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News Release

First quarter of 2014

Bayer: Very successful start to 2014

- Encouraging business development in all subgroups
- Strong growth for recently launched pharmaceutical products
- Group sales EUR 10,555 million (plus 2.8 percent, Fx & portfolio adj. plus 8.4 percent)
- EBIT moves ahead by 18.4 percent to EUR 2,096 million
- EBITDA before special items rises by 11.6 percent to EUR 2,738 million – despite negative currency effects of 8 percent
- Net income advances by 22.7 percent to EUR 1,423 million
- Core earnings per share increase by 14.7 percent to EUR 1.95
- Forecast for 2014 confirmed

Leverkusen, April 28, 2014 – The Bayer Group started the year 2014 with encouraging growth in sales and earnings. "Our Life Science businesses continued their dynamic development and achieved slight earnings increases despite significant negative currency effects," Bayer CEO Dr. Marijn Dekkers said on Monday when the interim report was published. HealthCare experienced strong growth thanks to the gratifying development in sales of the recently launched pharmaceutical products. CropScience benefited from an early start to the season in Europe. MaterialScience, in particular, raised earnings substantially. "We are confident about our business development for the rest of the year and confirm our guidance for 2014," said Dekkers.

Sales of the Bayer Group advanced by 2.8 percent in the first quarter of 2014 to EUR 10,555 million (Q1 2013: EUR 10,266 million). Adjusted for currency and portfolio effects (Fx & portfolio adj.), business expanded by 8.4 percent. EBIT rose by 18.4 percent to EUR 2,096 million (Q1 2013: EUR 1,771 million) after net special items of plus EUR 7 million (Q1 2013: minus EUR 45 million). EBIT before special items increased by 15.0 percent to EUR 2,089 million (Q1 2013: EUR 1,816 million). In spite of negative

currency effects of some EUR 200 million or roughly 8 percent, EBITDA before special items improved by 11.6 percent to EUR 2,738 million (Q1 2013: EUR 2,453 million). Net income climbed by 22.7 percent to EUR 1,423 million (Q1 2013: EUR 1,160 million) and core earnings per share by 14.7 percent to EUR 1.95 (Q1 2013: EUR 1.70).

Gross cash flow in the first quarter of 2014 rose by 13.3 percent to EUR 2,048 million (Q1 2013: EUR 1,807 million) due to the improvement in EBITDA. Net cash flow, however, declined to EUR 163 million (Q1 2013: EUR 327 million) because more cash was tied up in working capital. Net financial debt rose from EUR 6.7 billion on December 31, 2013, to EUR 9.1 billion on March 31, 2014. This increase was driven by the acquisition of Algeta ASA, Norway.

HealthCare: recently launched pharmaceutical products post sales of some EUR 600 million

Sales of the HealthCare subgroup rose by 2.9 percent (Fx & portfolio adj. 8.9 percent) in the first quarter to EUR 4,572 million (Q1 2013: EUR 4,443 million). "This growth was driven by the pharmaceutical products we have launched recently," said Dekkers. Sales showed above-average development in the Emerging Markets.

The Pharmaceuticals business recorded strong growth compared to a weaker prior-year quarter, with sales rising by 14.9 percent (Fx & portfolio adj.) to EUR 2,782 million. This excellent performance was driven by the recently launched medicines Xarelto™, Eylea™, Stivarga™, Xofigo™ and Adempas™, which registered combined sales of EUR 598 million (Q1 2013: EUR 244 million) led by the anticoagulant Xarelto™, which is Bayer's best-selling pharmaceutical product. The eye medicine Eylea™ posted strong gains, and business with the cancer drugs Stivarga™ and Xofigo™ developed well. The pulmonary hypertension treatment Adempas™, launched in the United States in the fourth quarter of 2013, also contributed to the growth in sales.

Among the established best-selling products, the cancer drug Nexavar™ recorded sales gains in all regions, with currency-adjusted (Fx adj.) growth of 13.6 percent. Sales of Aspirin™ Cardio for preventing heart attacks rose by 19.2 percent (Fx adj.), largely thanks to increased demand in China. The decline in sales of the blood-clotting medicine Kogenate™ (Fx adj. minus 5.7 percent) was partly explained by the high sales level of the prior-year quarter. Sales of the multiple sclerosis drug Betaferon™/Betaseron™ receded

by 21.5 percent (Fx adj.), mainly due to increased competition in the United States. Business with the YAZ™/Yasmin™/Yasminelle™ line of oral contraceptives was hampered chiefly by generic competition, with sales of these products down by 2.6 percent (Fx adj.).

