



Berenberg USA Conference 2020

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Wolfgang Nickl, CFO
Oliver Maier, Head of IR





Cautionary Statements Regarding Forward-Looking Information

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Guidance at constant currencies, not including portfolio divestitures if not mentioned differently.



COVID-19 affects activities



1 *Employee Health*

- Securing health and safety of employees



2 *Business Continuity*

- Safeguarding supply, production, logistics and business operations

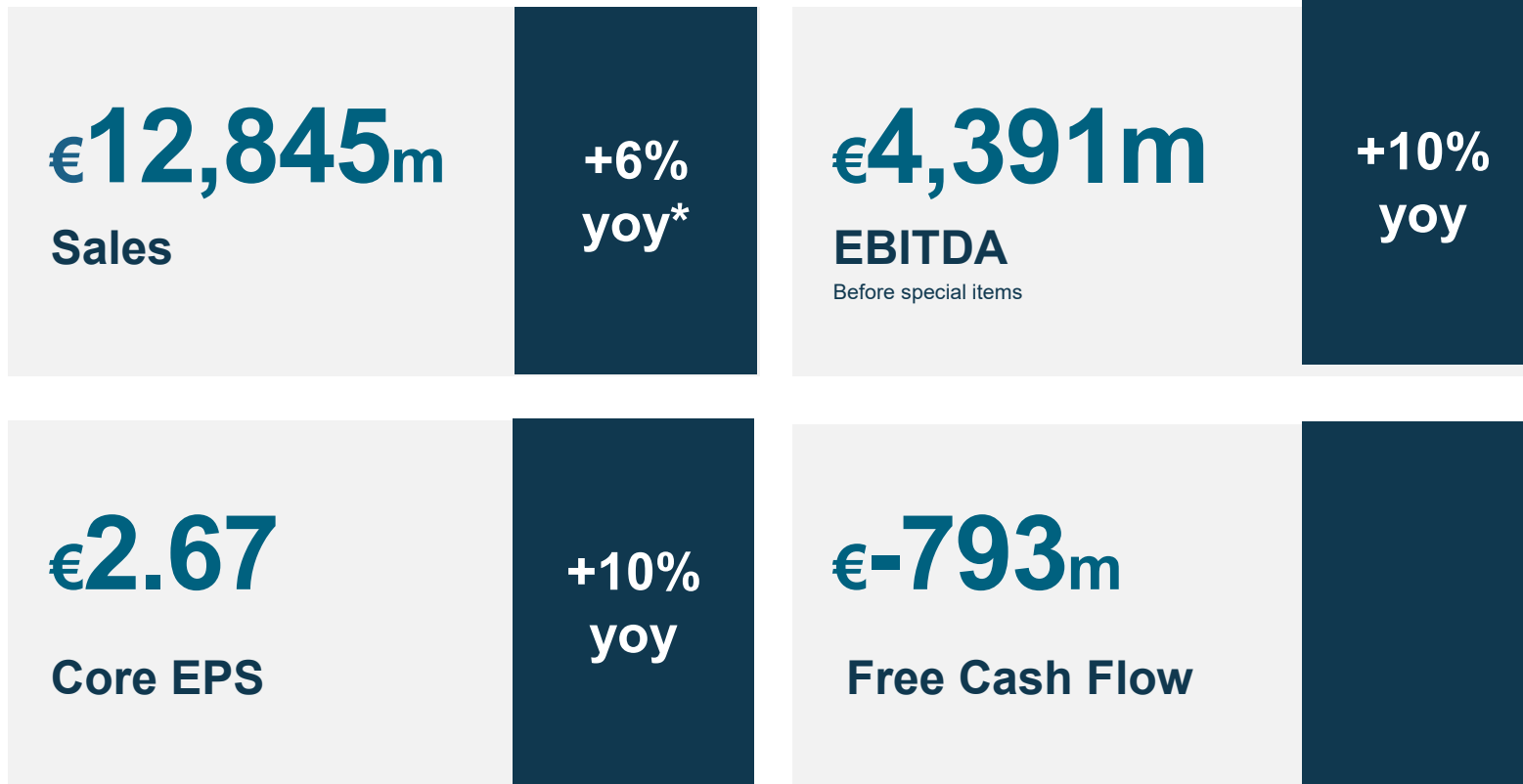
3 *Humanitarian Efforts*

- Health for all, hunger for none – using our expertise in health and nutrition in global crisis



