Bayer

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Investor News

Bayer MaterialScience to build a world-scale plant for polymer polyols in Antwerp

- Total investment of around EUR 40 million
- Commissioning scheduled for late 2008
- Efficient production process delivers optimized products

Leverkusen, September 26, 2007– Bayer MaterialScience is planning to build a world-scale plant for the manufacture of polymer-filled polyether polyols (PMPO) at the Antwerp site in Belgium. The plant, representing a total investment of EUR 40 million, will have an annual capacity of 60,000 tons and is scheduled for commissioning in late 2008. Bayer MaterialScience already manufactures polyether polyols, one of the starting materials for polymer polyols, at the Antwerp site. The decision to build the new plant in Antwerp enables leverage of available synergies and will further increase the efficiency of PMPO production.

The planned facility will utilize a new process developed by Bayer MaterialScience in close cooperation with Bayer Technology Services GmbH. This innovative and patented PMPO technology delivers products that are considerably superior to those manufactured using conventional processes and has already been successfully tested on a multi-ton scale.

The end products yielded by the new process contain very low levels of volatile organic compounds (VOCs) that were impossible to achieve with the technologies used to date. In addition to improved product properties, Bayer MaterialScience expects a reduction of 25 percent in plant construction costs and in the energy consumption of the completed facility once operational.

According to Peter Vanacker, Head of the Polyurethanes Business Unit and a member of the Bayer MaterialScience Executive Committee: “The new technology represents a significant advance in the development of state-of-the-art production

processes with even greater efficiency. It allows innovative energy management and sets new standards for efficient and resource-saving production processes. This enables us to offer our customers top-quality products with lower VOC contents and further consolidate our leading role in the world market for polyurethanes with optimized cost structures."

PMPOs are utilized throughout the world, primarily for the production of flexible polyurethane foam, which is used in large quantities in upholstered furniture, mattresses and car seats.

About Bayer MaterialScience:
With 2006 sales of EUR 10.2 billion (continuing operations), Bayer MaterialScience is among the world's largest polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative solutions for products used in many areas of daily life. The main segments served are the automotive, electrical and electronics, construction, and the sports and leisure industries. At the end of 2006, Bayer MaterialScience had 30 production sites and employed approximately 14,900 people around the globe. Bayer MaterialScience is a Bayer Group company.

About Bayer Technology Services:
Bayer Technology Services GmbH offers fully-integrated solutions along the life cycle of chemical/pharmaceutical plants – from development through engineering and construction to process optimization for existing plants. The Bayer subsidiary headquartered in Leverkusen, Germany, employs more than 2,100 experts worldwide, including at locations in Germany and in regional offices in Baytown, Texas, U.S.A.; Antwerp, Belgium; Mexico City, Mexico; and Shanghai, People's Republic of China. 2006 sales totaled approx. EUR 380 million.

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Forward-Looking Statements
This news release contains forward-looking statements based on current assumptions and forecasts made by Bayer Group management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in our annual and interim reports to the Frankfurt Stock Exchange and in our reports filed with the U.S. Securities and Exchange Commission (including our Form 20-F). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.