

Science For A Better Life

# Investor Presentation

Bayer CropScience Ltd., India

September 5, 2013



## Content

- Market and BCSL Business
- BCSL Financials
- Business Outlook and Strategy



# Favorable market environment supports increase in revenue in first Quarter 2013/14



## Agricultural Market

- Early onset of monsoon and early sowing
- Season expected to peak early
- Government has announced increase in MSPs
- ➔ Food Security bill passed via ordinance. No immediate impact seen on business
- Regulatory delays continue in general
- Further market entries of generics (e.g. Tebuconazole)
- New PMB\* still not passed

## BCSL

- Active product placement for Kharif crops
- Market consumption increased significantly
- Production met early demand
- Arize Hybrid™ seeds with strong growth above last year's first quarter
- Rice Mech. Transplanting project started in South. Pilot project to test Mechanical Cotton Picking initiated in Punjab and AP
- Bayer launches Integrated Crop Solution ("Bayer Labhsutra") to benefit farmers of cotton, rice and vegetables
- ➔ Three new product registrations expected until end of 2014
- Surpass™ cotton seeds below last year due to area reduction
- Delays in product registration impact sales



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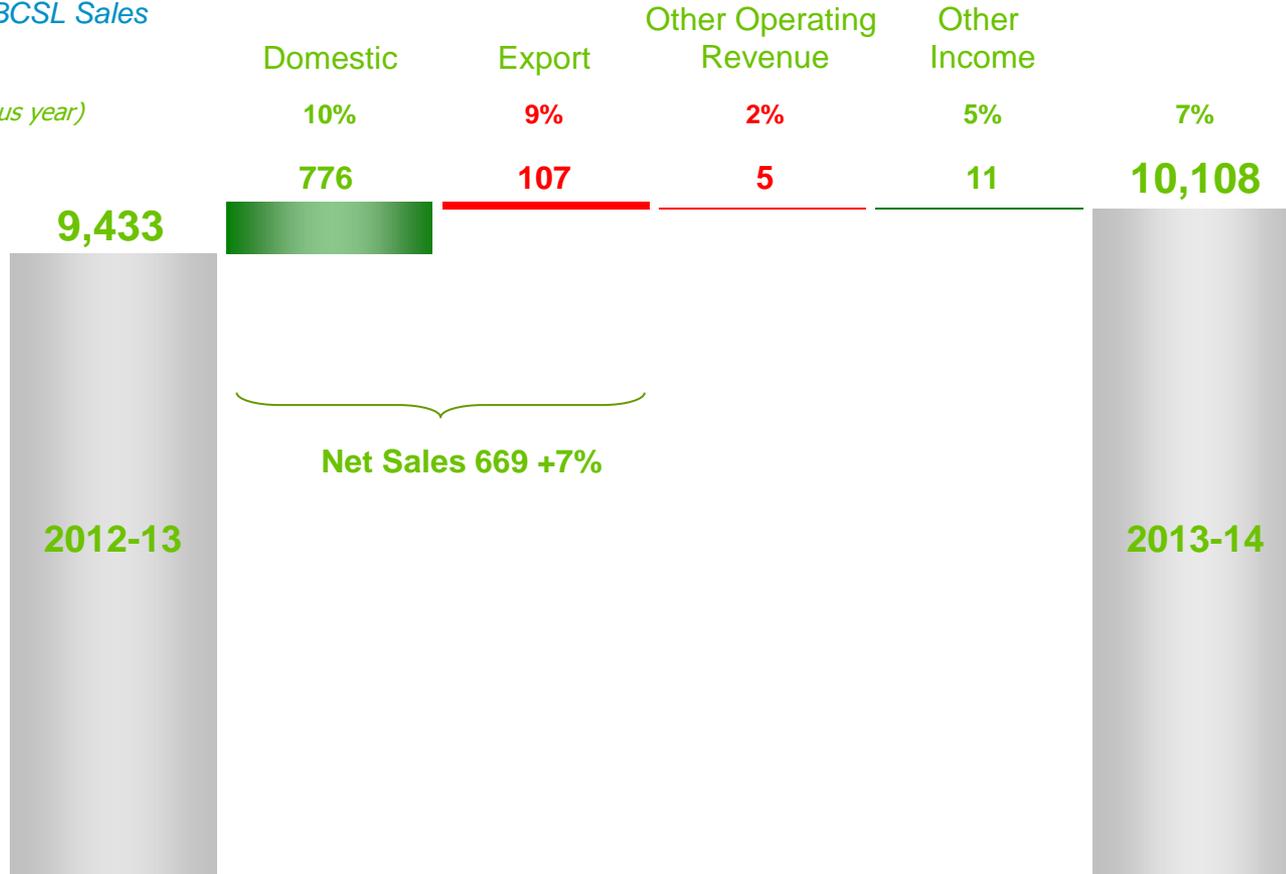


