

## Investor Information

Bayer's share price showed mainly lateral movement in the third quarter, closing on September 30, 2007, at €55.82, up 37.3 percent from the closing price at the end of 2006. Including the dividend of €1.00 per share for 2006 paid on April 30, 2007, Bayer stock achieved a performance of 40.0 percent in the first nine months of 2007. Over the same period the DAX rose 19.2 percent to 7862 points.

The delisting of Bayer's American Depositary Shares (ADSs) from the New York Stock Exchange (NYSE) was completed on September 27, 2007. Since then, Bayer ADSs have been traded in the U.S. over-the-counter market. The company has also filed for deregistration with the Securities and Exchange Commission (SEC) on Form 15-F.

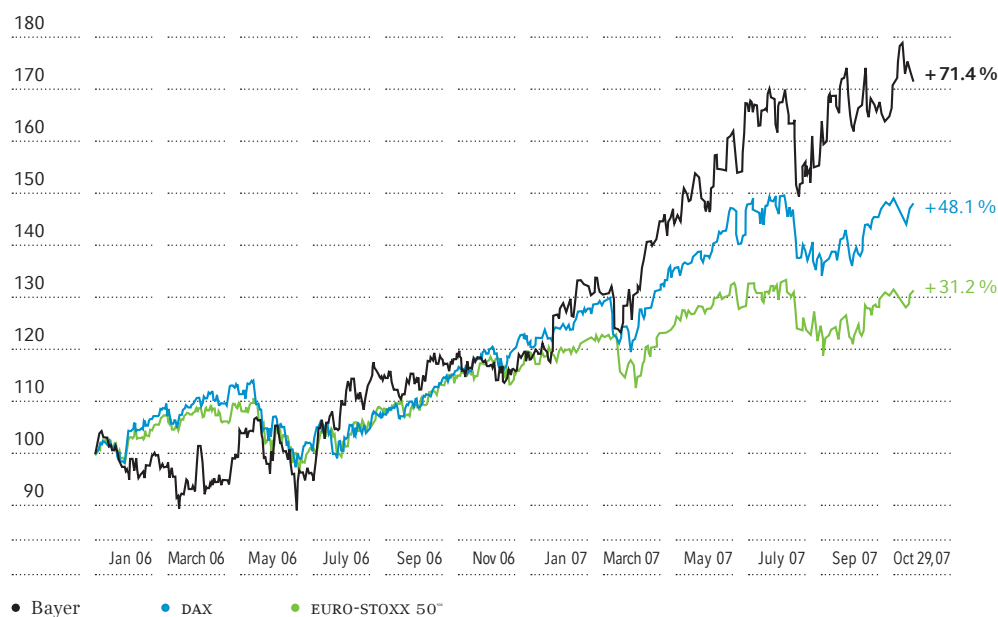
Bayer has applied the International Financial Reporting Standards (IAS/IFRS) of the International Accounting Standards Board (IASB) since 1994. We will maintain the transparency of our financial reporting irrespective of the intended deregistration with the SEC and the resulting termination of the respective reporting obligations.

Bayer Stock Key Data		3rd Quarter	3rd Quarter	First Nine	First Nine
		2006	2007	Months	Months
				2006	2007
High for the period	€	40.20	58.56	40.20	58.56
Low for the period	€	35.32	50.33	30.56	40.20
Average daily share turnover on German stock exchanges	million	5.1	6.0	6.0	5.9
		Sept. 30,	Sept. 30,	Dec. 31,	Change
		2006	2007	2006	Sept. 30, 2007/ Dec. 31, 2006
					%
Share price	€	40.20	55.82	40.66	37.3
Market capitalization	€ million	30,727	42,665	31,078	37.3
Stockholders' equity	€ million	13,164	17,008	12,851	32.3
Number of shares entitled to the dividend	million	764.34	764.34	764.34	0.0
DAX		6004	7862	6597	19.2

