



Investor Conference Call



Q1 2018 Results

May 03, 2018/ Werner Baumann, CEO



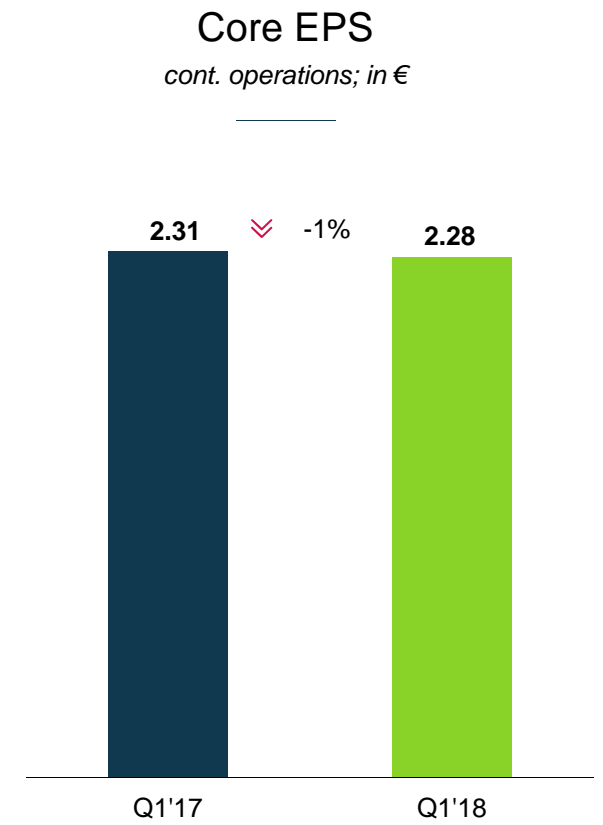
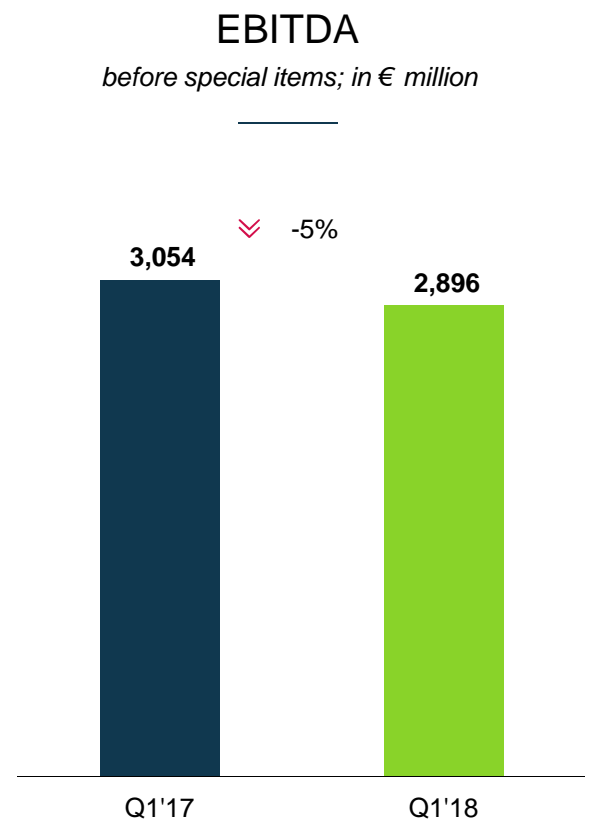
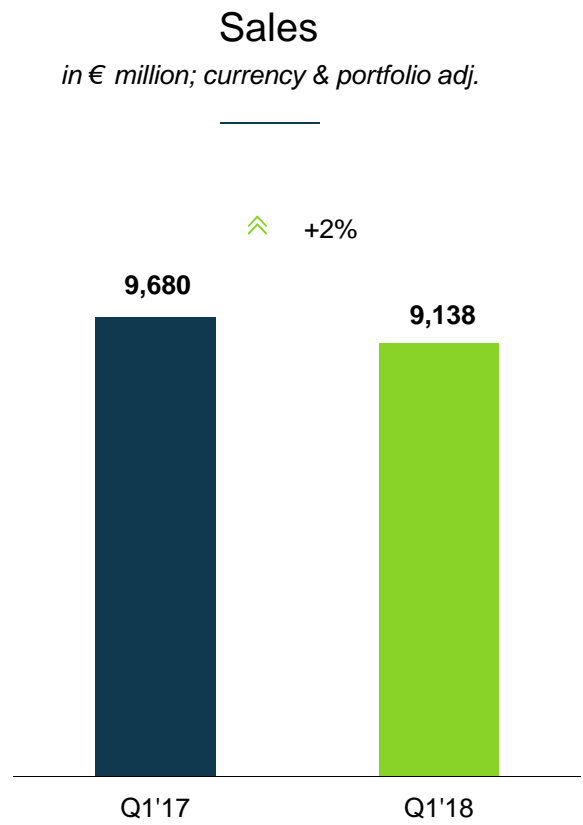