Focused on business continuity

Q1 2020 Financial Performance

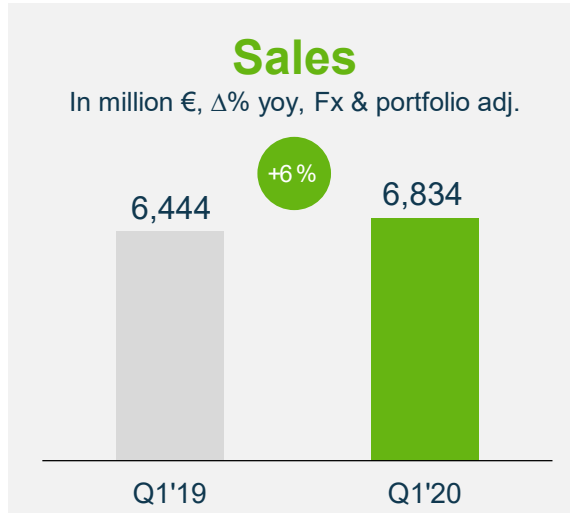


* Δ% yoy, Fx & portfolio adj

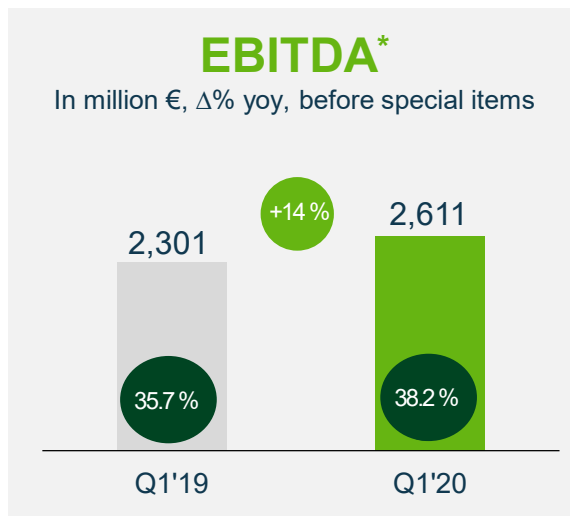
Note: All 2019 figures were re-based to reflect the change in cost allocations from enabling functions to the divisions effective Jan. 1, 2020.



Crop Science off to a good start



Volume	+6%	Currency	+0%
Price	+0%	Portfolio	0%

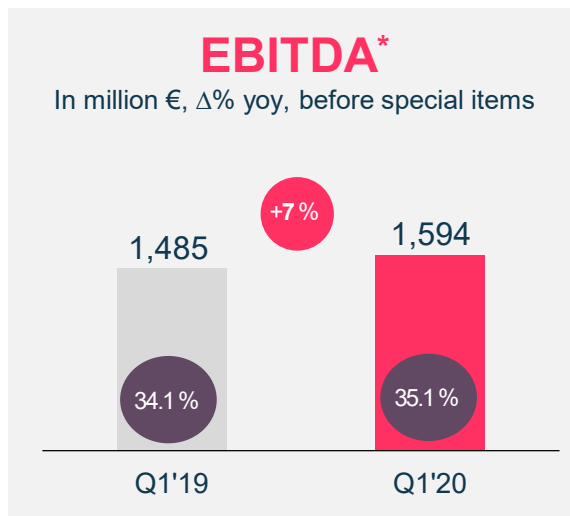
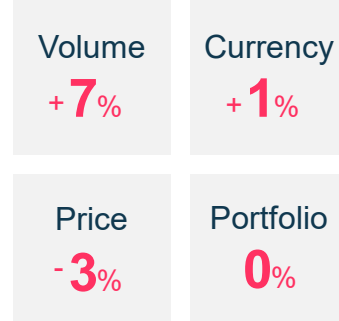
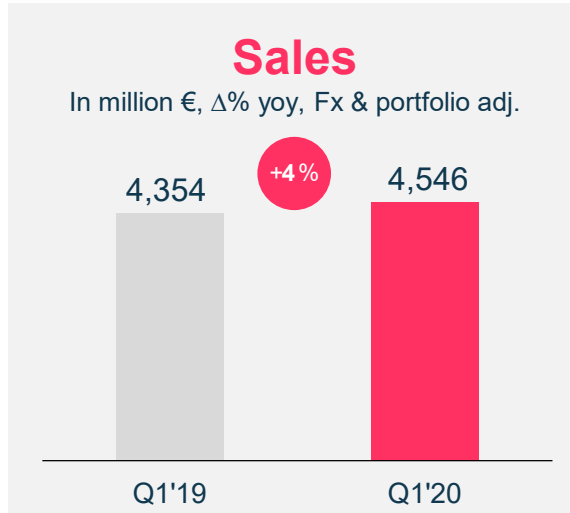


