

Innovation is a key way to address sustainability and food supply challenges that exist at the beginning of the third millennium. Between 2009 and 2014, Bayer CropScience will have launched **9** new actives to help improve the efficiency and profitability of Australian farming.

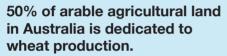
CURRENT ENVIRONMENT

BAYER'S INVESTMENT FOR THE FUTURE

Australia is the 3rd largest exporter of wheat in the world.

Share of global grain exports is dropping.

Yields need to increase twothree fold by 2050 to meet demand.



Climate and land use change may reduce total wheat yields significantly.

30% of agricultural value is produced by 2% of growers.

Farmers carry high rural debt and must manage significant cost pressure and low profitability.

Australia is 80% self-sufficient in vegetable production

Low exports, and growing imports entrench oversupply, low prices and low profits.



Innovation to ensure global competitiveness

Bayer is a leading corporate investor in Australian agricultural research.

For every \$10 spent on Bayer products, we invest roughly \$1 to develop new products.

More wheat from less inputs

Bayer and CSIRO have entered a partnership to create wheat varieties adapted to the future climate. Together, the partners aim to develop varieties with improved yields, stress tolerance and nutrient efficiency.



Greater return on investment

Bayer has introduced five major products: Sakura[®], Velocity[®], Prosaro[®], EverGol[®] Prime and K-Obiol[®]; as well as IH50RR canola which have demonstrated increased return on investment.



Creating food chain value

Products such as Intense® tomatoes from Bayer's vegetable seeds business, Nunhems, and IPM-compatible Belt® and Movento® are examples of customer-focused horticultural inputs which create value for growers and the food chain.