September rates. At the same time we're updating our modeling assumptions for special items for the additional litigation-related provisions we booked this quarter. We now expect special items in the range of minus EUR 3.5 million to minus EUR 4 billion for the full year. We also adjusted the Recon modeling assumption, as I already mentioned earlier in my remarks.

Let's now very briefly look at '26. For Pharma, we will continue to ramp Nubeqa and Kerendia, scale Beyonttra and launch Lynkuet. For Xarelto, we expect declines in a similar percentage range as this year. For Eylea, we will gain further insights into the evolving market dynamics with an aspiration to drive volume growth of the 8-milligram dosage.

For Crop Science, the ag market outlook is quite dynamic. We are monitoring acreage development, particularly in the context of geopolitical uncertainty. In corn, we plan to drive growth based on our portfolio refresh and build on continued technology adoption. For soy and cotton, we count on the registration for dicamba for the next season. Overall, we remain intensely focused and on track to deliver on our 5-year framework.

For Consumer Health, while we experienced some challenges in key markets this year, we see the general market growth trends intact. We'll keep investing in our brands to address consumer needs and drive consumption through household penetration.

On geopolitics, we have gained some more clarity on EU-US pharma tariffs. In recent weeks, individual companies have announced drug pricing deals, but some questions particularly around sectoral pharma tariffs or potential policy shifts in other countries remain open. At the same time our cross-functional teams showcased their strengths in managing the situation and limiting potential impacts for this year. Looking ahead, we continue to carefully monitor the developments, and we will include the most likely scenario in our planning for next quarter.

We're also following the U.S.-China trade relations very closely. As we are innovating for the benefit of our patients, farmers and consumers in all markets, both the U.S. and China remain mission-critical for us.

On foreign currencies, this is a major headwind / swing factor for us for the business. And as already pointed out previously we expect significant currency headwinds to continue in 2026.

In conclusion, we are fully focused on effectively managing what we are controlling, adjusting to new realities quickly and advancing in our transformation. We're currently completing the picture for 2026, and we'll communicate specific guidance with our full year 2025 results at the end of February.

And with that, Jost, over to you to facilitate the Q&A, please.

Q&A

Jost Reinhard: Thank you, Wolfgang. Thank you, Bill. We will now begin the Q&A session where Bill and Wolfgang are joined by the three presidents for our divisions. Before we start, just a few housekeeping comments.

(Q&A Instructions)

Our first question today comes from Thibault Boutherin from Morgan Stanley. And he is followed by Sachin Jain of Bank of America. So Thibault, please go ahead.

Thibault Boutherin (Morgan Stanley): First question, just on Eylea and the 8 milligram penetration. So 27% in the quarter. I think the target before was to reach 50% by year-end. So it looks like penetration is slowing down a bit, if you can talk a little bit about the obstacles and how does that impact your thinking around the shape of erosion next year? Then maybe just a quick question on consumer. I mean tough year for Bayer like for everyone else. The same headwinds across the board. On your comments for '26, you talk about unchanged growth trend. So just if we should understand this as a continuation of '25 or an expectation for a return to sort of normalized trend, and to what extent you have visibility for consumer next year?

Bill Anderson: Great. Stefan, do you want to comment on the Eylea performance?

Stefan Oelrich: Sure. Thibault, thanks for the question. Obviously we're all quite happy with how 8 milligrams is performing. If you actually put this into the overall market dynamics, I would expect that Eylea 8 milligrams is very soon, this coming quarter, we're going to take a second place in the ophthalmology market right after the 2-milligram. So the dynamics are intact. We're still trying to get to that 50%. It's going to be a tough one if we can get there.

On overall dynamics in terms of what happens next year, of course we're going to give you more precision on the guidance as we go into next year. One of the things that is a variable that is, I must admit, difficult to estimate is what's going to happen everywhere around pricing because this is somewhat outside of our control. So we're monitoring the markets what's going on there.

Overall, if you look at the third quarter, there was some anomalies, I think Wolfgang mentioned some of them because of the particularly things happening in the quarter that should not happen in the fourth quarter. There was a shifted order in Japan. There was a situation in the U.K. plus some of the things that remain, Canada generics, and we're going to see more generics coming in next year. So stay tuned. We're discovering some of this pricing in real time. We're trying to stay by our goal of keeping this stable as long as we can.