# Double digit growth in Indian market

April to June 2013 BCSL Sales

(INR Mio)

(Change over Previous year)



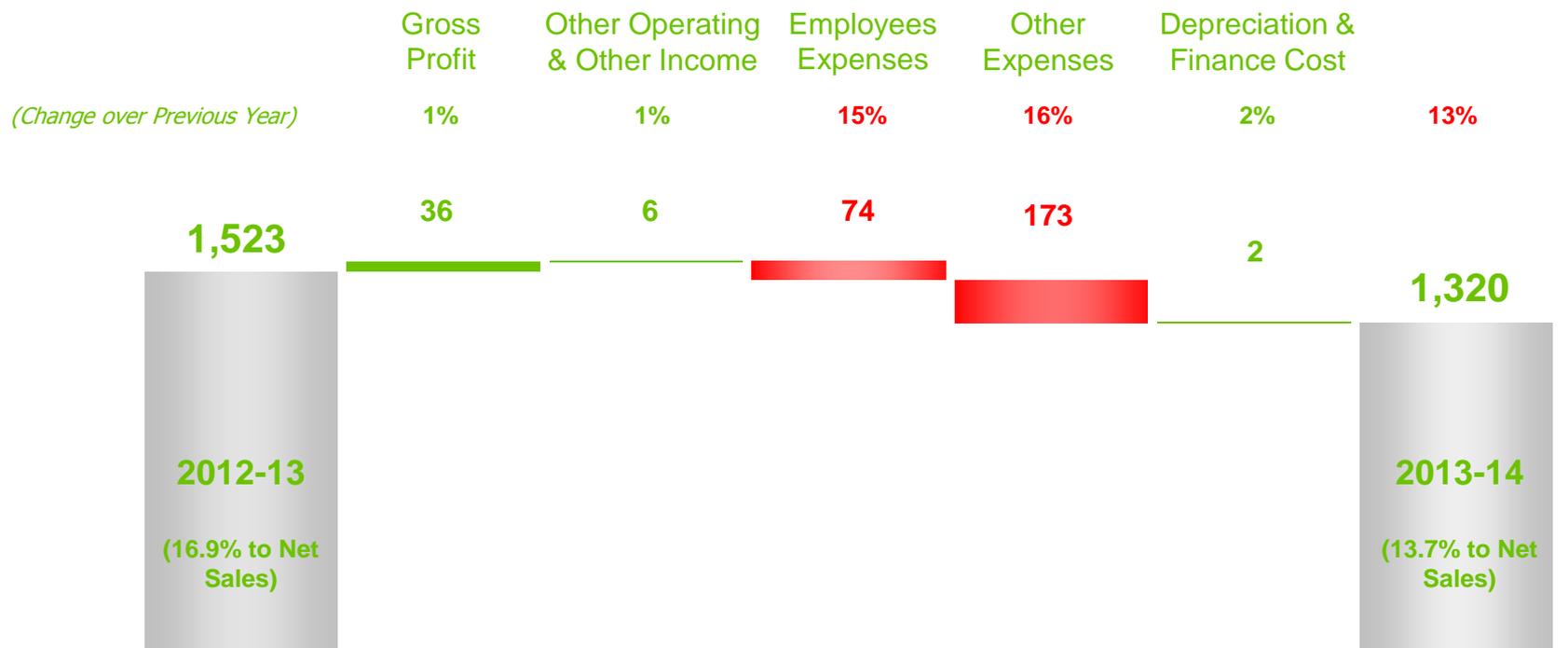
As % to Total Revenue	2013/14	2012/13
Domestic	86	83
Export	10	13
Other Operating Revenue	2	2
Other Income	2	2



# First quarter's profitability loaded with investment in advertising and personnel

April to June 2013 BCSL Profitability\*

(INR Mio)



% to Net Sales	2013/14	29	5	6	13	1
	2012/13	31	5	5	12	1

- Exceptional Item: Demolition and Remediation Nil (Previous Year 218)