- 6% cpa sales growth, with contributions from all regions
- Good growth across insecticides, fungicides, corn seed & traits and herbicides
- Soybean seed & traits continue to decline due to competition
- Strong increase of EBITDA before special items due to volume increases and cost synergies

● EBITDA Margin before special items *2019 figures are restated



Pharmaceuticals performance driven by Xarelto

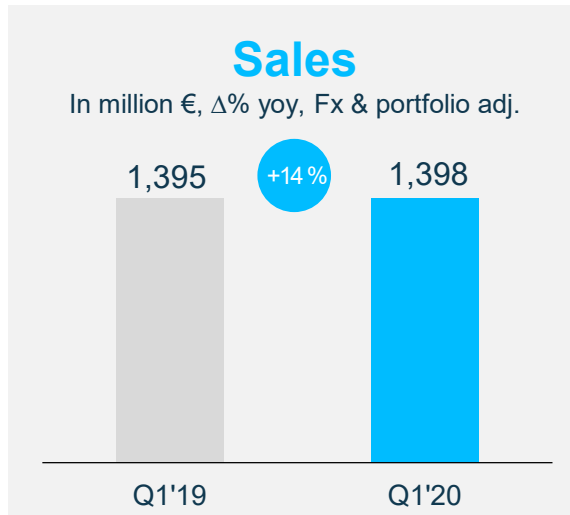


- Xarelto (+19%) as main growth contributor
- Eylea (+1%) impacted by phasing
- China with softer growth partly due to phasing in anticipation of volume-based procurement introduction
- Solid increase in EBITDA before special items
- EU approval for darolutamide and pre-filled syringe for Eylea
- Positive phase III data for Vericiguat (VICTORIA) and Xarelto (VOYAGER PAD)

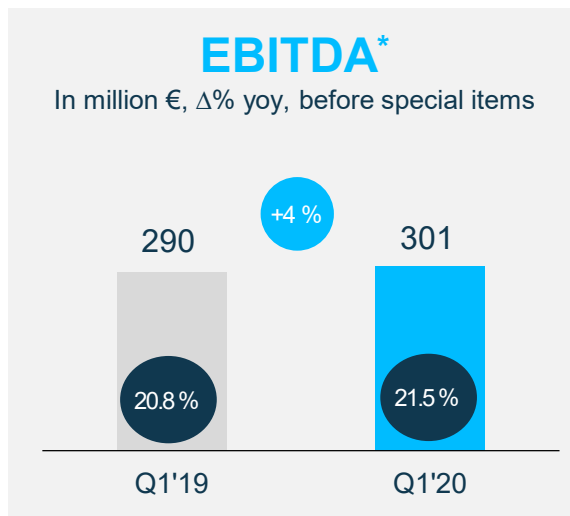
● EBITDA Margin before special items *2019 figures are restated