Julio Triana: I'll take the Consumer Health question. So Thibault, thank you so much for the question. Also thank you so much for acknowledging the challenges we're having in 2025. As you mentioned, these are challenges that are felt across the entire industry. When you take a look at our competitors, they're also dealing with the same issues. In 2025, what we're seeing is a significant slowdown of two of the key markets for us, and that is market number one and two, the U.S. and China. Our projections right now for the rest of the year are that the U.S. is going to be let's say around minus 1% growth. In

China, it's going to be around flat. And I'm talking about the markets. Now how does that turn into our performance within the market?

One of the things that we constantly look into is what is our sell-out. What I can tell you is that when we look at that data, we are outpacing our competitors. So we are increasing market share even though the market is very soft. Your question around 2026, our read right now is that even though the markets are going to recover, especially U.S. and China, it's not going to be a significant recovery. Right now we're thinking about low single-digit growth for both markets more around, let's say 1% for both of them. The market overall, we're thinking about somewhere around 3% to 5% for the entire world. We will continue to grow in both markets. We're extremely confident about the strength of our brands and we're seeing that in the growth in terms of market share.

So yes, we will keep you posted. A lot of it is playing on the recovery of the two markets, U.S. and China.

Jost Reinhard: Thank you. As a housekeeping comment, we have a number which is not identifiable to us starting with 1437 in the Q. Please identify yourself to the IR team, so we can put you in for the line of questions. Next in line here is Sachin Jain from Bank of America, followed by Richard Vosser from JPMorgan. Sachin. Please go ahead.

Sachin Jain (Bank of America): So two, if I may. So first one is financial, I guess Wolfgang and perhaps pulling in Rodrigo. Thanks for the high level comments on ‘26. We're obviously waiting detailed guide in February, and so not asking you for guide, but this time last year, you corrected the year forward by calling out '25. So given you haven't done that this year, I'm assuming you're broadly comfortable with where consensus is, acknowledging multiple moving parts.

Then I guess a related question, obviously you've listed a lot of cushions and pools. Just wondering if you think about group, which division gives you the greatest level of uncertainty. Based on your comments, it sounds like crops, I wonder if you could just flesh out the pushes and pulls on crop growth for next year.

Then just a very quick one for Stefan Nubeqa. have seen a big increase in sequential growth in the quarter. Do you expect that trend to continue? Anything specific to call out there?

Wolfgang Nickl: Yes. I can take your question, Sachin. Yes. We always had the practice to provide guidance in the first quarter of the year for a given year. We indeed saw a little bit of a disconnect between consensus and how the business was developing last year. That's probably why you perceive that as having given a bit more guidance.

One of the topics was indeed dicamba and the impact on the next year. This year, our purpose was really more to describe the different vectors that are going on in the three businesses and where we see tailwinds, where we see headwinds. And again we will give you more guidance as we get into next year. I have pointed out the FX piece because in

the current geopolitical environment, FX environment, that's obviously one of the ones that we can't predict so well. Yes. It's sometimes tough to say. But in general, the consumer business is more stable than crop business, in particular, when you get dicamba approval and again -- and of course we have to see how fast the assets ramp in in pharma.

We're very confident on that. And everything that's on our cost base, everything that's in our hand, we're pretty well on track to deliver. For instance, on DSO. We talked about EUR 2 billion. We did EUR 500 million and EUR 800 million, and we'll do another EUR 700 million next year. So those are the things that we are in control that we deliver. But we have to see a little bit more how the acreage develops in crop. We have to see a little bit more what happens on the macro side and also a little bit more in pharma. I think we understand the tariffs pretty well what's happening on MFN. But that's basically a repetition of what we said earlier. So bear with us, Sachin, more to come.

Bill Anderson: Yes. And maybe, Rodrigo, maybe you could just give a little bit of overview of what you see as some of the major dynamics for next year.

Rodrigo Santos: Yes. So not much to add to very well said, what Wolfgang just said, Sachin. I think that the one element that we are watching very close is the acreage dynamics, right? So of course the tariffs and the geopolitical situation right now impacting the soybean in the US, so what will be the transition for next year. That's one element that we're going to be watching closely.

I would say that you've got the message, right? So we are in line with the plans for this year that is very important. This is what we said in May 13 when we were together, it was important that we deliver '25. Of course '26 is the first -- another important year our 5-year framework, and we are in line on that plan as well. So more to see on the next quarter, but some uncertainty on the geopolitical tariffs playing on the acreage, that's the one that I could highlight here as well. Stefan, for the Xarelto.

