



Debt Investor Information



Status: September 30, 2020





Cautionary Statements Regarding Forward-Looking Information

Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



Our Business Areas

Crop Science



// Innovative chemical & biological crop protection, seeds & traits, digital technologies & services

Pharmaceuticals



// Prescription drugs

Consumer Health



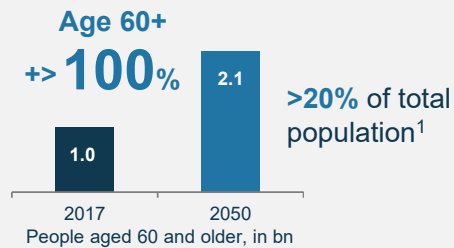
// Over-the-counter medicines, dietary supplements and dermatology products



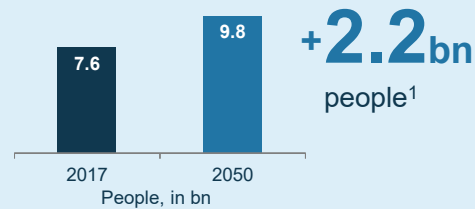
We address megatrends that impact lives across the globe

Megatrends through 2050

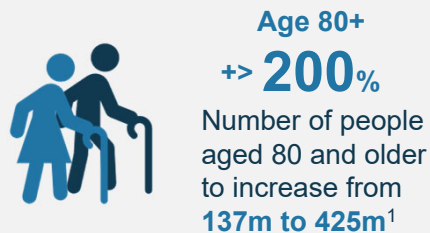
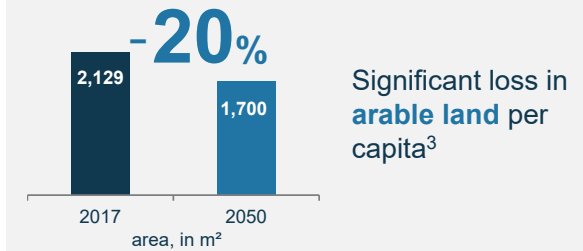
Aging population



Growing population



Pressure on ecosystems



¹ World Population Prospects: The 2017 Revision | ² FAO 2017, (FAO Global Perspective Studies) | ³ FAOSTAT (accessed Oct 30, 2018) for 1961-2016 data on land, FAO 2012 for 2030 and 2050 data on land, and UNDEDA 2017: World Population Prospects for world population data | ⁴ Nelson et. al, (2014); FAO 2016 "Climate change and food security"



Sustainability is an integral part of our business strategy

Measurable Group-level targets for Sustainable Development until 2030

Help more PEOPLE thrive

Decrease ECOLOGICAL footprint

Group-wide Goals that are reflected in long-term incentive



Support **100m smallholder farmers** in LMIC¹⁾



Expand **access to self-care for 100m people** in underserved²⁾ communities



Provide **100m women** in LMIC with **access to modern contraception**



Climate neutrality at own sites + reduced emissions in our supply chain



SCIENCE BASED TARGETS

Additional divisional goals

PH: Increase the **availability** and **affordability** of our products in LMIC via equitable pricing and patient affordability programs, with the ambition to reach **100m people**

CS: -30% greenhouse gas emissions produced by key crops in the main regions we serve

CS: -30% environmental impact of crop protection

CH: Sustainable production and transition to circular options that reduce, recycle, reuse, and replace²