Sales of the Consumer Health segment in the first quarter of 2014, at EUR 1,790 million, were flat with the prior-year period on a currency- and portfolio-adjusted basis. In Consumer Care, the skincare product Bepanthen™/Bepanthol™ and the dietary supplement Supradyn™ in particular registered growth (Fx adj. 21.9 percent and 15.0 percent, respectively). In the Medical Care Division, the U.S. Diabetes Care business continued to be held back by price declines. Sales of the Contour™ line of blood glucose meters receded by 11.5 percent (Fx adj.). Sales of contrast agents and medical equipment in the Radiology & Interventional business were slightly down on a currency- and portfolio-adjusted basis. On the other hand, business with animal health products developed favorably, with growth particularly for the Advantage™ family of flea, tick and worm control products (Fx adj. plus 10.8 percent).

Despite significant negative currency effects of some EUR 130 million or approximately 11 percent, EBITDA before special items of HealthCare rose by 1.9 percent to EUR 1,301 million (Q1 2013: EUR 1,277 million). The improvement was due to the very good business development at Pharmaceuticals, while earnings at Consumer Health declined slightly. Earnings were also held back by higher selling expenses and research and development costs.

Strong start to the season at CropScience

Sales of the agriculture business (CropScience) increased in the first quarter by 4.9 percent (Fx & portfolio adj. plus 11.8 percent) to EUR 2,900 million (Q1 2013: EUR 2,764 million). Both Crop Protection/Seeds and Environmental Science contributed to this encouraging growth. "Our business benefited mainly from an early start to the season in Europe and strong sales in Latin America," Dekkers said. The subgroup grew sales by 17.0 percent (Fx adj.) in Europe and by 21.3 percent (Fx adj.) in Latin America/Africa/Middle East. Sales advanced by 8.2 percent (Fx adj.) in Asia/Pacific and 4.3 percent (Fx adj.) in North America.

The Crop Protection business saw positive development in all business units, with new products (launched since 2006) playing a key role. The Fungicides (Fx & portfolio adj. plus 16.6 percent), SeedGrowth (Fx & portfolio adj. plus 19.1 percent) and Insecticides (Fx & portfolio adj. plus 12.6 percent) units all posted double-digit growth rates. Herbicides (Fx & portfolio adj. plus 7.7 percent) mainly benefited from the good development of products for use in cereals. Business in the Seeds unit also expanded markedly (Fx & portfolio adj. plus 11.9 percent). Environmental Science registered a positive performance both by products for professional users and by the consumer business, raising sales by 7.9 percent (Fx & portfolio adj.).

Despite negative currency effects of about EUR 70 million or approximately 6 percent, EBITDA before special items advanced by 1.6 percent to EUR 1,098 million (Q1 2013: EUR 1,081 million). This earnings growth was mainly attributable to significantly increased volumes and higher selling prices. However, earnings were hampered by increases in both selling expenses and research and development expenses.

Earnings at MaterialScience substantially improved

Sales of the high-tech polymer materials business (MaterialScience) increased in the first quarter by 1.0 percent (Fx & portfolio adj. 4.8 percent) to EUR 2,803 million (Q1 2013: EUR 2,775 million). "This growth was the result of significantly higher volumes in all business units and regions except Latin America/Africa/Middle East," Dekkers explained. Selling prices were below the level of the prior-year period.

Sales of foam raw materials (Polyurethanes) improved by 6.5 percent (Fx & portfolio adj.). Higher volumes in nearly all regions, especially North America and Asia/Pacific, contributed to this increase. Sales of high-tech plastics (Polycarbonates) rose by 2.3 percent (Fx & portfolio adj.) as a result of higher volumes in nearly all regions. Business with the raw materials marketed by the Coatings, Adhesives, Specialties business unit expanded by 6.6 percent (Fx & portfolio adj.) due to higher volumes in all regions.

EBITDA before special items of MaterialScience improved by a substantial 79.4 percent against a weak prior-year quarter, to EUR 366 million (Q1 2013: EUR 204 million). This increase was largely due to lower raw material prices. Earnings were also boosted by higher volumes and efficiency improvement measures. Lower selling prices, however, had a negative effect.

Adjusted sales growth of about 5 percent planned for 2014

After the very encouraging first quarter, Bayer confirms the 2014 guidance it issued at the end of February based on average exchange rates for the fourth quarter of 2013. The company experienced negative currency effects in the first quarter of 2014 compared to these assumptions, but so far these have been more than offset by the improvement in its operational performance and by seasonal effects. Bayer plans to grow sales for the full year by about 5 percent on a currency- and portfolio-adjusted basis. Allowing for expected negative currency effects of about 2 percent compared to the previous year, Group sales would be approximately EUR 41 billion to EUR 42 billion. It is planned to raise EBITDA before special items by a low- to mid-single-digit percentage, allowing for expected negative currency effects of about EUR 450 million or roughly 5 percent. Bayer aims to increase core earnings per share by a mid-single-digit percentage, allowing for expected negative currency effects of around 6 percent. Bayer expects net financial debt at year end to be less than EUR 9.0 billion.