Stefan Oelrich: Thank you. No. It's Nubeqa. So Sachin, thank you for noticing the really great quarter we're having on Nubeqa. Believe me. I'm equally pleased as you are, maybe a little less surprised, though. This is strong sequential growth as we were expecting it. So this -- without wanting to guide too much, I think you're going to see continuing good quarters coming out of Xarelto.

We are having this really strong performance across the board, particularly in the United States and in Europe with really strong increases in volumes. So this is really making it to be the standard of care globally in this indication. And as we gain from new patients coming in and then remain on our therapy for some time I think we're really making a difference in patients' lives, and it translates into really superior results. So we're extremely pleased with this.

Bill Anderson: And Sachin, I think you probably figured that Stefan met Nubeqa.

Stefan Oelrich: Did I say something else?

Bill Anderson: Yes. You said Xarelto the second time. But I think people understood. Xarelto is actually going in the other direction, but Nubeqa is looking amazing.

Jost Reinhard: Thanks for clarifying that, Bill. So we have Richard now in the line, and he's followed by Laurent Favre from BNP Paribas. Richard, you're next.

Richard Vosser (JPMorgan): Two questions. One, building on Sachin's question just on crop. Just thinking about the dynamics on soy and corn next year and pricing, maybe a little bit more color on pricing. We would probably think there could be a switch to soy that is difficult to call but maybe an element of that is dicamba as well in terms of the reregistration. So at what point do you need that reregistration to come through to be able to recover next year? So a few elements there.

Then just one for the Pharma business. Kerendia also took an uptick, I think in the quarter sequentially and some of the growth improving an acceleration here. Maybe, Stefan, you could talk about some of the drivers of that, maybe heart failure indications coming through and the runway we should see here and whether that acceleration is here to stay.

Bill Anderson: Rodrigo, do you want to start?

Rodrigo Santos: Sure. Thank you, Richard. So first, we are confident for the dicamba label for next season. We heard from the EPA that this remains a core priority for them. Even with the shutdown in the government in the U.S. remains a key priority for EPA, and we are confident that we're going to get on time for the farmers next year. What have a positive impact on your first element of your question about pricing of soybean for us, right? So we're counting on that one for the next season. Working, of course and then we're going to have more clarity when we have on the next quarter to share more details. But we are planning to get the registration for the season. It's in time for that. We're going to be able to have some price impact on that one for our soybean franchise and also cotton franchise, of course as we have. So that's part of the plan.

Bill Anderson: Stefan?

Stefan Oelrich: So Richard, thanks for asking about Kerendia. And maybe I hand back to flowers. You were the first one to call out a superior potential of one of your reports, and I think we're seeing it materialize now as we go. So yes, I think you can anticipate that we're -- that this positive trend is here to stay. I've always said that there was tremendous potential behind Kerendia, but it was a slow start, like in many analogs in cardiovascular. We've backed up the start with more data and there is more data to come.

So I think we're seeing a solid performance in kidney and we're seeing first effects also of the heart failure indication. Maybe anecdotally from field visits when talking to my reps in the U.S., we're seeing very good reception of Kerendia in heart failure. The fact that it's synergistic with other therapies like SGLT2, I think adds to the very strong position that we have now in a variety of specialties for protecting both kidney but also the heart.

So this is, I think a sweet spot for us. You can see -- you will see continued growth. We'll talk about this in February in more detail.

Jost Reinhard: So after Laurent Favre, we will have Charles Pitman-King from Barclays. But Laurent, you're next.

Laurent Favre (BNP Paribas): My first question, Bill, is on DSO. I think we're still seeing headcount coming down about more than 1% actually sequentially, and it's been the case every quarter for two years now. So I know you never had a target for headcount reduction, but can you maybe talk about, I guess how you think about fixed costs developing from here? I guess you've done a lot of work there, but it seems that I guess there's no slowdown. That's the first question.

The second one is on PCB. Now that you've had the adverse outcome in the Erickson appeal, is the indemnification process becoming the most important part to contain PCB litigation? Or do you have any other lever?

Bill Anderson: Yes. Thanks, Laurent. Yes, regarding the headcount reduction and implementation of DSO, so we did, I guess I would say major surgery over the last 18 months because we knew in order to implement a system like DSO, we had to take out a lot of layers. We've gone from basically 11 to 12 layers in most parts of the company. We're now six to seven layers. So we've basically taken out five layers everywhere. We've gone from about 15,000 people who were managers, and now we have about 5,000 managers, so two-thirds reduction in, yes, people that are managing other folks.