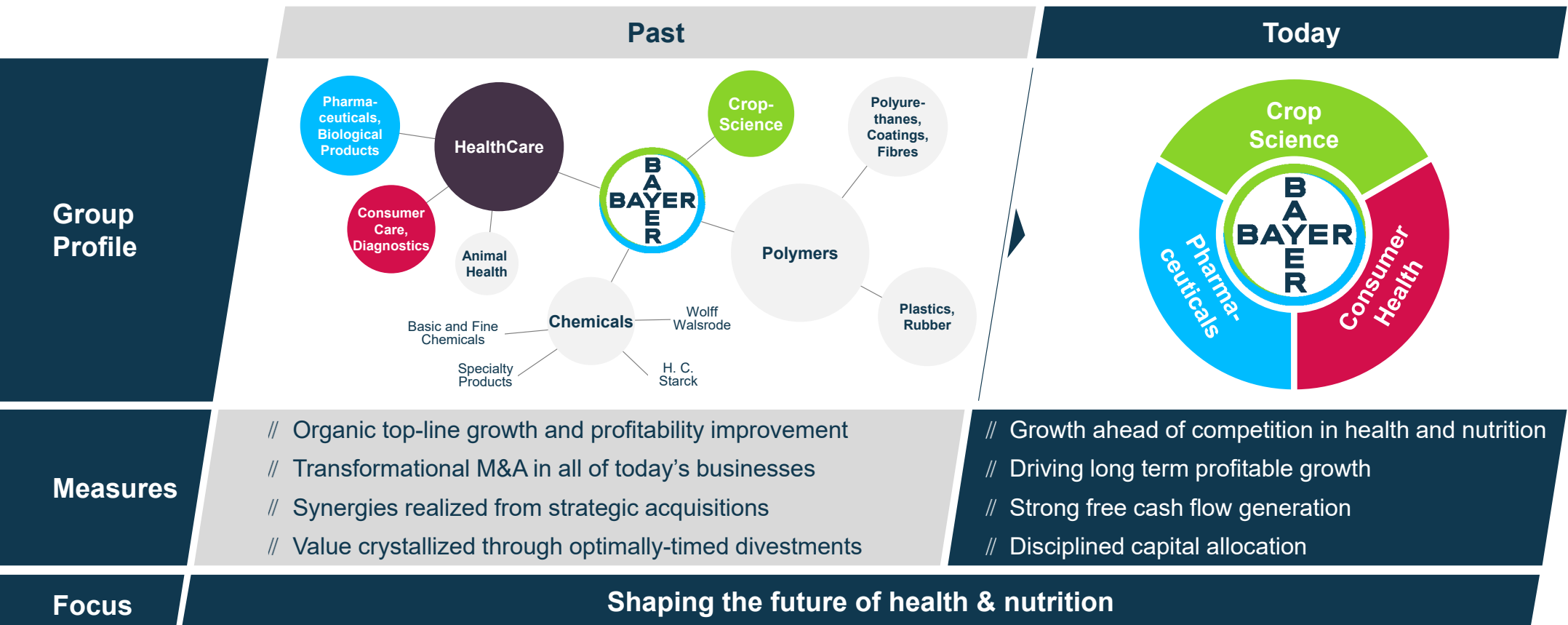


1) LMIC: low- and middle-income countries - All countries included in the [World Bank list](#) as per 1 July 2019

2) underserved : Economically or medically



Transformation into a Leader in Health & Nutrition Completed





Our Strategic Priorities

Group Strategic Priorities

1 *Positioning businesses to mega-trends*
Contribution to health and nutrition¹

2 *Developing a leading portfolio*
Leadership in our relevant markets

3 *Driving value*
Long-term profitable growth

4 *Focusing on our key strength*
Innovation

Divisional Focus



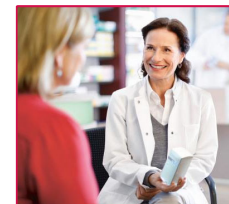
Crop Science

Create a leading innovation engine that transforms agriculture



Pharmaceuticals

Deliver growth and create value from focused leadership strategy



Consumer Health

Maintain a leading OTC position and improve profitability

¹ We also seek to make a responsible contribution to the United Nations Sustainable Development Goals "Good Health and Well-Being" and "Zero Hunger"
/// Bayer Debt Investor Relations /// Status: September 30, 2020



Our Position: Global Leadership in Health & Nutrition



€43.5bn 2019 Sales¹

Crop Science

€ 19.8bn 2019 Sales

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

€ 18.0bn 2019 Sales

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

€ 5.5bn 2019 Sales

Strong positions in 7 of the top 10 OTC markets

- // Focus categories: Allergy & Cold, Cough, Sinus and Flu; Nutritionals; Dermatology; Pain and Cardio; Digestive Health
- // Concentrated portfolio of 16 mega-brands with annual sales of >€ 100m

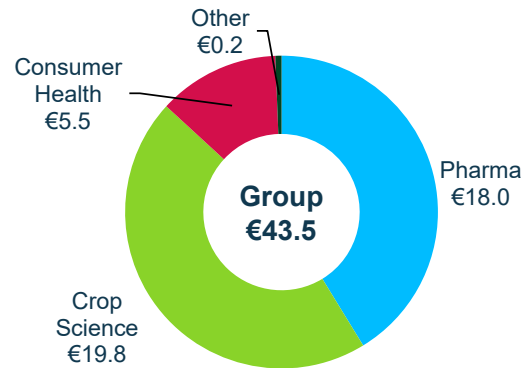
¹ 2019 Sales show continuing operations of the Divisions plus €0.2bn attributable to all other segments