Strong demand for Consumer Health products in all regions



Volume	+11%	Currency	+0%
Price	+2%	Portfolio	-13%



- All regions with elevated demand primarily related to the COVID-19 epidemic
- Strong growth across categories, especially in Nutritionals (+34%), Pain and Cardio (+20%) and Allergy & Cold (+15%)
- Margin expansion driven by sales growth offsetting negative portfolio effect and higher marketing expenses
- Positive effect on earnings by growth acceleration program (“Fit to Win”)

● EBITDA Margin before special items *2019 figures are restated

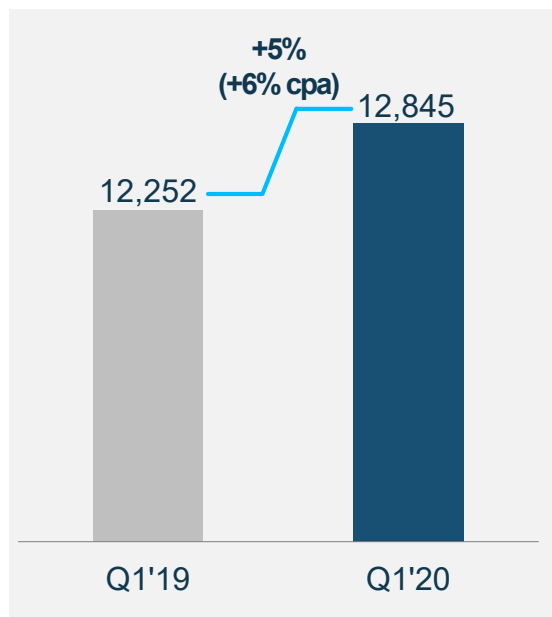


Q1 2020 Result

Sales

In million €, Δ% yoy, Fx & portfolio adj.

