

Bayer Group Key Data

	1st Quarter 2006	1st Quarter 2007	Change	Full Year 2006
	€ million	€ million	%	€ million
Net sales	6,791	8,335	+ 22.7	28,956
Change in sales				
Volume	+ 4%	+ 8%		+ 5%
Price	+ 1%	0%		0%
Currency	+ 5%	- 5%		0%
Portfolio	+ 1%	+ 20%		+ 12%
EBITDA¹	1,436	1,774	+ 23.5	4,675
<i>Special items</i>	(128)	(216)		(909)
<i>EBITDA before special items</i>	<i>1,564</i>	<i>1,990</i>	<i>+ 27.2</i>	<i>5,584</i>
EBITDA margin before special items	23.0%	23.9%		19.3%
EBIT²	1,049	1,175	+ 12.0	2,762
<i>Special items</i>	(128)	(200)		(717)
<i>EBIT before special items</i>	<i>1,177</i>	<i>1,375</i>	<i>+ 16.8</i>	<i>3,479</i>
EBIT margin before special items	17.3%	16.5%		12.0%
Non-operating result	(210)	(218)	- 3.8	(782)
Net income	600	2,809	•	1,683
Earnings per share (€) ³	0.82	3.44		2.22
Core earnings per share (€) ⁴	1.01	1.26		3.24
Gross cash flow⁵	1,089	1,411	+ 29.6	3,913
Net cash flow⁶	38	375	•	3,928
Cash outflows for capital expenditures	419	201	- 52.0	1,876
Research and development expenses	414	625	+ 51.0	2,297
Depreciation and amortization	387	599	+ 54.8	1,913
Number of employees at end of period⁷	82,400	105,100		106,000
Personnel expenses	1,486	1,898	+ 27.7	6,630

2006 figures restated

¹ EBITDA = EBIT plus amortization of intangible assets and depreciation of property, plant and equipment. EBITDA, EBITDA before special items and EBITDA margin are not defined in the International Financial Reporting Standards and should therefore be regarded only as supplementary information. The company considers underlying EBITDA to be a more suitable indicator of operating performance since it is not affected by depreciation, amortization, write-downs/write-backs or special items. The company also believes that this indicator gives readers a clearer picture of the results of operations and ensures greater comparability of data over time. The underlying EBITDA margin is calculated by dividing underlying EBITDA by sales.

² EBIT as shown in the income statement

³ Earnings per share as defined in IAS 33 = net income divided by the average number of shares. For details see page 38.

⁴ Core earnings per share is not defined in the International Financial Reporting Standards and should therefore be regarded only as supplementary information. The company believes that this indicator gives readers a clearer picture of the results of operations and ensures greater comparability of data over time. The calculation of core earnings per share is explained on page 31.

⁵ Gross cash flow = income after taxes from continuing operations plus income taxes, plus/minus non-operating result, minus income taxes paid, plus depreciation, amortization and write-downs, minus write-backs, plus/minus changes in pension provisions, minus gains/plus losses on retirements of non-current assets, plus non-cash effects of the remeasurement of acquired assets. The change in pension provisions includes the elimination of non-cash components of the operating result. It also contains benefit payments during the year. For details see page 22 f.

⁶ Net cash flow = cash flow from operating activities according to IAS 7

⁷ Number of employees in full-time equivalents