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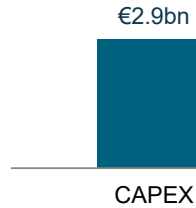


Bayer Key Financials

2019 Sales in €bn



Capital Expenditures 2019

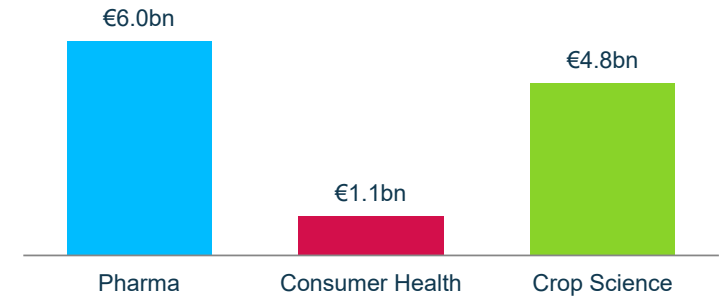


Research & Development Expenses 2019

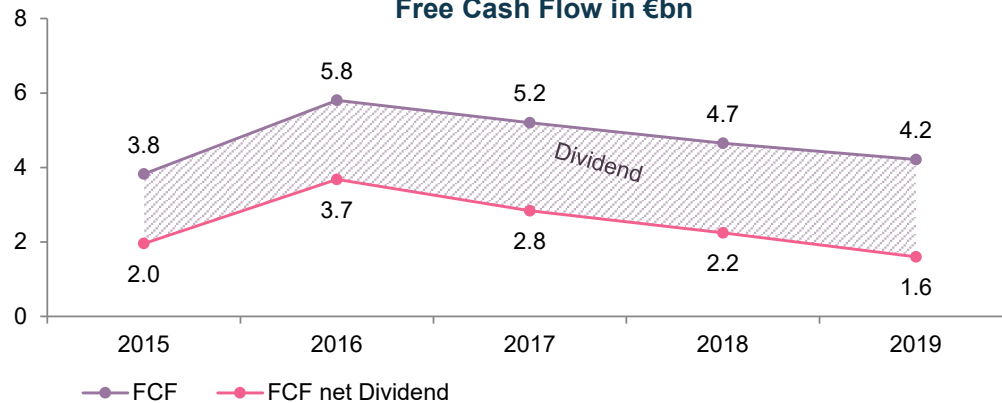
€5.3bn



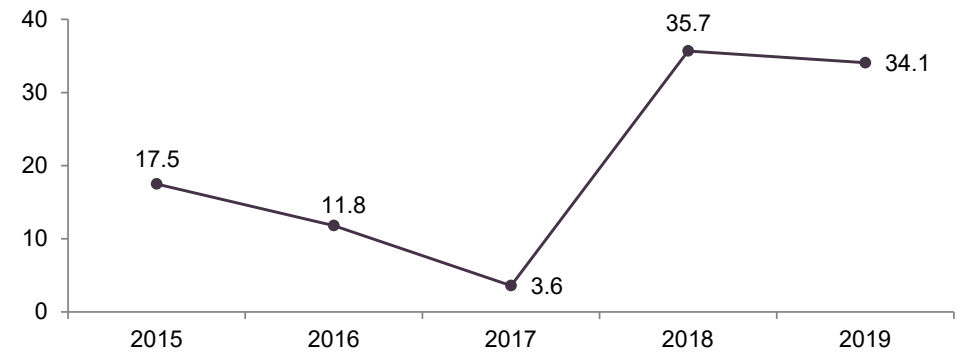
2019 EBITDA before Special Items



Free Cash Flow in €bn



Net Financial Debt in €bn





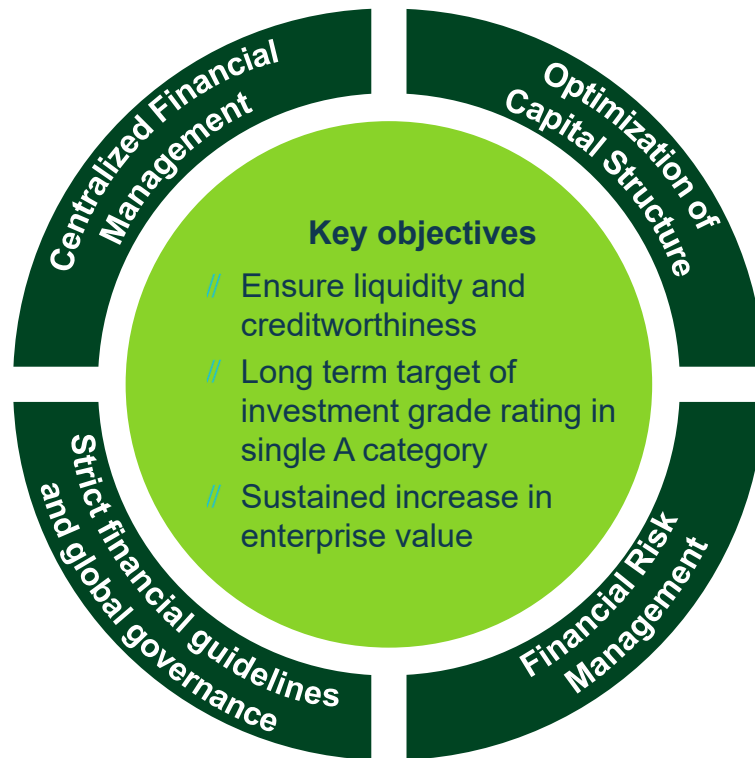
We confirm our currency-adjusted Group guidance for 2020

	Currency-adjusted		Including currency impact
	Outlook as of Aug 2020	Outlook as of Nov 2020	Outlook as of Nov 2020 ³
Sales	€43-€44bn	€43-€44bn ✓	€41-€42bn
EBITDA margin <i>(before special items)</i>	~ 28%	~ 28% ✓	~ 28%
Core EPS	€6.70 – €6.90	€6.70 – €6.90 ✓	€6.30 – €6.50
Free cash flow*	-€0.5- €0bn ¹	€0.5-€1bn ² ✓✓	No major impact
Net financial debt	~€33bn	~€33bn (incl. AskBio) ✓✓	No major impact

Note: Outlook based on underlying assumption that there are no severe lockdown measures related to COVID-19 in Q4; ¹ Assumption of settlement payouts of ~€4.5 bn; ² Assumption of settlement payouts of ~€3.5 bn; ³ Currency assumptions based on month-end September spot rates (1 EUR=) 1.17 USD, 6.61 BRL, 7.98 CNY, 124 JPY, 26.2 MXN, 91.8 RUB



Bayer Pursues Conservative Financial Policy...



