Bayer

Investor News

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Focus on more growth and innovation

Organizational changes at Bayer HealthCare

- Streamlining administration, strengthening research and development
- Handover in management of Consumer Care Division
- Site consolidation at the U.S. East Coast

Leverkusen, January 31, 2011 – Bayer HealthCare has presented a number of measures to implement the initiatives for more innovation and growth announced in November 2010. The Bayer subgroup plans to streamline its administration functions in Germany and the United States. This measure and the consolidation of the U.S. sites at the East Coast will shorten decision-making paths, reduce complexity and generate synergies at the sites in Leverkusen and Berlin in particular.

In addition, research and development in the Bayer subgroup will be further strengthened. Effective March 1, 2011, Professor Andreas Busch, Head of Pharmaceutical Research (Global Drug Discovery), and Dr. Kemal Malik, Head of Pharmaceutical Development (Global Development), will report directly to Dr. Jörg Reinhardt, Chairman of the BHC Board of Management.

The Pharmaceuticals business (previously Bayer Schering Pharma) will operate as a BHC division called Bayer HealthCare Pharmaceuticals under the leadership of Andreas Fibig in future. The headquarters of the Pharmaceuticals business will remain in Berlin.

Furthermore, there will be personnel changes in Bayer HealthCare's divisions. Gary Balkema, Head of the Consumer Care Division, will retire effective April 1, 2011. His successor will be announced shortly. Likewise approaching his retirement is Dr. Ulrich Köstlin, member of the Board of Management of Bayer Schering Pharma AG, who will leave the company on June 30, 2011. "I would like to thank Mr. Balkema and Mr. Köstlin

for their many years of successful work in the Healthcare area and wish them both all the best for the future," said Reinhardt.

In regard to the future of the subgroup, Reinhardt said, "Bayer HealthCare has good potential for growth in all of its divisions. To optimally exploit this potential, we must further consolidate the existing resources, shorten the decision-making paths and make our structures leaner. This will enable us to sustainably finance our investment in growth and innovation, for example in new Pharma products such as the thrombosis drug Xarelto, or VEGF Trap-Eye for the treatment of age-related macular degeneration." The reorganization of Bayer HealthCare is the logical next step for more innovation and less administration, said the Chairman of the Board of Management of Bayer HealthCare. "This will allow our subgroup to make an even better contribution to the corporate success of Bayer."

In the United States, Bayer HealthCare plans to consolidate the four East Coast sites it currently maintains into one this year, as part of the announced efficiency program. The new center for the approximately 2,500 people employed there will be built in the vicinity of one of the existing sites in the New Jersey / New York region.

About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG with annual sales of EUR 15,988 million (2009), 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, Medical Care and Pharmaceuticals divisions. Bayer HealthCare's aim is to discover and manufacture products that will improve human and animal health worldwide. Bayer HealthCare has a global workforce of 53.400 employees and is represented in more than 100 countries. Find more information at www.bayerhealthcare.com.

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