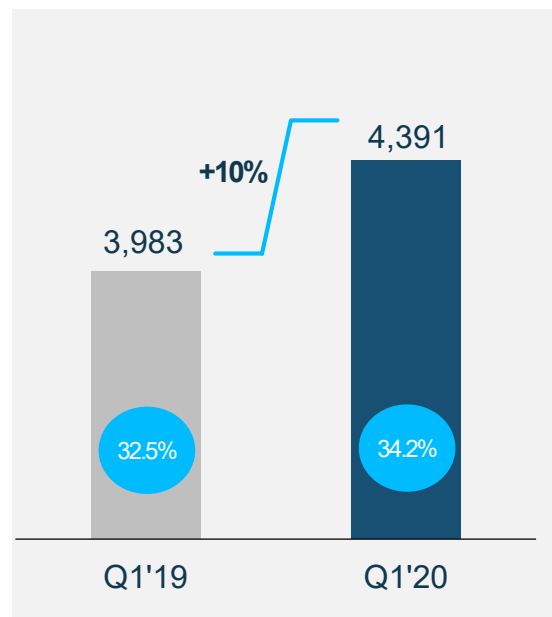
Positive FX effect of €44 million



EBITDA*

In million €, before special items

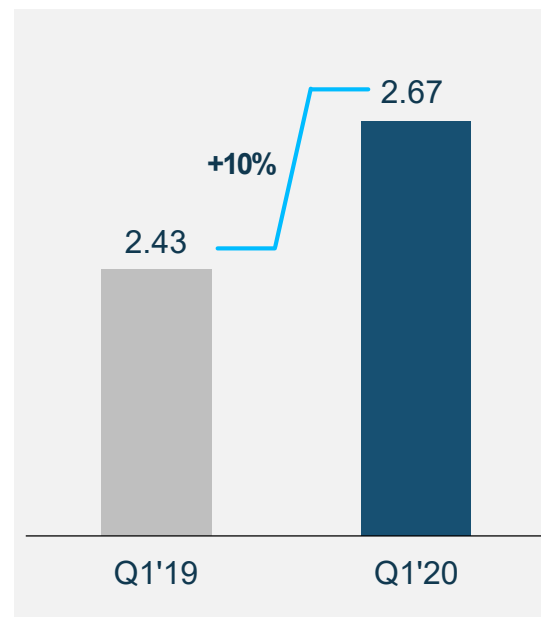
Positive FX effect of €41 million



Core EPS

In €, Cont. Operations

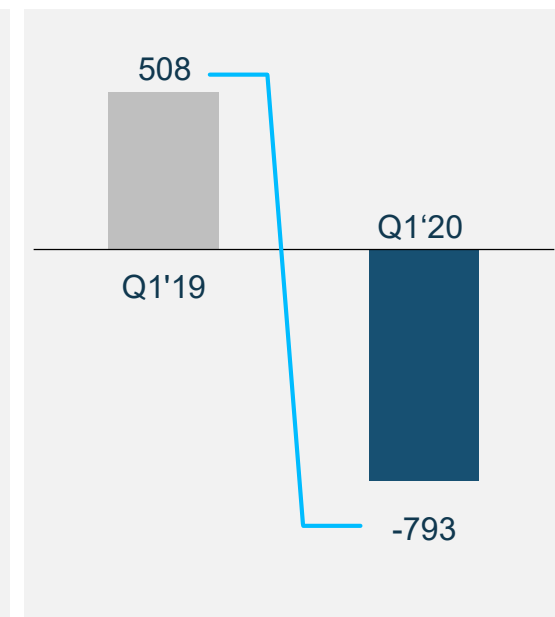
Core financial result went from -€352 million to -€493 million



Free Cash Flow

In € million

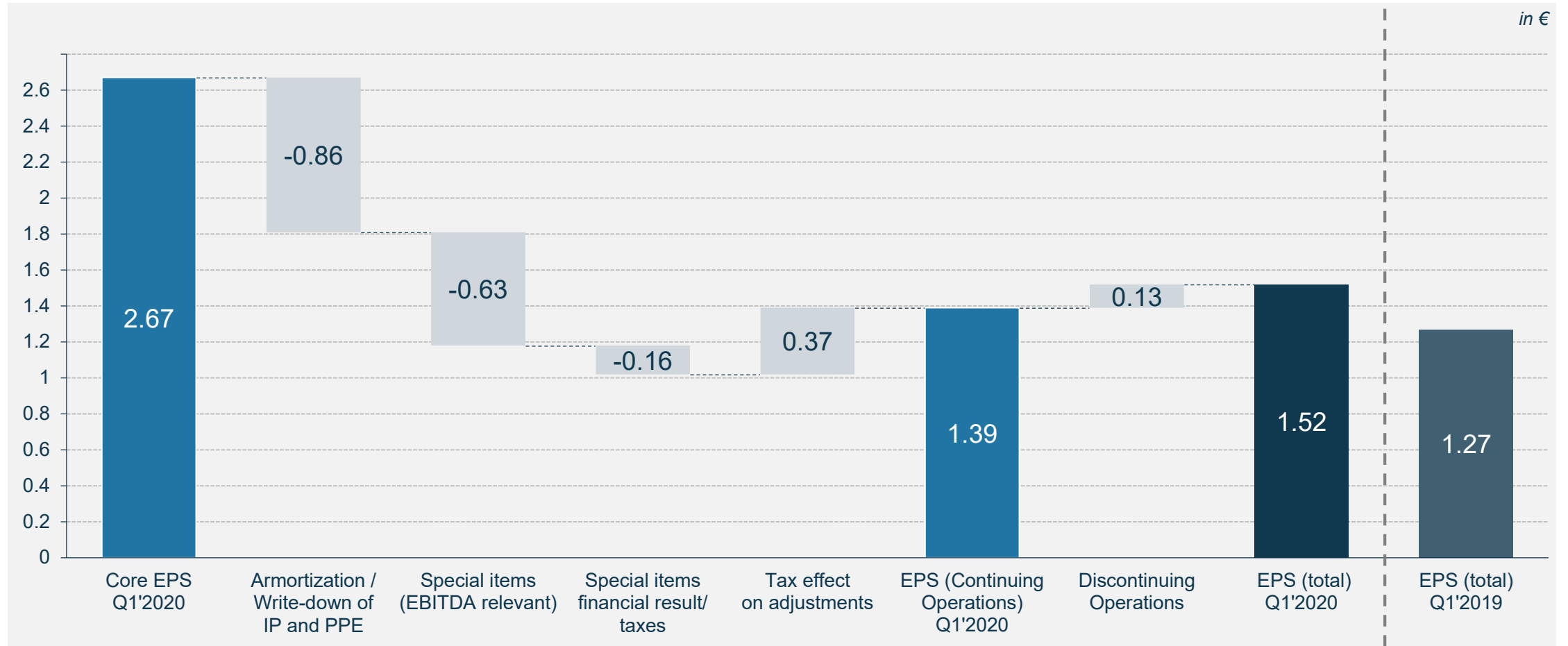
Within expectations, due to phasing and special effects (Xarelto payment)