Financing instruments

// Syndicated credit facilities

// Global Commercial Paper program

// Senior bonds in different currencies

// Hybrid bonds

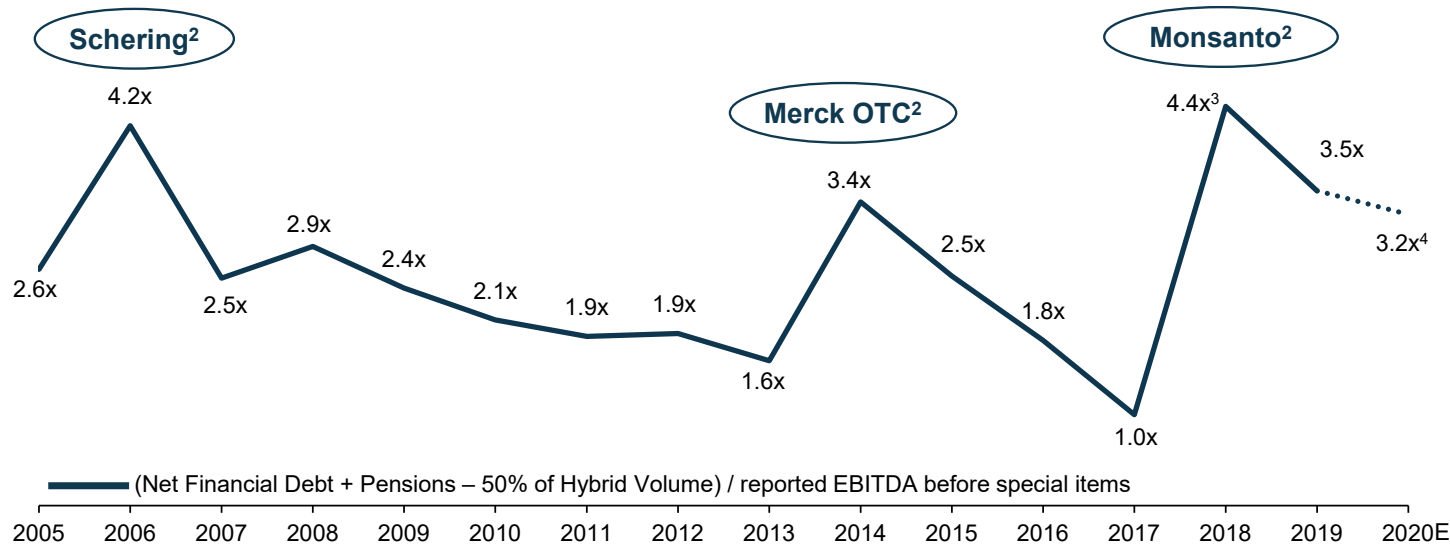
// Equity-linked instruments

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 Leverage¹



Proven track record of disciplined deleveraging

Agency	Long Term Rating over time				
S&P	A	BBB+		A-	BBB
Moody's			A3		Baa1
Fitch ⁵	BBB+		A-	A	BBB+

Agency	LT-Rating	Outlook	ST-Rating
S&P	BBB	Stable	A2
Moody's	Baa1	Negative	P2
Fitch	BBB+	Stable	F2

1 Figures as reported in the respective year's annual report without restatements

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 Full year 2018 multiple results in 3.7x instead of 4.4x if based on 2018 unaudited pro forma EBITDA of combined business as shown on Capital Markets Day in December 2018