\* Profit before Exceptional Items & Taxation

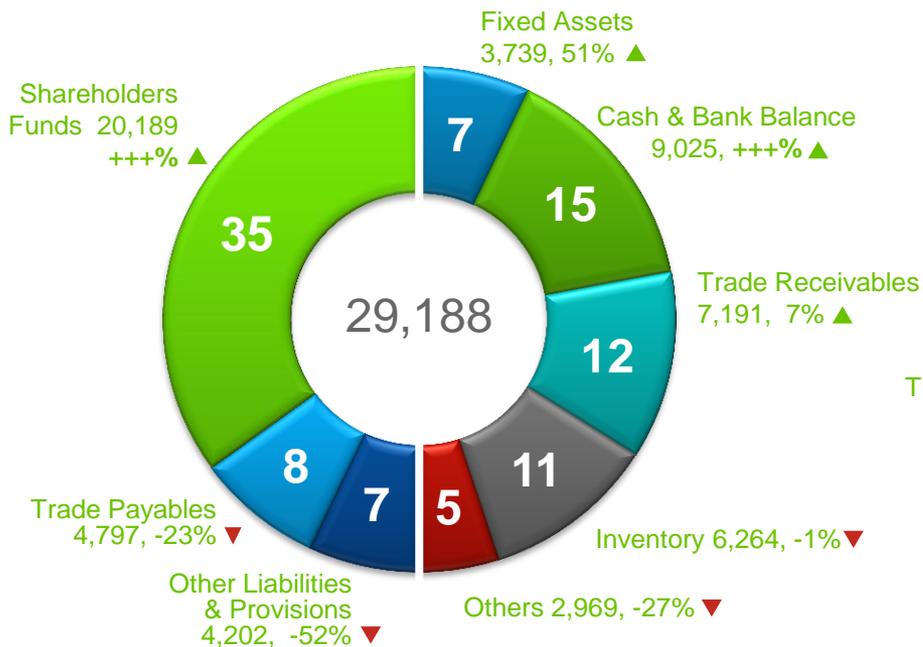
# Major changes in Balance Sheet due to consolidation measures



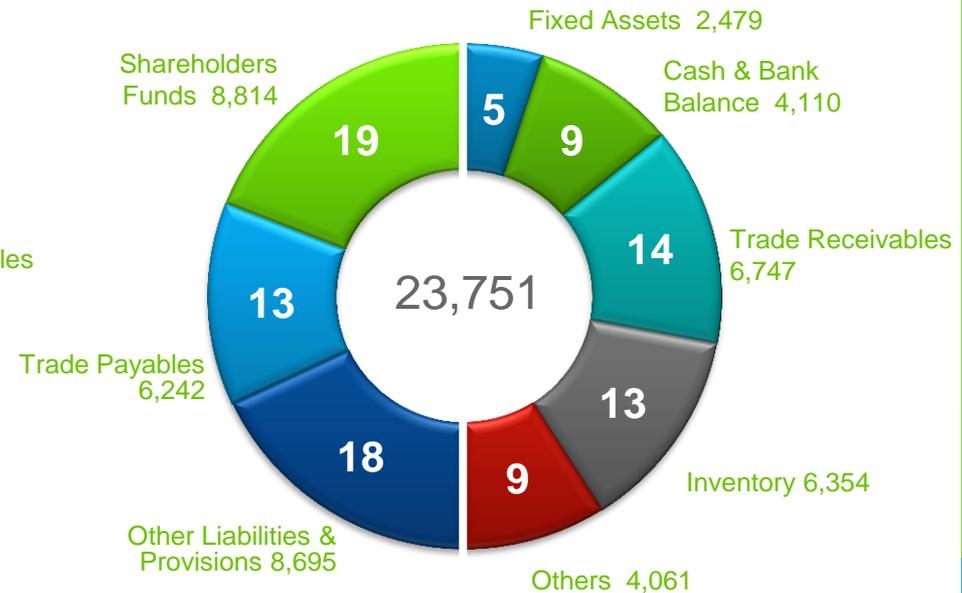
(INR Mio, Figures in chart %)