XETRA closing price; source: Bloomberg

### Relative Performance of Bayer Stock

Index (100 = XETRA closing price on December 31, 2005)



Fidelity Management and Research LLC. (a Delaware limited liability company with its principal place of business at Boston, Massachusetts, USA) has informed us that, as a result of an internal merger reorganization effective October 1, 2007, it became the successor entity to Fidelity Management and Research Corp. and has assumed all that company's rights and obligations. It has notified us that the proportion of voting rights it held in our company exceeded the 3 percent threshold on October 1, 2007, that as of that date it held 4.71 percent of the voting rights, and that the shares/voting rights were to be attributed to Fidelity Management and Research LLC., United States, pursuant to Section 22, Paragraph 1, Sentence 2 in conjunction with Section 22, Paragraph 1, Sentence 1, No. 6 of the German Securities Trading Act. Any notification received from other shareholders as to whether the proportion of voting rights they hold in our company exceeds or falls below specified thresholds is detailed on our website at: <http://www.investor.bayer.com/en/aktie/aktionaersstruktur/stimmrechtsanteile/>

### Calculation of core earnings per share

Earnings per share according to IFRS are affected by the purchase price allocation for Schering, Berlin, Germany, and other special factors. To enhance comparability, we also determine core net income from continuing operations after elimination of the amortization of intangible assets, asset write-downs (including any impairment losses), special items in EBITDA including the related tax effects, and extraordinary tax income or expense.

The €0.9 billion in one-time non-cash tax income received in the third quarter of 2007 in connection with the German corporate tax reform represents a special tax effect and is therefore eliminated.

The calculation of earnings per share in accordance with IFRS is explained in the notes to this interim report on page 42. Adjusted core net income, core earnings per share and core EBIT are not defined in the International Financial Reporting Standards. Therefore

	3rd Quarter 2006	3rd Quarter 2007	First Nine Months 2006	First Nine Months 2007
<b>Calculation of Core EBIT and Core Earnings per Share</b>				
€ million				
<b>EBIT as per income statement</b>	<b>630</b>	<b>677</b>	<b>2,556</b>	<b>2,769</b>
Amortization and write-downs of intangible assets	189	479	467	1,097
Write-downs of property, plant and equipment	23	9	29	86
Special items (other than write-downs)	335	120	497	570
<b>Core EBIT</b>	<b>1,177</b>	<b>1,285</b>	<b>3,549</b>	<b>4,522</b>
Non-operating result (as per income statement)	(267)	(266)	(705)	(741)
Extraordinary income/loss from investments in affiliated companies	-	-	-	-
Income taxes (as per income statement)	(109)	769	(584)	221
One-time tax income*	0	(911)	0	(911)
Tax adjustment	(195)	(234)	(351)	(617)
Income after taxes attributable to minority interest (as per income statement)	0	(3)	0	(1)
<b>Core net income from continuing operations</b>	<b>606</b>	<b>640</b>	<b>1,909</b>	<b>2,473</b>
Financing expenses for the mandatory convertible bond, net of tax effects	25	25	48	73
<b>Adjusted core net income</b>	<b>631</b>	<b>665</b>	<b>1,957</b>	<b>2,546</b>
Shares				
<b>Weighted average number of issued ordinary shares</b>	<b>760,276,703</b>	<b>764,341,920</b>	<b>740,429,832</b>	<b>764,341,920</b>
Potential shares to be issued upon conversion of the mandatory convertible bond	60,115,244	59,585,493	41,299,096	59,558,606
<b>Adjusted weighted average total number of issued and potential ordinary shares</b>	<b>820,391,947</b>	<b>823,927,413</b>	<b>781,728,928</b>	<b>823,900,526</b>
<b>Core earnings per share from continuing operations (€)</b>	<b>0.77</b>	<b>0.81</b>	<b>2.50</b>	<b>3.09</b>

2006 figures restated

\* arising from the corporate tax reform in Germany