*2019 figures are restated

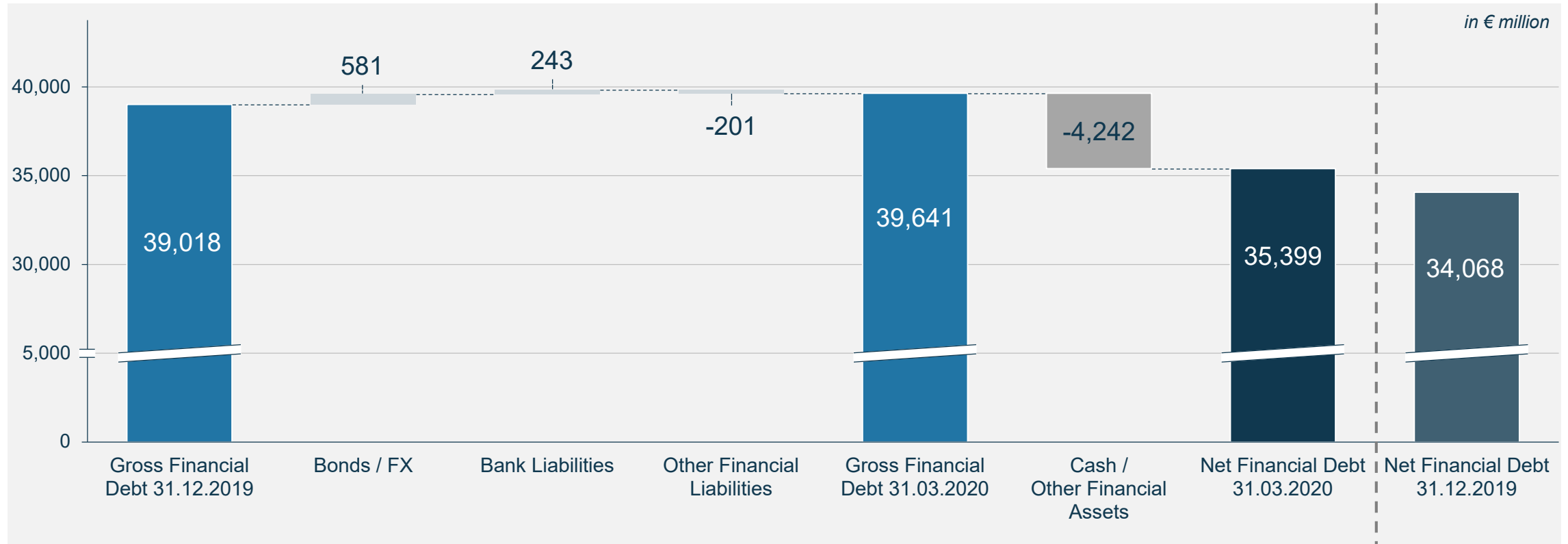


Bridge: Core EPS to EPS (Q1 2020)