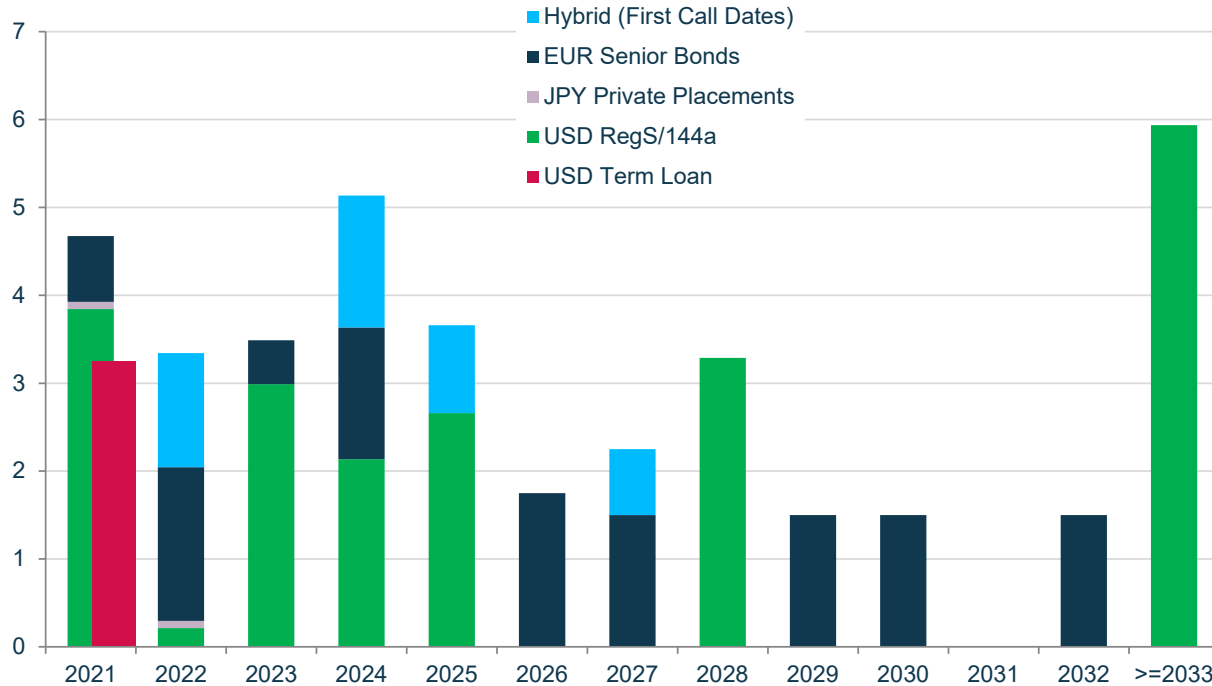
4 Pensions 2020 flat at 2019 level

5 Solicited since 2018

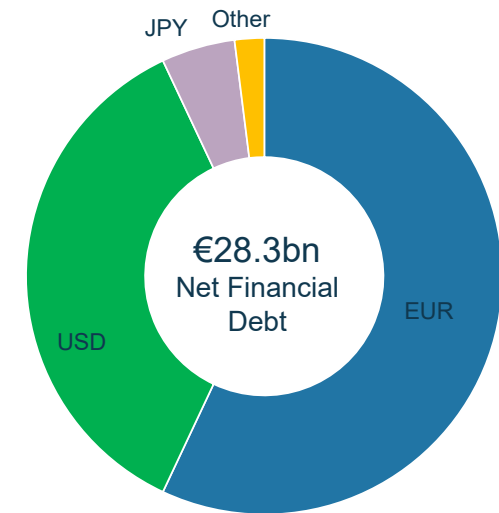


Bayer's Maturity Profile is Well Balanced

Bond and Loan Maturity Profile (€bn)
as of September 30th, 2020¹



Currency Exposure incl. Derivatives²
as of September 30th, 2020



1 Converted at quarter-end FX rates EURUSD 1.17 and EURJPY 124
2 Based on quarter-end FX rates
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Overview of Bayer's Funding Structure

Net Financial Debt¹

	Dec. 31, 2019	June 30, 2020	Sept. 30, 2020
	€ million	€ million	€ million
Bonds and notes / promissory notes	33,569	32,678	37,695
of which hybrid bonds ²	4,528	4,530	4,531
Liabilities to banks ³	4,062	4,075	3,882
Lease Liabilities	1,251	1,186	1,146
Liabilities from derivatives ⁴	123	202	71
Other financial liabilities	89	3,178	656
Receivables from derivatives ⁴	(76)	(243)	(249)
Financial debt	39,018	41,076	43,201
Cash and cash equivalents	(3,185)	(3,148)	(5,067)