HealthCare expects sales to advance by a mid-single-digit percentage in 2014 on a currency- and portfolio-adjusted basis. Allowing for expected negative currency effects of about 2 percent, sales would be approximately EUR 19.5 billion to EUR 20 billion. The subgroup predicts EBITDA before special items to slightly exceed the prior-year level, allowing for negative currency effects of roughly EUR 250 million.

In the Pharmaceuticals segment, sales are expected to move ahead by a high-single-digit percentage on a currency- and portfolio-adjusted basis. Negative currency effects of around 2 percent are predicted compared to 2013. Pharmaceuticals plans to raise sales of its recently launched products to EUR 2.8 billion. Additional marketing and R&D expenditures totaling EUR 0.5 billion are anticipated in this segment in 2014. Against this background, the Pharmaceuticals segment predicts a low- to mid-single-digit percentage increase in EBITDA before special items, allowing for negative currency effects of about EUR 150 million. The EBITDA margin before special items of Pharmaceuticals is expected to be level with the previous year.

Sales in the Consumer Health segment are planned to rise by a low- to mid-single-digit percentage (Fx & portfolio adj.). Negative currency effects of around 3 percent compared with 2013 are expected. EBITDA before special items is anticipated to come in slightly

below the level of the prior year, allowing for negative currency effects of approximately EUR 100 million.

CropScience continues to predict favorable market conditions for 2014, although the environment will not be quite as positive as in 2013. The subgroup expects to grow faster than the market and raise sales by a mid- to high-single-digit percentage on a currency- and portfolio-adjusted basis. Negative currency effects of about 3 percent are anticipated compared to 2013. CropScience expects to increase EBITDA before special items by a low-single-digit percentage, allowing for negative currency effects of approximately EUR 150 million.

MaterialScience expects to increase sales in 2014 by a mid-single-digit percentage on a currency- and portfolio-adjusted basis and predicts negative currency effects of about 2 percent compared to 2013. The subgroup anticipates an increase in EBITDA before special items, allowing for negative currency effects of roughly EUR 50 million. In the second quarter of 2014, MaterialScience expects to raise sales compared to the first quarter. EBITDA before special items is likely to show a slight decrease due to scheduled maintenance shutdowns.

Note to editors:

The following tables contain the key data for the Bayer Group and its subgroups for the first quarter of 2014.

The full report for the first quarter is available for online viewing and download at www.stockholders-newsletter-q1-2014.bayer.com

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Bayer Key Data, 1st Quarter 2014

Bayer Group (EUR million)	Q1 2013	Q1 2014	Change in %
Sales	10,266	10,555	+2.8
EBIT	1,771	2,096	+18.4
<i>Special items</i>	(45)	7	-
EBIT before special items	1,816	2,089	+15.0
EBITDA	2,416	2,745	+13.6
<i>Special items</i>	(37)	7	-
EBITDA before special items	2,453	2,738	+11.6
Net income	1,160	1,423	+22.7
Earnings per share (EUR)	1.40	1.72	+22.9
Core earnings per share (EUR)	1.70	1.95	+14.7
Number of employees at end of period *	111,647	114,928	+2.9

Bayer HealthCare (EUR million)	Q1 2013	Q1 2014	Change in %
Sales	4,443	4,572	+2.9
EBIT	922	962	+4.3
<i>Special items</i>	(31)	16	-
EBIT before special items	953	946	-0.7
EBITDA	1,253	1,317	+5.1
<i>Special items</i>	(24)	16	-
EBITDA before special items	1,277	1,301	+1.9

Bayer CropScience (EUR million)	Q1 2013	Q1 2014	Change in %
Sales	2,764	2,900	+4.9
EBIT	964	988	+2.5
<i>Special items</i>	(5)	0	-
EBIT before special items	969	988	+2.0
EBITDA	1,077	1,098	+1.9
<i>Special items</i>	(4)	0	-
EBITDA before special items	1,081	1,098	+1.6

Bayer MaterialScience (EUR million)	Q1 2013	Q1 2014	Change in %
Sales	2,775	2,803	+1.0
EBIT	42	219	-
<i>Special items</i>	(1)	(2)	-
EBIT before special items	43	221	-
EBITDA	203	364	+79.3
<i>Special items</i>	(1)	(2)	-
EBITDA before special items	204	366	+79.4

EBITDA, EBIT(DA) before special items and core earnings per share are not defined in the International Financial Reporting Standards and should therefore be regarded only as supplementary information. For the definition of these indicators, see the current annual report at www.bayer.com.

* Full-time equivalents

Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup 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.