Balance as on

June 30, 2013



June 30, 2012

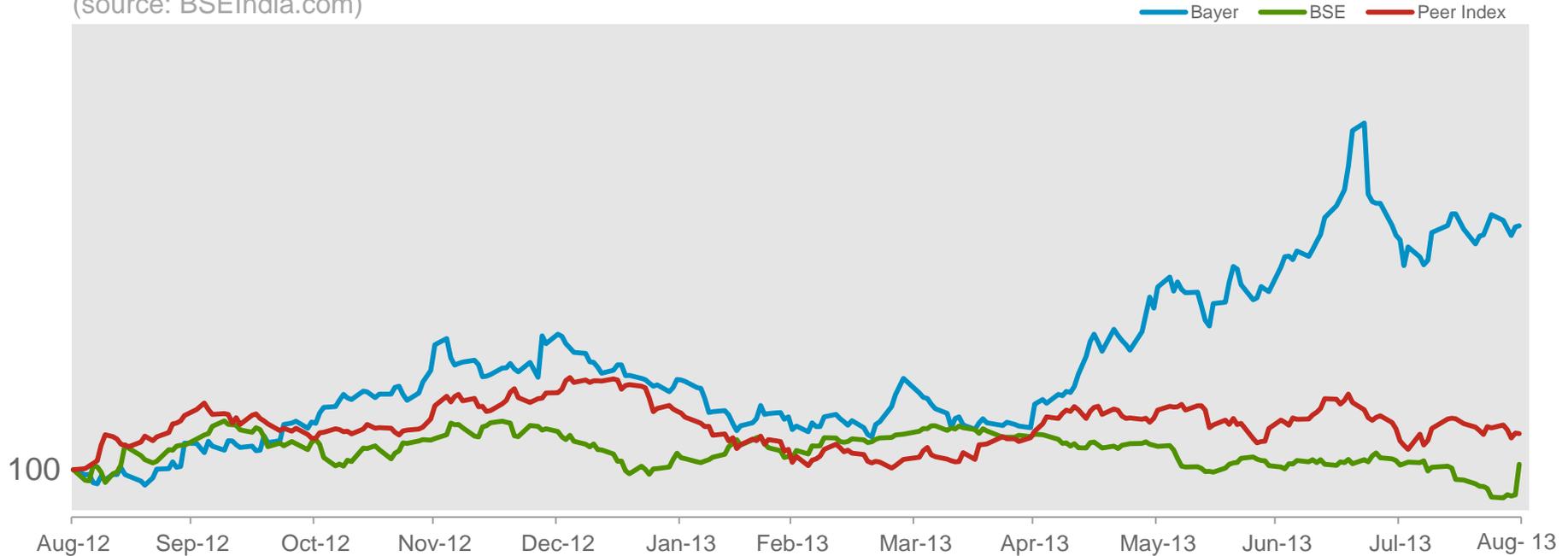


# BCSL with a strong stock performance in the last year



BCSL	+51.4%
Sensex	+6.8%
Peer Index	+7.6%

indexed; 100 = closing price on August 31, 2012  
(source: BSEIndia.com)



Notes:  
Period: August 31, 2012 to August 30, 2013  
Peer Index constitutes United Phosphorus Ltd, Rallis India Ltd, BASF India Ltd, PI Industries Ltd, Monsanto India Ltd and Hikal Ltd



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# BCSL optimized its infrastructure and balanced the utilization of funds

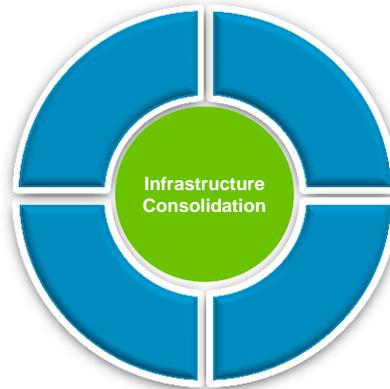


## Thane

The sale of the Thane campus where BCSL is hosting ca. 800 Bayer employees was finalized end of 2012

## Ankleshwar

BCSL expects to conclude the sale of its manufacturing site in Ankleshwar in line with the global optimization of the BCS production network by the end of the fiscal year



## Powai Head Office

The former Bayer Head Office -“Bayer House”- in Powai was sold to Hiranandani Group in March 2013

## New Bayer HQ

The New Bayer HQ in Thane is under construction and is expected to be ready in the 2nd quarter of calendar year 2014. All Bayer employees located in Mumbai/Thane will be operating out of this state-of-the-art building

## Utilization of funds

Invest in BCSL ambitious business growth strategy

Extraordinary distribution to Shareholders in form of a share buy back

# The business outlook is promising and BCSL is following an ambitious growth strategy



## Business Outlook & Strategy

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- India is a core country for global Bayer CropScience business
- BCSL strengthen the number one leadership position with its combined Crop Protection and Seeds portfolio
- New integrated crop solutions “Bayer Labhsutra” significantly benefits farmers income
- A strong innovation pipeline is expected to deliver new Crop Protection (6-8) and Hybrid Seed (13-14) products within the next three years
- Segmentation of 3 Mio. farmers provide deep farmer insights for creating tailor made solutions and increase efficiency in interaction
- Well established partnerships with the agri input and downstream food value chain enable joint development of new sustainable farming technologies (Rice, Cotton) and the production of safe food

# Summary



- ✓ Favorable early monsoon and good rainfalls
- ✓ Strong growth in domestic revenues
- ✓ BCSL share price outperformed the market
- ✓ Strategic infrastructure consolidation
- ✓ Positive business outlook
- ✓ BCSLs strategy shows high commitment in Indian market



# Disclaimer

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Thank You