Current financial assets ⁵	(1,765)	(1,935)	(9,866)
Net financial debt	34,068	35,993	28,268

1 For definition see Annual Report 2019, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

2 Classified as debt according to IFRS

3 Including both financial and nonfinancial liabilities

4 Including the market values of interest-rate and currency hedges of recorded transactions

5 Including short-term receivables with maturities between 3 and 12 months outstanding from banks and other companies, financial investments in debt and equity instruments that were recorded as current on first-time recognition, and Covestro shares

Nominal Volume of Major Instruments (bn) as of September 30, 2020

1	Senior EUR Bonds	€12.3
	Senior USD Bonds	\$24.7
	JPY Private Placements	¥20.0

2	Hybrid EUR Bonds	€4.6
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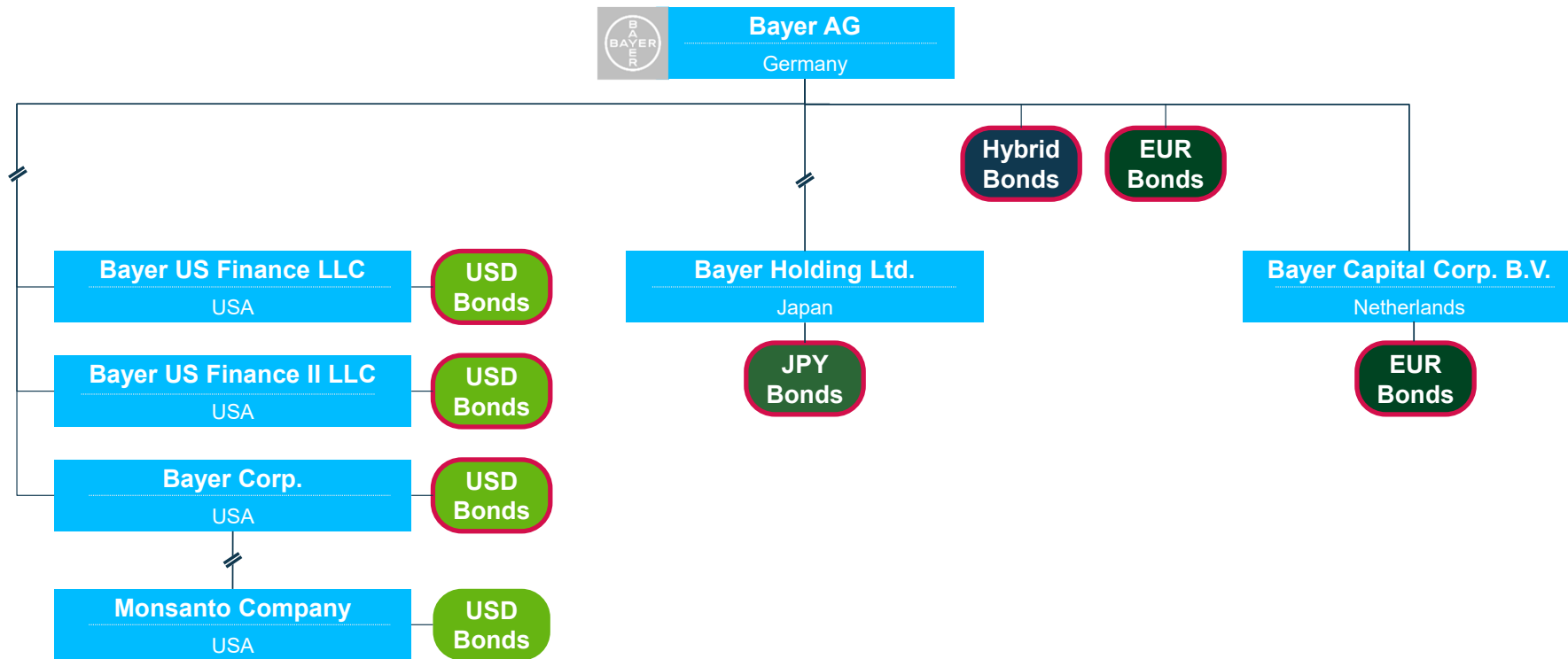
3	USD Term Loan	\$3.8
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4 Other Sources of Liquidity