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Q1 2018 – distorted by currency





Significant progress with Monsanto Acquisition

Acquisition of Monsanto pending regulatory approval

- // European Commission issued conditional approval of Monsanto acquisition
- // With the recent clearances two thirds of the regulatory approvals have been granted
- // Placement of 31m new shares to Temasek
- // Committed additional divestments to BASF for up to €1.7bn
- // Closing of the transaction still expected to be in Q2 of 2018



Q1 2018 – Pharma Headlines

- Growth of +3% mainly driven by key growth products; up +5% adjusted for CSL
- Key growth products overall continue their growth trajectory
- Adjusted EBITDA down mainly due to negative currency effects, higher COGS, higher R&D and M&S spend
- ALTAIR data for Eylea submitted to EMA for approval
- DME approval for Eylea in China
- Rolling NDA submission for larotrectinib completed

Sales $\Delta\%$ Fx and portf. adjusted





Q1 2018 – Crop Science Headlines

- Sales on strong prior-year level
- Earnings impacted by currency, a decline in other operating income and higher COGS
- EMEA was impacted by adverse weather conditions and regulatory uncertainty in France
- Latin America mainly driven by Brazil
- Channel inventory back to normal





Q1 2018 – Consumer Health Headlines

- China still with significant impact from two medicated skincare products
- Temporary supply interruptions
- Adjusted EBITDA margin flattish on a comparable basis





Group Outlook confirmed for FY 2018 at constant currency

Outlook depends on specific planning assumptions outlined in the Annual Report

Sales $\Delta\%$ yoy, Fx & portfolio adj., EBITDA before special items

Continuing operations	2017		Group Forecast 2018
Sales	€35.0bn	// As reported *	// Low-single-digit % decline; <€35bn
		// Currency adjusted	// Low- to mid-single-digit % increase
Adj. EBITDA	€9.3bn	// As reported *	// Low-single-digit % decline
		// Currency adjusted	// Mid-single-digit % increase
Core EPS	€6.74	// As reported *	// Prior-year level
		// Currency adjusted	// Mid-single-digit % increase



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Appendix

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Fx-Sensitivity by Currency

A 1% appreciation (depreciation) of the euro against all other currencies would decrease (increase) sales on an annual basis by some €250 million and EBITDA before special items by about €70 million.

Sales	~ €250 million
USD	~33%
CNY	~10%
JPY	~9%
CAD	~6%
BRL	~2%
Others	~40%

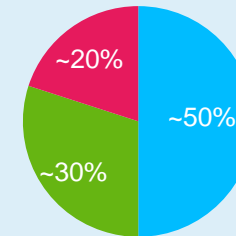


Adj. EBITDA	~ €70 million *
USD	~9%
CNY	~9%
JPY	~8%
CAD	~7%
BRL	~1%
Others	~66%



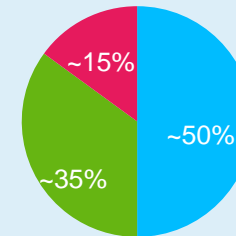
Adj. EBITDA: EBITDA before special items; *) after hedging