We kept the great majority of the talent that we need to drive our progress, but we took out the gatekeepers that, frankly, in all large multinationals, they just slow everything down and prevent us from being immediately responsive to customer needs or driving forward with innovations. We have sort of now weekly examples that are coming through of products that are launching in record time.

I was in Brazil over the weekend, and just as an example, we had noticed about a year ago that there were influencers online. They were taking Bepanthen and they were mixing it with rosehips to get an enhanced benefit. But Bepanthen is a skin care treatment that does a number of things. But anyhow, we noticed this. Our people said, why is someone else selling this? And after they got the list of like the 10 reasons why we couldn't move forward fast, they figured out, no, actually, we can. And that product was launched in about nine months from the first indication that there was an interest in the market.

We launched a Bepanthen rosehip version, and that's added 20% to our sales of Bepanthen this year. And Bepanthen is our biggest product in Brazil. So this is an example of things that -- we're getting examples like this at least weekly, of things that in the past, it would have taken two years or three years or never. They're happening in weeks or months. So we're really excited about how that's going.

In terms of headcount reduction, we did the major surgery to get ourselves in the right place. Looking forward, we believe we still have a lot of opportunities to go faster to make the system work for us. But it probably -- and I would anticipate some continued reduction in total headcount numbers, but it's probably not major surgery but more kind of incremental attrition, that sort of thing. Then, of course on top of that, there's the 5-year frame we have for Crop Science, for improving overall profitability in Crop Science. So that will be an additional area where there's some headcount reduction. So I think you should expect to see it's going to continue to go down, but it's not going to go down at the same rate that it has for the last 18 months.

Wolfgang Nickl: Should I do that?

Bill Anderson: Yes, please?

Wolfgang Nickl: Laurent, I can probably say two or three sentences about the PCB thing. So Bill said it in his remarks, no, we didn't like the outcome on Erickson. But we were pretty satisfied that we could solve quite a bit of ongoing procedures and on all future procedures in Washington State. Also there are a lot of details around that. There's a case management order by the court, for instance, that makes it more difficult to file future cases there. Your question was towards the indemnification process.

I can't go into all details there, but you should rest assured that we go vigorously after the people Monsanto or its predecessor sold the PCB to. And more to come there. But it's not forgotten. That is something, by the way that's not just relating to Erickson. That relates to all the past cases and potential future resolutions, for instance, in states as well. But I hope you can bear with me. I can't go into much more detail than that. But rest assured, we are going after it.

Jost Reinhard: Great. Now we have in line Charles Pitman King-from Barclays, and he's followed by Christian Faitz from Kepler Chevreux. Charles, please go ahead.

Charles Pitman-King (Barclays): Charles Pitman-King from Barclays. Two questions from me, please. The first one is just on Beyonttra. Given the strong launch from recent PDUFA for elinzanetant, how are you thinking about the contribution of these launch assets as we look to '26 and beyond? Just noting that Beyonttra had the high speed to market. Just wondering what the initial KOL feedback you're hearing on the launch is, and what you think we will also see in terms of an accelerated launch of elinzanetant given less onerous monitoring requirements versus competitors.

Then just the second question on the crop business. Thinking about U.S. and China policy risks or potential tailwinds. I was wondering if you could just touch on or give us some further insights into what the potential impact could be for Bayer if China, for example, did not purchase from the U.S. in the high quantities as it has historically and what you're predicting there?

Bill Anderson: Stefan?

Stefan Oelrich: Yes. Thanks, Charles. So yes, we're very pleased with the Beyonttra uptake. You heard Bill referred to a 50-plus percent new-to-brand Rx in Germany. That's obviously I think testament to what also most of the KOLs are saying about it because this is a product that's not broadly prescribed by a large number of physicians. Typically, if you look at Germany patients are referred to teaching hospitals or university centers where the product then gets prescribed, given that's a high-priced cardiology product.

The results or the feedback that we're getting is overwhelmingly positive. Beyonttra has really seemed to be a near-complete stabilizer of TTR, and that, I think really creates a strong differentiation versus other products in the market. But we also have to acknowledge that while this is a very strong and fast ramp-up in terms of new-to-brand, which is extremely positive and exciting, we're not necessarily seeing that the same holds true for switches from existing therapies. So there, it's a little bit more of a stable marketplace. So it's going to take time to actually get through the entire market. We're seeing, depending on markets, also other markets where we've launched like in Denmark, for example, also an extremely strong uptick. So, so far, so good.