Syndicated Loan Facility	€4.5
Commercial Paper Program	\$8.0



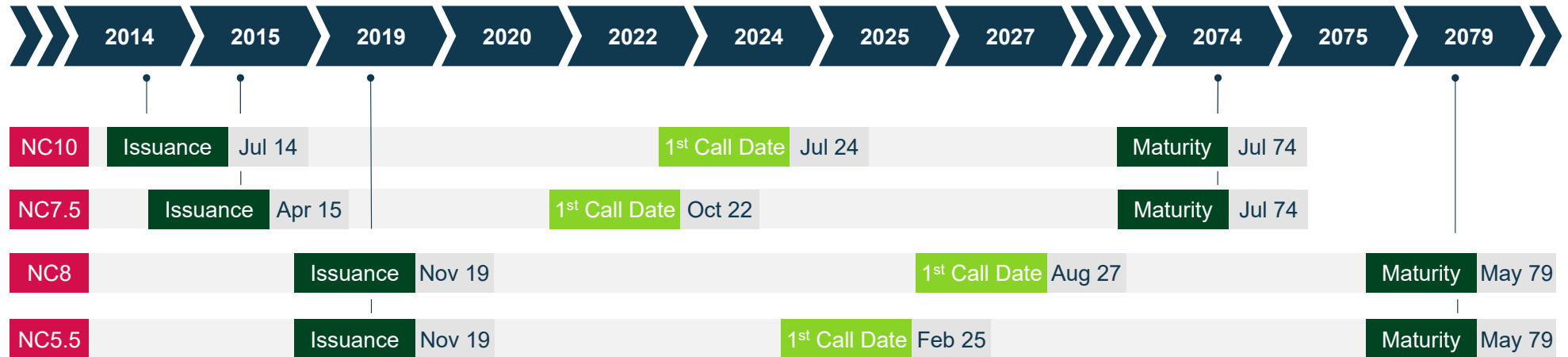
1 Main Issuing Entities at Bayer Group



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



2 Hybrid Bonds at Bayer

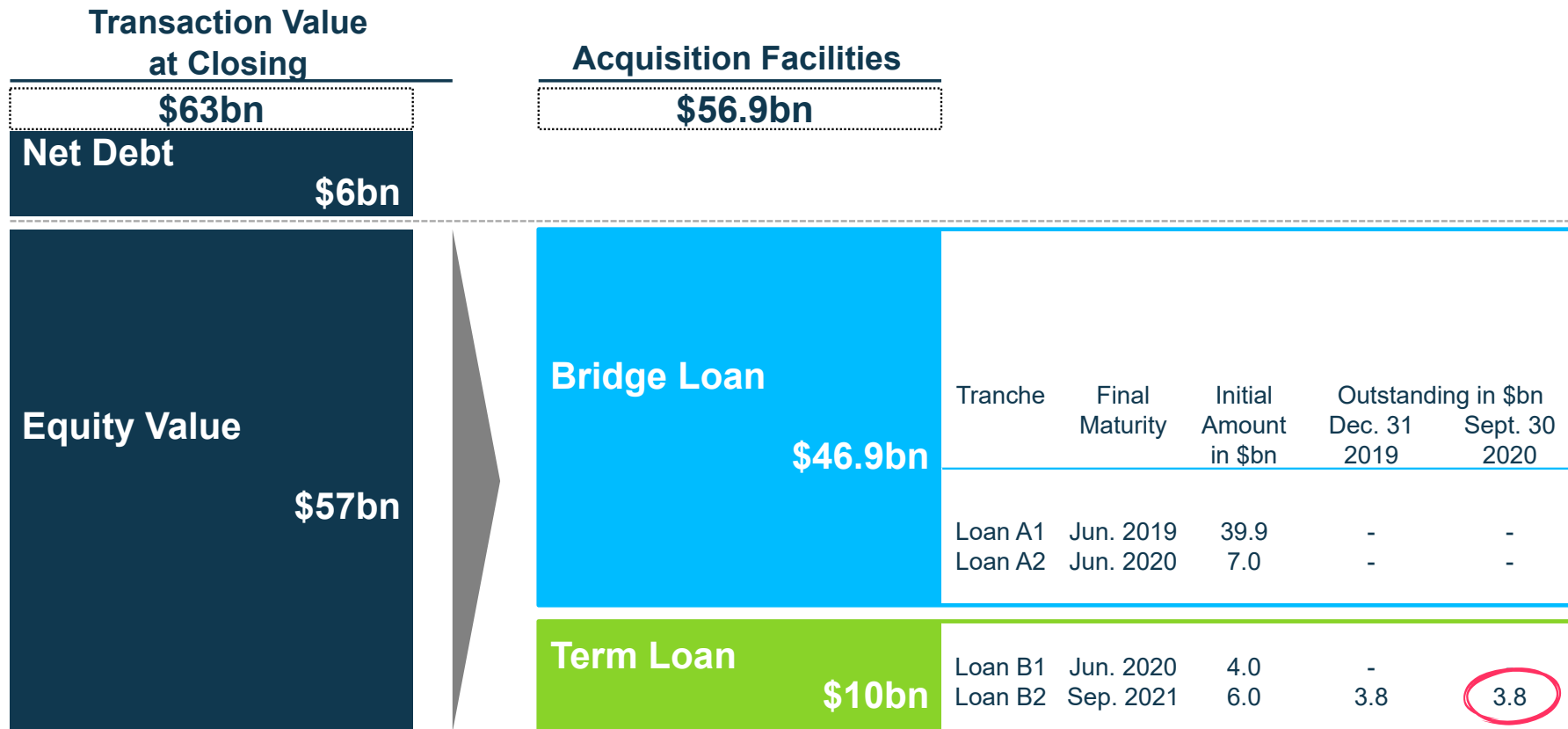


Hybrid Bond	Coupon (in%)	Outstanding Volume (in bn €)	Initial Credit Spread	1st Step-Up	2nd Step-Up
NC10	3.75	1.5	230 bps spread + 5Y Swap ¹	+25 bps/Jul 24	+75 bps/Jul 44
NC7.5	2.45	1.3	200.7 bps spread + 5Y Swap ¹	+25 bps/Oct 27	+75 bps/Jul 42
NC8	3.125	0.75	310.8 bps spread + 5Y Swap ¹	+25 bps/Nov 32	+75 bps/Nov 47
NC5.5	2.375	1	264.7 bps spread + 5Y Swap ¹	+25 bps/May 30	+75 bps/May 45

¹ Swap is reset every fifths year starting with the first call date



3 \$56.9bn Monsanto Acquisition Loan Facilities





4 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.

Borrower	// Bayer AG, Germany // Bayer Corporation, USA
Total Amount	€4.5bn, thereof €1.5bn/\$1.5bn Swingline
Signing	December 2018
Initial Tenor	5Y + two 1Y extension options (first extension option already used)
Syndicate Size	23 Banks
Purpose	General Corporate Purposes

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.

Issuer	// Bayer AG, Germany // Bayer Corporation, USA
Guarantor	Bayer AG
Total Amount	\$8bn or equivalent
Dealer	// <u>ECP</u> : Barclays, Bayerische Landesbank, Citigroup, Goldman Sachs, ING // <u>USCP</u> : Barclays, Bank of New York Mellon, Citigroup, J.P. Morgan, Wells Fargo
Issue and Paying Agent	// <u>ECP</u> : The Bank of New York Mellon, London Branch // <u>USCP</u> : The Bank of New York Mellon



Contacts at Bayer



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