

## Restatement of Q2 and Q3 2018 due to PPA of Monsanto Acquisition

February 27, 2019

The purchase price allocation (PPA) of the Monsanto acquisition was adjusted as of December 31, 2018, resulting in a €1.5bn net reduction in acquired assets/increase in assumed liabilities and a corresponding increase in goodwill in the statement of financial position as compared with the amounts recognized in June 2018. As these amendments relate to the opening balance sheet as of June 7th balance sheet figures for both June 30th and September 30th have been restated retrospectively. The balance sheet restatements have impacted the income statements for Q2 and Q3, primarily by amended depreciation & amortization (D&A) and capitalized cost of goods sold (COGS) including related tax effects.

<b>Balance Sheet as of June 30, 2018</b>		
	<b>as reported</b>	<b>restated</b>
<b>€ million</b>	<b>June 30, 2018</b>	<b>June 30, 2018</b>
<b>Noncurrent assets</b>	<b>98,713</b>	<b>99,606</b>
Goodwill	37,770	39,226
Other intangible assets	38,312	38,203
Property, plant and equipment	13,762	13,099
Investments accounted for using the equity method	501	501
Other financial assets	2,815	2,761
Other receivables	783	798
Deferred taxes	4,770	5,018
<b>Current assets</b>	<b>37,817</b>	<b>37,832</b>
Inventories	11,089	11,040
Trade accounts receivable	14,254	14,207
Other financial assets	1,556	1,557
Other receivables	1,600	1,711
Claims for income tax refunds	617	617
Cash and cash equivalents	4,981	4,981
Assets held for sale	3,720	3,719
<b>Total assets</b>	<b>136,530</b>	<b>137,438</b>
<b>Equity</b>	<b>47,219</b>	<b>47,215</b>
Capital stock	2,387	2,387
Capital reserves	18,388	18,388
Other reserves	26,371	26,367
Equity attributable to Bayer AG stockholders	47,146	47,142
Equity attributable to noncontrolling interest	73	73
<b>Noncurrent liabilities</b>	<b>62,549</b>	<b>63,233</b>
Provisions for pensions and other post-employment benefits	8,352	8,374
Other provisions	1,929	2,373
Refund liabilities	233	233
Contract liabilities	889	889
Financial liabilities	42,593	42,592
Income tax liabilities	810	1,192
Other liabilities	291	291
Deferred taxes	7,452	7,289
<b>Current liabilities</b>	<b>26,762</b>	<b>26,990</b>
Other provisions	2,424	2,664
Refund liabilities	5,920	5,920
Contract liabilities	529	444
Financial liabilities	9,536	9,536
Trade accounts payable	4,861	4,861
Income tax liabilities	504	504
Other liabilities	2,319	2,392
Liabilities directly related to assets held for sale	669	669
<b>Total equity and liabilities</b>	<b>136,530</b>	<b>137,438</b>

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Balance Sheet as of September 30, 2018		
	as reported	restated
€ million	Sep 30, 2018	Sep 30, 2018
<b>Noncurrent assets</b>	<b>97,316</b>	<b>98,133</b>
Goodwill	37,801	39,275
Other intangible assets	37,846	37,744
Property, plant and equipment	13,938	13,191
Investments accounted for using the equity method	505	505
Other financial assets	2,659	2,605
Other receivables	762	773
Deferred taxes	3,805	4,040
<b>Current assets</b>	<b>32,138</b>	<b>32,198</b>
Inventories	11,142	11,131
Trade accounts receivable	11,729	11,683
Other financial assets	1,599	1,601
Other receivables	1,910	2,025
Claims for income tax refunds	673	673
Cash and cash equivalents	4,850	4,850
Assets held for sale	235	235
<b>Total assets</b>	<b>129,454</b>	<b>130,331</b>
<b>Equity</b>	<b>50,417</b>	<b>50,397</b>
Capital stock	2,387	2,387
Capital reserves	18,388	18,388
Other reserves	29,470	29,450
Equity attributable to Bayer AG stockholders	50,245	50,225
Equity attributable to noncontrolling interest	172	172
<b>Noncurrent liabilities</b>	<b>58,841</b>	<b>59,515</b>
Provisions for pensions and other post-employment benefits	7,970	7,992
Other provisions	1,926	2,370
Refund liabilities	126	126
Contract liabilities	1,076	1,076
Financial liabilities	40,358	40,358
Income tax liabilities	826	1,205
Other liabilities	352	352
Deferred taxes	6,207	6,036
<b>Current liabilities</b>	<b>20,196</b>	<b>20,419</b>
Other provisions	2,964	3,203
Refund liabilities	4,617	4,617
Contract liabilities	741	656
Financial liabilities	3,492	3,492
Trade accounts payable	5,281	5,281
Income tax liabilities	1,140	1,140
Other liabilities	1,949	2,018
Liabilities directly related to assets held for sale	12	12
<b>Total equity and liabilities</b>	<b>129,454</b>	<b>130,331</b>