In terms of what this means for Lynkuet and Beyonttra for next year. So Beyonttra, I think we can assume that we're going to gain a little bit more in new-to-brand. But I think it clearly indicates that we can aspire to be a market leader in the category in Europe. On Lynkuet, we'll have to see a little bit how that goes. We feel very bullish given our history in women's health. Also I believe that bringing a new option to women to treat menopausal symptoms, I think the time couldn't be better for a launch in this area. We've had some quite surprising media response to our approval, something that we haven't had in a very, very long time which comes to show how much this is really a topic of today. And so we're getting ready. The first sales were actually registered this week of linked in the United States.

We're getting ready to look at sequencing this into the rest of the world, but so stay tuned. I think we can really make a difference. We have a differentiated label compared to anything that's out there. We have the experience. We -- people know Bayer and women's health with 100 years of history. So this could be a good one. but it's early days. So let's first do the work. Then let's also celebrate a little bit like we've been doing on some of these other launches. Needless to say that I'm super excited about all of our launches, which are really living up to the blockbuster potential that I had indicated for you. Stay tuned for more in February.

Rodrigo Santos: Stefan, good to hear that. And let me address the question of the market dynamics here. So on a normal circumstance, we had a very -- this last season, we had a very high area of corn in U.S., 98 million acres. On a normal crop rotation, you would have next year coming to probably close to a historical level that you have in U.S. like 91 million, 92 million acres. This would be on normal circumstances.

As you said, what would be a trade-off is that you would see a significant area increase of soybean. A lot of uncertainty right now based on the agreements between China and U.S.

If the agreement goes in place, probably, that's exactly what you're going to see in the market. If not, as you said, you could see a higher area of corn and more soybean coming out of Latin America. What I feel strong about in our case, our position both in corn and soy in North America and in Latin America gives us a good position to be prepared for that market. Hopefully, by the next quarter, we're going to be able to get more insight on how this trading will finish and then we're going to be able to be more precise for the guidance of next year. So stay tuned on that one in February. We're going to talk about that for sure. Thank you.

Jost Reinhard: We have Christian Faitz from Kepler Cheuvreux next in line, and he's followed by Joel Jackson from BMO. And Florent Cespedes will then close our call today from Bernstein. So Christian, please go ahead.

Christian Faitz (Kepler Cheuvreux): Two questions, please. First of all, short stature corn ramp-up, where are we in terms of sales dynamics there. And my second question is, can you update us on the progress of Bayer to bring a prominent glyphosate case in front of the U.S. Supreme Court?

Bill Anderson: Rodrigo, do you want to start on Preceon.

Rodrigo Santos: Sure. And really excited to talk about that. This last month, I was in Iowa walking a field with a farmer harvesting 300 bushels per acre on the new launches. It's really good to see what we are seeing in the market. This year, we are going to 600 farmers that we had, 80,000 acres in U.S. And this is the groundbreakers work that we are doing with the breeding version. Next year, we're going to go to 200,000 acres in the U.S. And as we prepare for the major breakthrough that is the biotech launch that we are planning for '27 and beyond.

So a lot of excitement in the organization on the Preceon launch in the next years. We are working very diligent with every farmer on the groundbreaker exercise to make sure that they take the maximum value of the technology and again driving higher yields, more stability, a broader experience with giving them more flexibility in how they manage the field. It's very exciting to see. And next year will be another step towards that and preparing really the launch for the biotech version that will allow us to go really broad acres in US.

Also just to mention that we also have this right now happening in Europe. A lot of excitement on silages as well with the farmers when you go to Italy and some other places, and we're expanding to close to 100,000 acres in Europe as well with the short stature corn. So great momentum and preparing for the full launch of the biotech version in the U.S.

Bill, Wolfgang?

Bill Anderson: Yes. Thanks. Thanks, Rodrigo. I was in Greece recently and also hearing stories from one of our major partners in Southern Europe about the short stature corn

and the impact. I mean the dairy farmers are saying, hey, this -- yes, basically the cows produce more milk on the short stature corn and this has been written up now from some agronomists in academia that basically the corn has a lower lignin content, so it's more easily digestible by the dairy cattle and they like it. So that's an extra added benefit of innovation. But on the question about the Supreme Court petition, that's on the Darnell case on glyphosate, that appeal, we remain optimistic that the U.S. Solicitor General will provide a recommendation to the Supreme Court on this case in time to hear the case during their current session, which ends in June of 2026, And so we're hopeful that, that will happen in the next couple of months or so.

