Bayer

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Investor Relations
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Investor News

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Bayer AG successfully placed new shares at 34.75 Euro per share

- Issue proceeds of approximately EUR 1.2 billion
- Significant demand for the new shares from institutional investors

Leverkusen / July 6, 2006 – Bayer AG today successfully placed 34 million new shares with German and international institutional investors by means of an accelerated bookbuilding. The order book was closed after a few hours due to high demand. The issue price of the new shares amounts to EUR 34.75 per share, resulting in issue proceeds of approximately EUR 1.2 billion. The total number of shares issued will increase to 764,341,920 once the capital increase has been entered in the commercial register.

This capital increase against cash, equivalent to 4.7 percent of the registered share capital, has been approved by the Supervisory Board and is based on the authorisation granted by the Annual Stockholders' Meeting on April 28, 2006 (Authorised Capital II). The new shares are fully entitled to the dividend for the current financial year and will be issued without pre-emptive rights for existing stockholders.

This transaction, together with the successful EUR 2.3 billion issue of mandatory convertible bonds in April 2006, completes the previously communicated equity financing in connection with the acquisition of Schering. The total equity issuance of EUR 3.5 billion is significantly below the EUR 4 billion limit originally stated.

Leverkusen, July 6, 2006

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Important information