# Restatement of Q2 and Q3 2018 due to PPA of Monsanto Acquisition

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<b>Core EPS</b>				
	as reported	restated	as reported	restated
€ million	Q2 2018	Q2 2018	1H 2018	1H 2018
Core net income from continuing operations	1,409	1,397	3,394	3,385
Core earnings per share from continuing operations	1.54	1.53	3.77	3.76

  

€ million	Q3 2018	Q3 2018	9M 2018	9M 2018
Core net income from continuing operations	1,165	1,131	4,559	4,515
Core earnings per share from continuing operations	1.19	1.15	4.92	4.87

## Restatement of Q2 and Q3 2018 due to PPA of Monsanto Acquisition

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Income Statement as of June 30, 2018			Income Statement as of June 30, 2018		
	as reported	restated		as reported	restated
€ million	Q2 2018	Q2 2018	€ million	1H 2018	1H 2018
Net sales	9,481	9,481	Net sales	18,619	18,619
Cost of goods sold	-3,512	-3,507	Cost of goods sold	-6,421	-6,416
Gross profit	5,969	5,974	Gross profit	12,198	12,203
Selling expenses	-2,940	-2,942	Selling expenses	-5,449	-5,451
Research and development expenses	-1,261	-1,267	Research and development expenses	-2,301	-2,307
General administration expenses	-573	-576	General administration expenses	-1,000	-1,003
Other operating income	185	185	Other operating income	337	337
Other operating expenses	-29	-28	Other operating expenses	-124	-123
EBIT	1,351	1,346	EBIT	3,661	3,656
Equity-method income (loss)	27	27	Equity-method income (loss)	98	98
Financial income	160	160	Financial income	530	530
Financial expenses	-509	-509	Financial expenses	-820	-820
Financial result	-322	-322	Financial result	-192	-192
Income before income taxes	1,029	1,023	Income before income taxes	3,469	3,463
Income taxes	-216	-215	Income taxes	-710	-709
Income from continuing operations after income taxes	813	808	Income from continuing operations after income taxes	2,759	2,754
of which attributable to noncontrolling interest	6	6	of which attributable to noncontrolling interest	6	6
of which attributable to Bayer AG stockholders	807	802	of which attributable to Bayer AG stockholders	2,753	2,748
Income from discontinued operations after income taxes	-8	-8	Income from discontinued operations after income taxes	-	-
of which attributable to noncontrolling interest	-	-	of which attributable to noncontrolling interest	-	-
of which attributable to Bayer AG stockholders	-8	-8	of which attributable to Bayer AG stockholders	-	-
Income after income taxes	805	800	Income after income taxes	2,759	2,754
of which attributable to noncontrolling interest	6	6	of which attributable to noncontrolling interest	6	6
of which attributable to Bayer AG stockholders (net income)	799	794	of which attributable to Bayer AG stockholders (net income)	2,753	2,748

