Bayer

Investor News

Bayer AG
Investor Relations
51368 Leverkusen
Germany
www.investor.bayer.com

Bayer concludes supply and licensing agreements for Yasmin® and YAZ® with Barr for the United States

- Appeal of court decision invalidating Yasmin patent will continue
- Further growth of Bayer's Women's Healthcare Business Unit expected

Leverkusen, June 24, 2008 – Bayer and Barr Laboratories Inc. today signed supply and licensing agreements for Yasmin® and YAZ® for the United States. Bayer will supply U.S. generics manufacturer Barr, starting July 1, 2008 at the latest, with a generic version of its oral contraceptive Yasmin, which Barr will market solely in the United States. Barr will pay Bayer a fixed percentage of the revenues from the product sold by Barr.

Bayer will continue to pursue its appeal of a March 2008 New Jersey court's decision that invalidated Bayer's U.S. patent '531 for Yasmin. If Bayer prevails in its appeal, Bayer will receive a larger share of Barr's revenues from the product.

"The agreements allow us to participate in the U.S. market for generic oral contraceptives in partnership with an established player," said Dr. Gunnar Riemann, Member of the Board of Management of Bayer HealthCare AG. "We expect our global Women's Healthcare business to continue posting high-single-digit to low-double-digit percentage annual growth rates in the coming years thanks to the products we already have on the market and to new, promising developmental products."

It has also been agreed that Bayer will grant Barr a license to market a generic version of YAZ – like Yasmin, a product in the drospirenone family – in the United States starting July 1, 2011. Bayer will supply Barr with the product for this purpose. Should Bayer lose patent lawsuits in the United States against other companies concerning YAZ, at that time Bayer will begin supplying the product to Barr and Barr will begin marketing generic YAZ in the United States. Barr will pay Bayer a fixed percentage of the revenues from the product sold by Barr.

The companies have agreed not to disclose further details of the agreements.

The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer HealthCare, a subsidiary of Bayer AG, is one of the world's leading, innovative companies in the healthcare and medical products industry and is based in Leverkusen, Germany. The company combines the global activities of the Animal Health, Consumer Care, Diabetes Care and Pharmaceuticals divisions. The pharmaceuticals business operates under the name Bayer Schering Pharma AG. Bayer HealthCare's aim is to discover and manufacture products that will improve human and animal health worldwide. Find more information at www.bayerhealthcare.com.

Bayer Schering Pharma is a worldwide leading specialty pharmaceutical company. Its research and business activities are focused on the following areas: Diagnostic Imaging, General Medicine, Specialty Medicine and Women's Healthcare. With innovative products, Bayer Schering Pharma aims for leading positions in specialized markets worldwide. Using new ideas, Bayer Schering Pharma aims to make a contribution to medical progress and strives to improve the quality of life. Find more information at www.bayerscheringpharma.de.

Bayer AG, Investor Relations contacts:
Dr. Alexander Rosar (+49-214-30-81013)
Dr. Juergen Beunink (+49-214-30-65742)
Peter Dahlhoff (+49-214-30-33022)
Ilia Kürten (+49-214-30-35426)
Ute Menke (+49-214-30-33021)
Judith Nestmann (+49-214-30-66836)
Dr. Olaf Weber (+49-214-30-33567)

Forward-Looking Statements
This news release may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup 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 described by Bayer in published reports. These reports are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.