Bayer AG
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# Investor News

## Bayer launches jumbo bond issuance with a volume of USD 7 billion

- Successful placement as part of the financing of the acquisition of the OTC business of Merck & Co., Inc., United States
- Six tranches with maturities of two to ten years

**Leverkusen, October 2, 2014** – The Bayer Group is issuing a jumbo bond in 144A/Reg S format with a volume of USD 7 billion through its subsidiary Bayer U.S. Finance LLC, Pittsburgh, United States. The bond comprises six tranches with short-, mid- and long-term maturities. The U.S.dollar bond makes up part of the financing of the acquisition of the OTC business of Merck & Co., Inc., United States.

The short-term paper is a two-year variable tranche with a volume of USD 0.5 billion and a coupon of 0.25 percent above the three-month USD Libor rate.

The mid-term bond with a volume of USD 1.25 billion and a maturity of three years has a USD 850 million fixed rate portion (1.5 percent coupon) and a USD 400 million part with variable rate (coupon 0.28 percent above the three-month USD Libor rate).

A five-year bond with a volume of USD 2 billion was priced with a coupon of 2.375 percent.

The long-term tranches with a volume of USD 1.5 billion maturing in 2021 and USD 1.75 billion maturing in 2024 will pay a coupon of 3.0 percent (seven years) and 3.375 percent (ten years).

The net cash provided by the U.S. bond will replace part of the bridge financing already secured by Bayer in May 2014 in connection with the takeover agreement with Merck & Co., Inc., United States. A further component of the financing is a USD 2 billion loan with

a term of four years, which was provided by the same consortium of 26 banks as the bridge financing. In June, the company had already issued a two-tranche hybrid bond with a total volume of EUR 3.25 billion.

**Bayer: Science For A Better Life**

Bayer is a global enterprise with core competencies in the fields of health care, agriculture and high-tech polymer materials. As an innovation company, it sets trends in research-intensive areas. Bayer's products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2013, the Group employed 113,200 people and had sales of EUR 40.2 billion. Capital expenditures amounted to EUR 2.2 billion, R&D expenses to EUR 3.2 billion. For more information, go to www.bayer.com.

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