I'd just remind you that we think it's an important opportunity for the court to clarify the authority of the EPA with respect to pesticide labeling. But it's not our only approach, and that's why we have this multipronged approach. We look forward to hopefully getting our day in front of the Supreme Court, but we have other things we're approaching in parallel, and that would be a part of closing things. But we have other approaches as well and we plan to bring the full range of tools at our disposal to continue to get that closed out.

Jost Reinhard: Good. We close today with questions from Joel Jackson from BMO and Florent Cespedes from Bernstein. Joel, you're next.

Evan McCaul (BMO): It's Evan on for Joel. A question on your level of concern in the rising generic pressures in Core crop protection separately for glyphosate and the non-glyphosate businesses and how this changes your assessment of the Crop Protection opportunity going forward?

Bill Anderson: Go ahead, Rodrigo.

Rodrigo Santos: Thank you, Joel. That's very consistent to the discussion that we had in May 13, right? If you go deeper on the presentation that we had on May 13, our view on Crop Protection is these three elements of how we need to manage that one. This is the reality of the market and the three elements to manage that one. One is innovation, and you just heard examples of that, right? Plenexos, we just had the first sales, as Bill mentioned, in Latin America. We're going to take this to 70 countries, 50 crops.

We are just now submitting to the key markets Icafolin. We have Convintro, a new herbicide waiting for the regulatory approval in U.S. We have Verango Prime in Latin America and in Brazil to have a very good expansion as well together with Fox Xpro and Curbix. So one element is the innovation for sure. The second element is all the effort that we are doing to be competitive. You heard from AI, which are the ones that we're going to produce in Germany, which are the ones that we are outsourcing, the divestment of some of the low-margin products and some of the phaseout that we have. So this is the life cycle of the portfolio of Crop Protection. It's very important.

And finally, I would say that we've been working that for the last two or three years, and you heard a little bit from me in the past about operational excellence in the field. We

migrate, work a lot on the -- can you hear me? I think -- yes. We migrate here to make sure that we were focused the entire team on sell-out, not on sell-in, our incentives, our partners' incentives on that one as well. So high focus on that and managing inventory at the channel at the lowest level. So on the new dynamics of Crop Protection that we recognize, you're going to need innovation but also going to need to be cost competitive and very effective on operations. So we feel that is the new plan, and that's very consistent to the 5-year framework that we describe it. Thank you for the question.

Jost Reinhard: And we close for today with Florent Cespedes from Bernstein.

Florent Cespedes (Bernstein): Two quick ones, please. First, Stefan, on pharma. Maybe could you give us a little bit more color on the business dynamic in China and how you see the trend for 2026. And my second question on consumer. What could reenergize the business in the U.S. and rest of the world? Any subdivisions that could be stronger next year? Some color on this front would be helpful.

Bill Anderson: Go ahead, Stefan.

Stefan Oelrich: Florent, so yes, at China, so we're having actually quite a good year in China all in all despite the VBP headwinds that we have on Cardio Aspirin and a few smaller brands. So that's going to wash out throughout next year. And beyond that, we see really a healthy evolution. We're basically now really through everything on the VBP side, and we're going to be clean for the coming years. So China looks good for the coming years. More I can't say at this point.

Julio Triana: Florent, I'll take the questions on Consumer Health. So even though we're focusing a lot on what is happening in the U.S. and China, and you've heard us all talk about the decline and the softening of the two markets. Actually what gives us really a lot of hope, it's that the other markets are actually doing really well. We don't talk about it enough. For example, in region Europe, even though we're seeing a little bit of consumer sentiment, also catching on to what is going on in the U.S. and China, it's not to that extent. We're actually doing really well.

We're constantly tracking the evolution index. In Europe, we're ahead of 100. That means we're gaining market share. In China, even though the market is down, we have EVIs of about 100 -- sorry, about 105. So very, very strong business performance, and the same thing is happening in Latin America, in the rest of Asia Pacific. The drivers that gives us confidence that the business will continue to grow, it's just basically the strength of our brands, the people we have behind our businesses in every single country. We're very confident about that and how we're bringing the products into the market.

So as I said, the market fundamentals continue to be very, very strong, very solid. As I mentioned earlier, answering to Thibault, we believe that the market is going to be anywhere between three to 5. Even though the growth in U.S. and China is not going to be very strong, the other regions are going to carry that. Our strength in each one of those regions is going to do that. So just together with that, the market, the innovation the

strength of our brands and the strength of the people behind them, we will continue to be a very successful Consumer Health business.

Jost Reinhard: Excellent. Thank you very much for your questions and the interest today. Thanks for the answers. With that, we conclude our Q3 earnings call and I wish you all a very good day.