Net financial debt largely unchanged



// ~60% of financial debt denominated in US\$

// ±1% change of US\$ vs € = ±€200m

Outlook: Impact variables of COVID-19 situation



Production and Supply

Stability of entire supply chain

Inventory / Safety stock

Logistics, also impact on costs

Demand Dynamics

Demand patterns, e.g. stockpiling

Impact on elective treatments

Bio-fuel demand & seasonal labor

Clinical trials and regulatory processes

Financial Markets

Debt market access / interest rates

Payment behavior of customers and solvency of suppliers

FX volatility

Trends / Opportunities

Cost management

Acceleration of digitalization

Role of science in society



Focus areas 2020

1

Group

- Maintain operational targets; adapt as necessary from COVID-19
- Continued focus on cash flow

2

Crop Science

- Continue with integration
- Focus on pipeline execution

3

Pharmaceuticals

- Progress with pipeline developments, launch new indications / products

4

Consumer Health

- Continue to drive growth acceleration program

5

Efficiency / Bayer 2022

- Follow through with efficiency improvement program and realize synergies

6

Portfolio Measures

- Closing of Animal Health sale, expected by mid 2020



Financial KPI's – Bayer Group

[€ million]	Q1 2019	Q1 2020	% y-o-y	Consensus ¹
Net Sales	12,252	12,845	4.8 / 6.0*	12,611
EBITDA before special items	3,983	4,391	10.2%	4,102
Special items	-1,044	-615		-237
Reported EBITDA	2,939	3,776	28.5%	
Depreciation & Amortization	-1,159	-1,277	10.2%	
Reported EBIT	1,780	2,499	40.4%	
Amortization and impairment losses / loss reversals on intangible assets	702	767	9.3%	
Special items (EBITDA)	1,044	615		
Other	-2	80		
Core EBIT	3,524	3,961	12.4%	
Core financial result (before special items)	-352	-493	40.1%	
Core EBT	3,172	3,468	9.3%	
Taxes (before special items)	-799	-845	5.8%	
Core tax rate	25.1%	24.4%		
Minorities	5	0		
Core Net income	2,378	2,623	10.3%	
No. of shares (m)	980.2	982.4		
Core EPS (€)	2.43	2.67	9.9%	2.58
Income from cont. Operations (after income taxes)	1,124	1,368	21.7%	
Income from discont. Operations (after income taxes)	112	120	7.1%	
Net income	1,236	1,488	20.4%	1,765
EPS from cont. and discont. Operations (€)	1.27	1.52	19.7%	
Delta Working Capital	-1,430	-3,932		
Operating Cash Flow (cont. operations)	1,045	-189		
Free cash flow	508	-793		
CapEx and leasing, cont. Operations	-395	-391	-1.0%	

Mainly related to acquisition and integration costs, restructuring costs and legal costs

Amortization mainly resulting from acquisitions

Tax rate FY guidance unchanged at ~23%

2019 figures restated

¹Consensu from April 21st 2020








Key KPIs by division

[€ million]

	Crop Science		Pharmaceuticals		Consumer Health		Reconciliation		Group	
	Q1'19	Q1'20	Q1'19	Q1'20	Q1'19	Q1'20	Q1'19	Q1'20	Q1'19	Q1'20
Sales	6,444	6,834	4,354	4,546	1,395	1,398	59	67	12,252	12,845
Sales by region:										
Europe / Middle East / Africa	1,764	1,894	1,675	1,799	460	490	54	55	3,953	4,238
North America	3,524	3,713	925	1,009	603	583	4	12	5,056	5,317
Asia / Pacific	388	416	1,529	1,504	206	192	0	0	2,123	2,112
Latin America	768	811	225	234	126	133	1	0	1,120	1,178
EBITDA	1,685	2,410	1,469	1,342	263	289	-478	-266	2,939	3,776
Special items	-616	-201	-16	-252	-27	-11	-385	-151	-1,044	-615
EBITDA before special items	2,301	2,611	1,485	1,594	290	300	-93	-115	3,983	4,391
EBITDA margin before special items	35.7%	38.2%	34.1%	35.1%	20.8%	21.5%	•	•	32.5%	34.2%
EBIT	978	1,500	1,181	1,088	181	263	-560	-352	1,780	2,499
Special items	-616	-279	-16	-252	-27	43	-384	-151	-1,044	-639
EBIT before special items	1,594	1,779	1,197	1,340	208	220	-176	-201	2,823	3,138
EBIT margin before special items	24.7%	26.0%	27.5%	29.5%	14.9%	15.7%	•	•	23.0%	24.4%
Operating cash flow, continuing	-485	-1,761	1,270	957	239	147	21	468	1,045	-189
D&A and Write-downs	-707	-910	-288	-254	-82	-26	-83	-87	-1,160	-1,277
Employees at end of period	35,298	32,785	38,190	39,747	10,765	10,630	22,949	19,039	107,202	102,201