Share of 1% sensitivity Sales Fx by division



■ Pharmaceuticals ■ Cropsience ■ Consumer Health

Share of 1% sensitivity adj. EBITDA Fx by division



■ Pharmaceuticals ■ Cropsience ■ Consumer Health



Q1 2018 – Cash Flow And Net Financial Debt Development

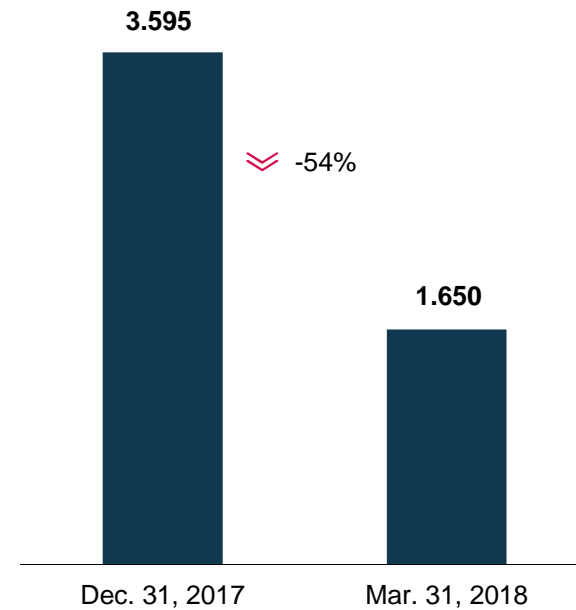
Cash Flow

in € million; $\Delta\%$ yoy, Fx adj., continuing operations

EBITDA	Operating Cash Flow	CapEx
2,818	658	349
-6%	+19%	+2%

Net Financial Debt

in € billion

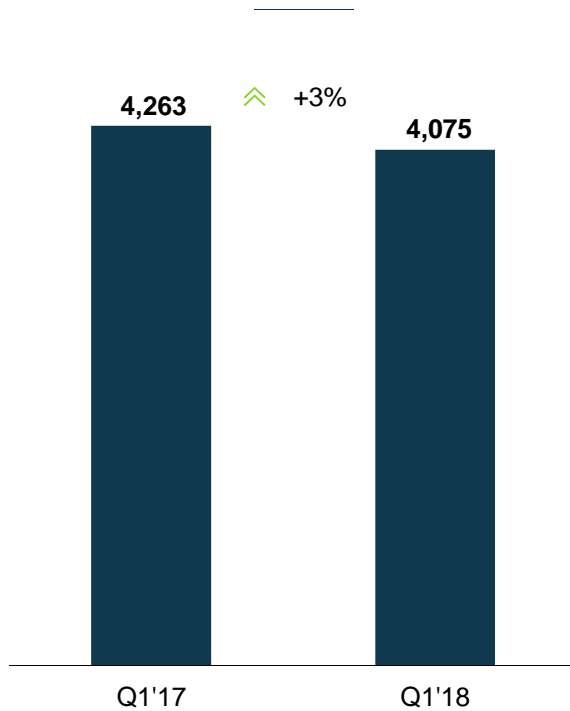




Q1 2018 – Sales Increase at Pharmaceuticals

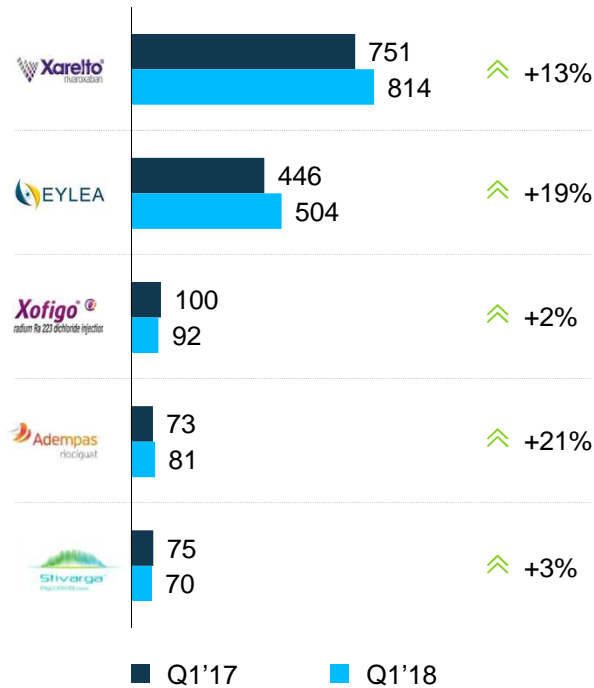
Sales

in € million; Δ% yoy, Fx & portfolio adj.