## Restatement of Q2 and Q3 2018 due to PPA of Monsanto Acquisition

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Income Statement as of September 30, 2018			Income Statement as of September 30, 2018		
	as reported	restated		as reported	restated
€ million	Q3 2018	Q3 2018	€ million	9M 2018	9M 2018
Net sales	9,905	9,905	Net sales	28,524	28,524
Cost of goods sold	-4,507	-4,492	Cost of goods sold	-10,928	-10,908
Gross profit	<b>5,398</b>	<b>5,413</b>	Gross profit	<b>17,596</b>	<b>17,616</b>
Selling expenses	-2,979	-2,983	Selling expenses	-8,428	-8,434
Research and development expenses	-1,180	-1,201	Research and development expenses	-3,481	-3,508
General administration expenses	-850	-861	General administration expenses	-1,850	-1,864
Other operating income	4,217	4,217	Other operating income	4,554	4,554
Other operating expenses	-183	-185	Other operating expenses	-307	-308
EBIT	<b>4,423</b>	<b>4,400</b>	EBIT	<b>8,084</b>	<b>8,056</b>
Equity-method income (loss)	-16	-16	Equity-method income (loss)	82	82
Financial income	154	154	Financial income	684	684
Financial expenses	-816	-816	Financial expenses	-1,636	-1,636
Financial result	<b>-678</b>	<b>-678</b>	Financial result	<b>-870</b>	<b>-870</b>
Income before income taxes	<b>3,745</b>	<b>3,723</b>	Income before income taxes	<b>7,214</b>	<b>7,186</b>
Income taxes	-851	-844	Income taxes	-1,561	-1,553
Income from continuing operations after income taxes	<b>2,894</b>	<b>2,879</b>	Income from continuing operations after income taxes	<b>5,653</b>	<b>5,633</b>
of which attributable to noncontrolling interest	8	8	of which attributable to noncontrolling interest	14	14
of which attributable to Bayer AG stockholders	<b>2,886</b>	<b>2,871</b>	of which attributable to Bayer AG stockholders	<b>5,639</b>	<b>5,619</b>
Income from discontinued operations after income taxes	–	0	Income from discontinued operations after income taxes	–	0
Income after income taxes	<b>2,894</b>	<b>2,879</b>	Income after income taxes	<b>5,653</b>	<b>5,633</b>
of which attributable to noncontrolling interest	8	8	of which attributable to noncontrolling interest	14	14
of which attributable to Bayer AG stockholders (net income)	<b>2,886</b>	<b>2,871</b>	of which attributable to Bayer AG stockholders (net income)	<b>5,639</b>	<b>5,619</b>

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### Key Data by Segment 1H 2018

€ million	as reported		restated	
	Crop Science	Group	Crop Science	Group
	1H 2018	1H 2018	1H 2018	1H 2018
Net sales	5,872	18,619	5,872	18,619
Currency-adjusted change	+ 18.4%	+ 7.9%	+ 18.4%	+ 7.9%
EBIT	1,046	3,661	1,041	3,656
EBITDA before special items	1,673	5,231	1,685	5,244
Net cash provided by operating activities	950	2,898	950	2,898
Depreciation, amortization and impairments	288	1,174	307	1,193

### Key Data by Segment Q2 2018

€ million	as reported		restated	
	Crop Science	Group	Crop Science	Group
	Q2 2018	Q2 2018	Q2 2018	Q2 2018
Net sales	3,011	9,481	3,011	9,481
Currency-adjusted change	+ 46.4%	+ 14.6%	+ 46.4%	+ 14.6%
EBIT	154	1,351	149	1,346
EBITDA before special items	631	2,335	644	2,348
Net cash provided by operating activities	1,653	2,240	1,653	2,240
Depreciation, amortization and impairments	199	666	218	685

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### Key Data by Segment 9M 2018

€ million	as reported		restated	
	Crop Science	Group	Crop Science	Group
	9M 2018	9M 2018	9M 2018	9M 2018
Net sales	9,605	28,524	9,605	28,524
Currency-adjusted change	37.4 %	13.4 %	37.4 %	13.4 %
EBIT	4,100	8,084	4,072	8,056
EBITDA before special items	2,059	7,433	2,109	7,482
Net cash provided by operating activities	2,194	4,949	2,194	4,949
Depreciation, amortization and impairments	789	2,084	870	2,164

### Key Data by Segment Q3 2018

€ million	as reported		restated	
	Crop Science	Group	Crop Science	Group
	Q3 2018	Q3 2018	Q3 2018	Q3 2018
Net sales	3,733	9,905	3,733	9,905
Currency-adjusted change	86.8 %	26.0 %	86.8 %	26.0 %
EBIT	3,054	4,423	3,031	4,400
EBITDA before special items	386	2,202	424	2,238
Net cash provided by operating activities	1,244	2,051	1,244	2,051
Depreciation, amortization and impairments	501	910	563	971