Pharma: Major Pharma development portfolio projects in clinical Phase I to III (as of April 2020)

Phase I (27)	Phase II (12)	Phase III (8)	
Selitrectinib (TRK Inhibitor, formerly LOXO-195)	Urothelia Cancer /// Rogaratinib (pan-FGFR Inhibitor)	Prostate Cancer (mHSPC)/// Darolutamide	 Oncology  Gynecology  Cardiovascular & Kidney Diseases  Others  Multi-Indication
Rogaratinib (pan-FGFR Inhibitor)	Colorectal Cancer (mCRC) /// Regorafenib* (combination Nivolumab)	Non-Hodgkin Lymphoma /// Copanlisib (PI3K Inhibitor) Glioblastoma /// Regorafenib* (multi-	
PTEFb Inhibitor	Thrombosis /// FXI Antisense (IONIS)	Kinase Inhibitor) Peripheral Artery Disease ///	
ATR Inhibitor	Thrombosis /// Osocimab (anti-FXIa Antibody)	Rivaroxaban (FXa Inhibitor)	
DHODH Inhibitor	Stroke prevention /// FXIa Inhibitor	Heart Failure reduced EF /// Vericiguat (sGC	
Copanlisib (PI3K Inhibitor)	Heart Failure /// Pecavaptan (Dual Vasopressin Receptor	Stimulator)	
Regorafenib (multi-Kinase Inhibitor)	Antagonist)	CKD in Type 2 Diabetes /// Finerenone (nst MR	
Anetumab Ravtansine (Mesothelin-ADC)	Chronic Kidney Disease (CKD) /// Fulacimstat (Chymase	Antagonist) Sympt. Uterine Fibroids /// Vilaprisan (S-	
Thorium (227Th) Anetumab Corixetan (Mesothelin-TTC)	Inhibitor)	PR Modulator)	
PSMA-TTC (PSMA-Targeted Thorium Conjugate)	Endometriosis /// Vilaprisan (S-PR Modulator)	Retinopathy of Prematurity /// Aflibercept (VEGF	
Radium-223 Dichloride combi Pembrolizumab	Contraception /// Combi IUS: LNG (Progestin) + Indometh. (NSAID)	Inhibitor)	
Tinurilimab (CEACAM6 fb Antibody)	Chronic Cough /// P2X3 Antagonist		
ILDR2 fb Antibody	Age-related Macula Degeneration (AMD) /// Aflibercept High Dose		
AhR Inhibitor	Obstructive Sleep Apnea /// TASK Channel Blocker		
Anti-FXI Antibody			
Runcaciguat (sGC Activator 1)			
sGC Activator 2			
Vasopressin V1a Receptor Antagonist			
P2X4 Antagonist			
BDKRB1 Receptor Antagonist			
FVIII Gene Therapy			
sGC Activator 3			
PEG-ADM Inhale			
PREP Inhibitor			
P2X3 Antagonist			
IRAK4 Inhibitor 1			
IRAK4 Inhibitor 2			

Additions:

- Phase I trial With Ra-223 dichloride in combination with Pembrolizumab (Merck's Keytruda) in NSCLC

Terminations:

- P2X3 antagonist 2: Phase I in multi-indications and Phase II in chronic cough
- Phase II with vericiguat in heart failure with preserved ejection fraction (HFpEF) – data to be presented at an upcoming congress

Phase Transitions:

- Molidustat for the treatment of anemia has been submitted in Japan and was thus deleted from Phase III