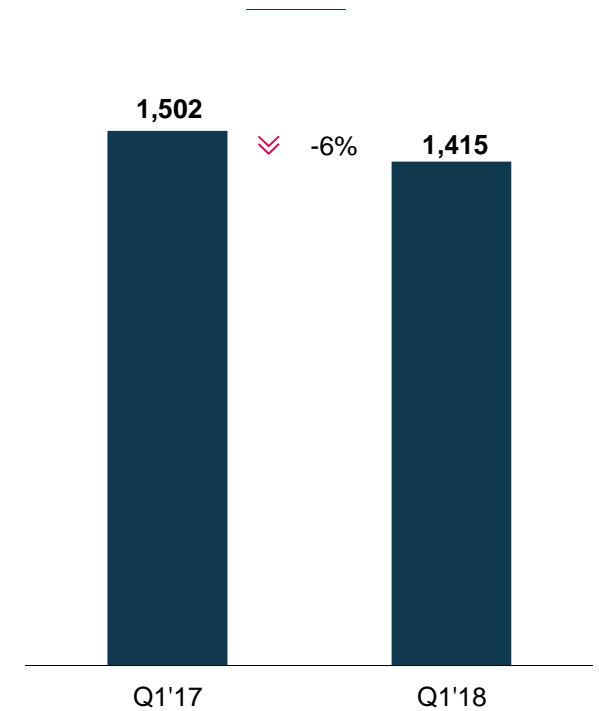
Key Growth Products

Sales in € million, Δ% yoy, Fx adj.



EBITDA

before special items, in € million; Δ% yoy

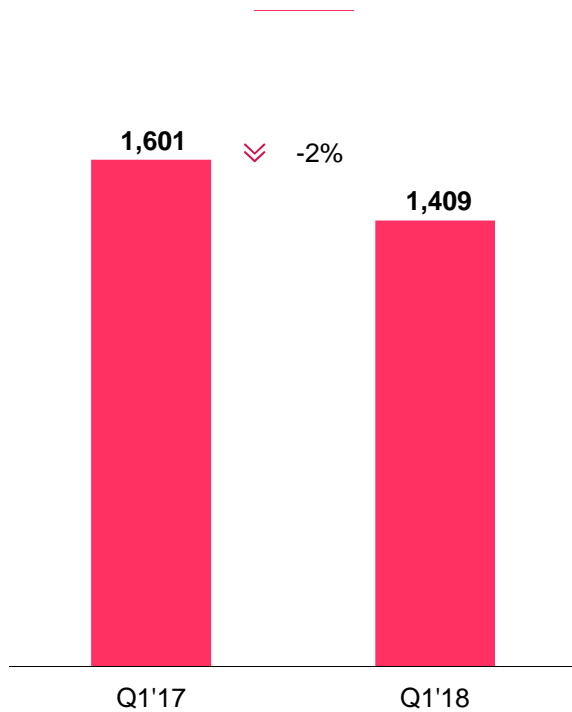




Q1 2018 – Consumer Health Down Year on Year, As Expected

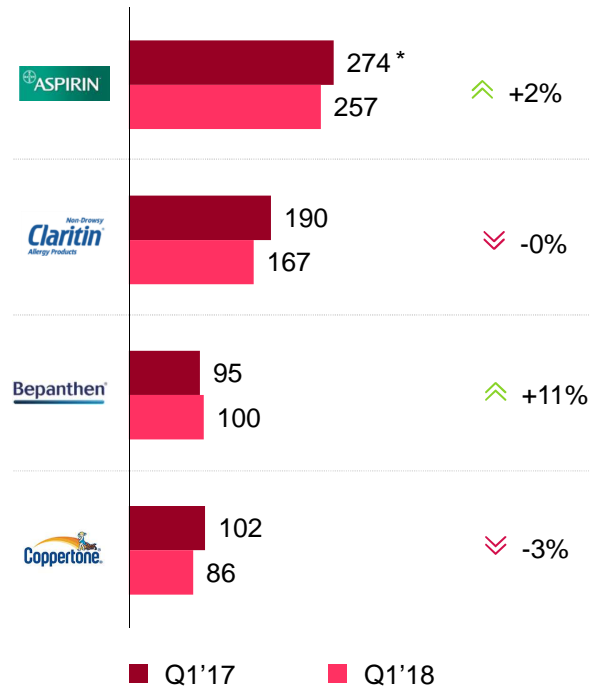
Sales

in € million; $\Delta\%$ yoy, Fx & portfolio adj.



