



Bayer AG  
Investor Relations  
51368 Leverkusen  
Germany  
[www.investor.bayer.com](http://www.investor.bayer.com)

## Investor News

---

Issues raised by regulatory authorities in respect of Monsanto acquisition addressed:

### **Bayer signs agreement to sell further Crop Science businesses to BASF for up to 1.7 billion euros**

- Package includes global vegetable seeds business, certain seed treatments and digital farming activities
  - Businesses generated total sales of 745 million euros in 2017
  - Sale is subject to successful closing of Monsanto acquisition
- 

**Leverkusen, Germany, April 26, 2018** – In light of the proposed acquisition of Monsanto, Bayer has signed an agreement to sell further Crop Science businesses to BASF for up to 1.7 billion euros. The businesses to be sold generated total sales of 745 million euros in 2017. “With this move, we are implementing the corresponding undertakings made to the European Commission and other regulatory authorities to allow the successful closing of the Monsanto transaction,” explained Werner Baumann, Chairman of the Board of Management of Bayer AG. “In BASF, we are pleased that, for these businesses too, we have found a strong buyer that will continue to serve the needs of growers and offer our employees long-term prospects.” The transaction is subject to regulatory approval as well as the successful closing of Bayer’s acquisition of Monsanto.

The businesses being divested include in particular the global vegetable seeds business, certain seed treatment products, the research platform for wheat hybrids and certain glyphosate-based herbicides in Europe that are predominantly used in industrial applications. In addition, three research projects in the field of total herbicides and Bayer’s digital farming business will also be transferred. In return, Bayer will receive a back license for certain digital farming applications.

The transaction includes the transfer of some 2,500 employees, around 150 of them in Germany. As part of the agreement, BASF has committed to maintain all permanent positions, under similar conditions, for at least three years after closing of the transaction.

“We are very grateful to our employees, who have played a key role in the success of these businesses over the years,” said Baumann. “With this strong team, I am certain that BASF will be able to achieve further innovation and growth in these businesses.” Bayer continues to work diligently with the relevant authorities with the aim of closing the proposed acquisition of Monsanto in the second quarter of 2018.

Bayer will continue to own, operate and maintain these businesses until the closing of this divestiture. After closing of the proposed Monsanto acquisition, Bayer will remain active in these same areas as a result of the programs, products and offerings it acquires from Monsanto.

The base purchase price of 1.7 billion euros before taxes will be subject to customary adjustments at closing. Bayer will use the proceeds from the announced divestiture after taxes and adjustments to partially refinance the proposed acquisition of Monsanto. Bayer will provide an update on the total expected synergies from the Monsanto acquisition latest upon closing of the transaction.

BofA Merrill Lynch and Credit Suisse are acting as financial advisors to Bayer. Bayer’s legal advisors are Sullivan & Cromwell LLP; Dentons; Cohen & Grigsby; Redeker, Sellner & Dahs; Baker McKenzie and Noerr LLP.

In October 2017, Bayer and BASF already concluded an agreement for the sale of certain Crop Science businesses for a base purchase price of 5.9 billion euros. The businesses in this first package – including Bayer’s global glufosinate-ammonium business and the related LibertyLink™ technology for herbicide tolerance, together with essentially all of the company’s field crop seeds businesses – generated total sales of 1.5 billion euros in 2017. This transaction includes the additional transfer of more than 1,800 people.

Bayer AG, Investor Relations contacts:

Oliver Maier (+49-214-30-81013)

Dr. Jürgen Beunink (+49-214-30-65742)

Peter Dahlhoff (+49-214-30-33022)

Judith Nestmann (+49-214-30-66836)

Constance Spitzer (+49-214-30-33021)

### **Forward-Looking Statements**

Certain statements contained in this communication may constitute “forward-looking statements.” Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include the following: uncertainties as to the timing of the transaction; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the merger within the expected time-frames or at all and to successfully integrate Monsanto’s operations into those of Bayer; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the announcement of the transaction; the retention of certain key employees at Monsanto; risks associated with the disruption of management’s attention from ongoing business operations due to the transaction; the conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the parties’ ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the impact of the refinancing of the loans taken out for the transaction, the impact of indebtedness incurred by Bayer in connection with the transaction and the potential impact on the rating of indebtedness of Bayer; the effects of the business combination of Bayer and Monsanto, including the combined company’s future financial condition, operating results, strategy and plans; other factors detailed in Monsanto’s Annual Report on Form 10-K filed with the SEC for the fiscal year ended Thursday, August 31, 2017 and Monsanto’s other filings with the SEC, which are available at <http://www.sec.gov> and on Monsanto’s website at [www.monsanto.com](http://www.monsanto.com); and other factors discussed in Bayer’s public reports which are available on the Bayer website at [www.bayer.com](http://www.bayer.com). Bayer and Monsanto assume no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.