



Investor News

Bayer HealthCare acquires German DIREVO Biotech AG

- A recognized leader in protein engineering
 - Expanding technological know-how in biologicals
 - Strengthening Bayer HealthCare's commitment to develop innovative biologicals
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Leverkusen, September 16, 2008 – Bayer HealthCare AG acquires the German biotech company DIREVO Biotech AG, Cologne. With the acquisition of the biotech company specialized in protein engineering, Bayer strengthens the research competence in biologicals of its pharmaceutical division Bayer Schering Pharma. The industrial biotechnology business of DIREVO Biotech is not subject to the transaction. Closing of the deal of a value of 210 million Euro is projected for end of September 2008.

Bayer Healthcare plans to integrate DIREVO Biotech's research and development (R&D) personnel into Bayer Schering Pharma's global drug discovery organization. The site in Cologne will be maintained and integrated into Bayer Schering Pharma as a center of expertise for biologicals alongside the global R&D centers in Germany (Berlin and Wuppertal) and the USA (Berkeley).

DIREVO Biotech's unique and proprietary protein engineering platform uses high throughput technologies for the rapid discovery and optimization of biopharmaceuticals. The platform has already been successfully applied to a wide range of proteins, including therapeutic antibodies and proteases that will be added to the preclinical pipeline of Bayer Schering Pharma.

"Today Bayer Schering Pharma is among the top ten biologicals companies in the world. We are committed to further strengthen our biologicals portfolio, and DIREVO's leadership in protein engineering provides promising opportunities for further business growth," said Arthur Higgins, CEO of Bayer HealthCare AG.

"With this deal, we emphasize our position as a recognized leader in protein engineering. Bayer HealthCare is our owner of choice not only because of the excellent perspectives for our projects but also due to the close geographic proximity," said Thomas von Rüden, CEO of DIREVO Biotech AG. "We feel that this is in the best interest of our former owners and our employees. As part of Bayer Schering Pharma, we will further develop our expertise and knowledge in biopharmaceutical research."

A podcast on this topic can be found here: www.podcast.bayer.com.

About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of healthcare, 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. 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.

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