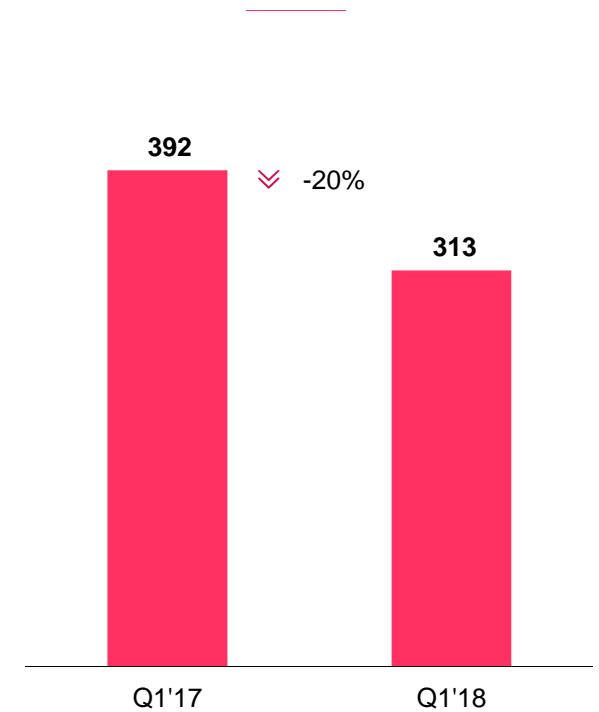
Top Products

Sales in € million, $\Delta\%$ yoy, Fx adj.
*incl. Aspirin Cardio



EBITDA

before special items, in € million; $\Delta\%$ yoy

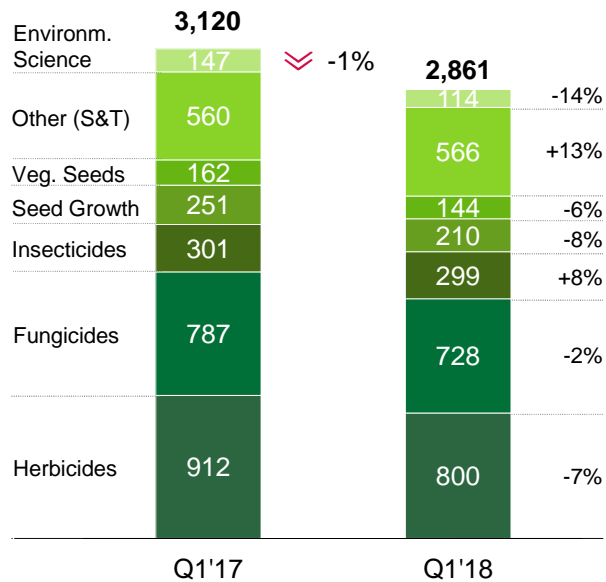




Q1 2018 – Sales of Crop Science Match Strong-Prior Year Quarter

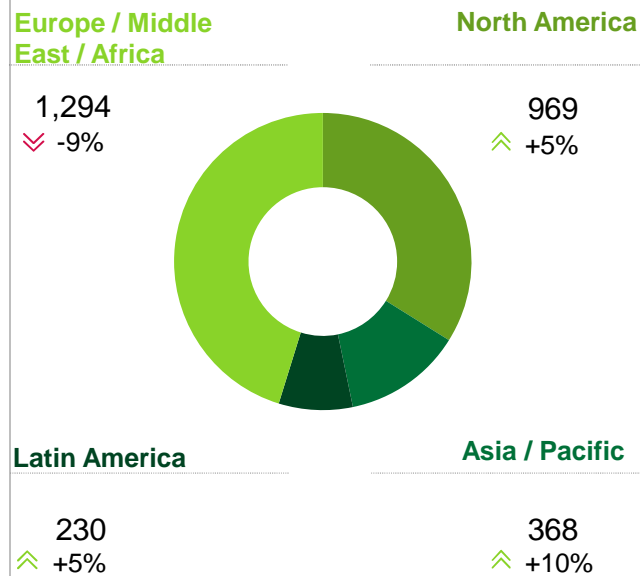
Sales

in € million; Δ% yoy, Fx & portfolio adj.



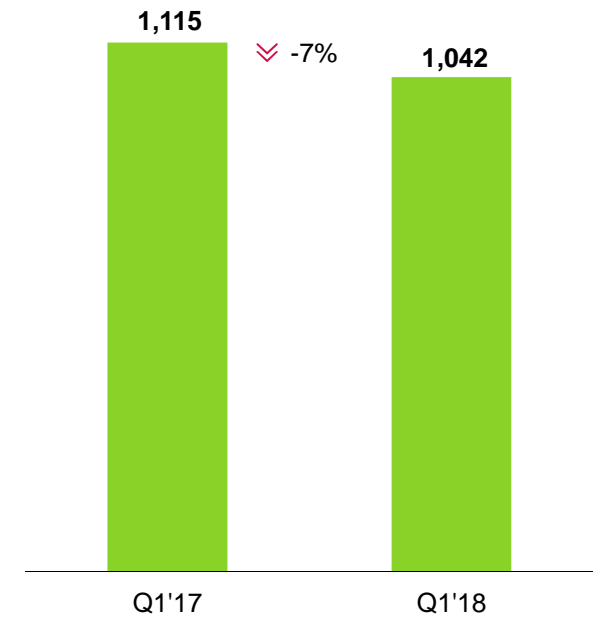
Regions

Sales in € million, Δ% yoy, Fx adj.



EBITDA

before special items, in € million; Δ% yoy

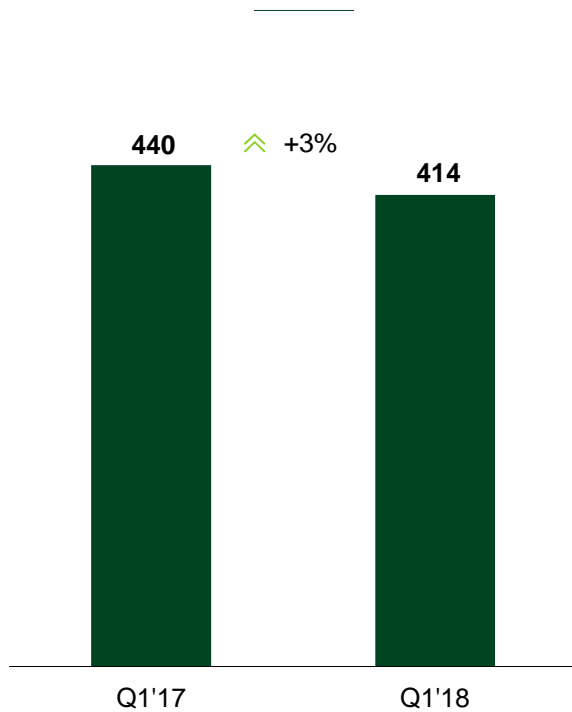




Q1 2018 – Animal Health Raises Sales and Earnings

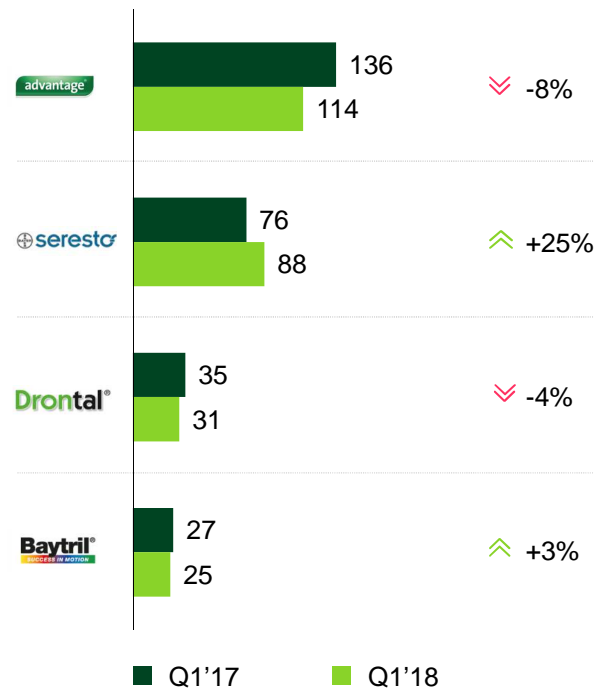
Sales

in € million; $\Delta\%$ yoy, Fx & portfolio adj.



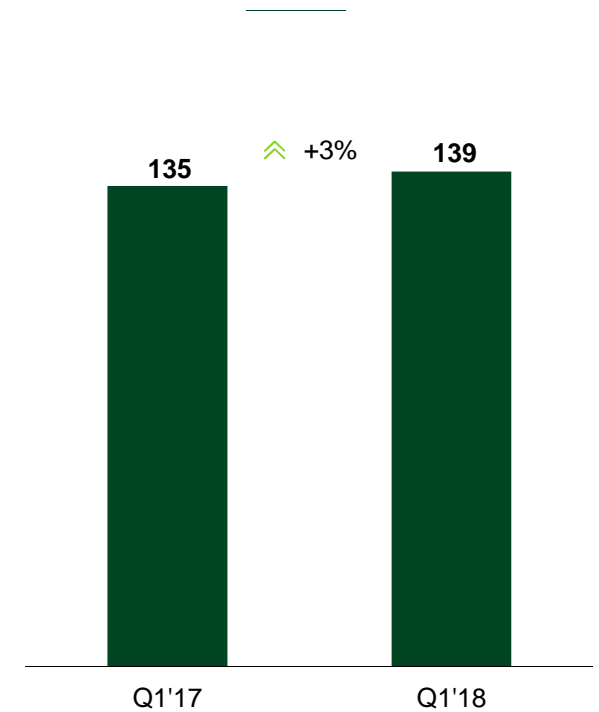
Top Products

Sales in € million, $\Delta\%$ yoy, Fx adj.



EBITDA

before special items, in € million; $\Delta\%$ yoy





FY 2018 – Guidance by Segment

Sales Δ % yoy Fx and portfolio adj., EBITDA before special items, Continuing operations

	Sales	Adj. EBITDA	
		Closing rates as of Mar. 31, 2018	Currency-adjusted
■ Pharma	<ul style="list-style-type: none"> // Low-single-digit % increase to >€16.5bn // Key growth products towards €7bn 	<ul style="list-style-type: none"> // Low-single-digit % decline // Slight margin decline 	<ul style="list-style-type: none"> // Low-single-digit % increase
■ Consumer Health	<ul style="list-style-type: none"> // >€5.5bn (prior-year level) 	<ul style="list-style-type: none"> // Low-single-digit % decline 	<ul style="list-style-type: none"> // Low-single-digit % increase
■ Crop Science	<ul style="list-style-type: none"> // Mid-single-digit % increase to >€9.5bn 	<ul style="list-style-type: none"> // Mid-to-high-single-digit % increase 	<ul style="list-style-type: none"> // Mid-teens % increase
■ Animal Health	<ul style="list-style-type: none"> // Low-single-digit % increase 	<ul style="list-style-type: none"> // Mid-single-digit % decline 	<ul style="list-style-type: none"> // Prior-year level



2018 Guidance for Key Pharma Products

Product	Guidance FY 2018 (Fx adjusted)
Xarelto	~10% growth vs. 2017
Eylea	Mid-teens-% growth vs. 2017
Xofigo	Mid-single-digit % decline vs. 2017
Stivarga	~10% growth vs. 2017
Adempas	>20% growth vs. 2017
Kogenate / Kovaltry	High-single-digit-% decline vs. 2017 (incl. CSL) Mid-single-digit-% increase vs. 2017 (excl. CSL)
Betaferon / Betaseron	Mid-single-digit-% decline vs. 2017
Mirena family	~10% growth vs. 2017
YAZ family	Low-single-digit-% increase vs. 2017
Nexavar	High-single-digit-% decline vs. 2017



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