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Investor News

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Bayer to invest more than 500 million Euros for the manufacturing of hemophilia A products currently in development

Expansion of manufacturing capacities for innovative therapy options

Leverkusen, Germany, March 11, 2014 – With an investment of more than 500 million Euros at its sites in Wuppertal and Leverkusen, Germany, Bayer will establish additional capacities for the manufacturing of the recombinant factor VIII (rFVIII) hemophilia products that are currently in development. The investigational therapy options for hemophilia patients – a plasma protein-free rFVIII (BAY 81-8973) and a long-acting rFVIII (BAY 94-9027) – are both currently in Phase III clinical trials. In February 2014, Bayer HealthCare announced positive results from the PROTECT VIII trial evaluating Bayer’s site-specific PEGylated rFVIII (BAY 94-9027).

Bayer’s approved hemophilia A therapy product Kogenate[®] FS/Kogenate[®] Bayer is manufactured exclusively in Berkeley, California, USA. Establishing an additional supply source in Germany will help the company to prepare for production of the anticipated new therapy options and address the growing demand in this therapeutic area.

“This investment will be one of the largest in the history of Bayer HealthCare and reflects our strong commitment in the field of hemophilia A,” said Dr. Olivier Brandicourt, CEO of Bayer HealthCare. As part of this investment Bayer HealthCare will create about 500 new jobs at its sites in Leverkusen and Wuppertal by the year 2020.

About investigational recombinant Factor VIII products (rFVIII)

Recombinant factor VIII protein (rFVIII) is used for the treatment of hemophilia A employing genetically modified cells to produce these human factor VIII molecules.

The investigational plasma protein-free product BAY 81-8973 is an upgrade of the currently marketed Kogenate[®] FS/Kogenate[®] Bayer product and will be produced without

the addition of any components of animal or human origin. Subject to the results of the ongoing clinical trials, Bayer is planning to file BAY 81-8973 for approval with the regulatory authorities in the second half of 2014 with first launches planned in Q4/2015.

Furthermore, a site-specific PEGylated rFVIII product currently being investigated may result in a significant benefit for long-term outcomes and quality of life improvements for people with hemophilia A. Today, prophylactic treatment for hemophilia patients makes it necessary that patients infuse themselves two to three times a week. The investigational product BAY 94-9027 is a long-acting factor VIII that is being studied in patients in a once-weekly prophylactic dosing regimen. Bayer HealthCare recently announced positive results with the site-specific PEGylated rFVIII product demonstrating protection from bleeds comparable to current prophylactic dose regimens with infusion intervals of up to seven days. Bayer is planning to file BAY 94-9027 for approval with the regulatory authorities in the second half of 2015.

About hemophilia

Hemophilia A is a hereditary bleeding disorder. Around 400,000 people are affected by hemophilia A worldwide. The blood clotting process is impaired as a result of a deficiency in clotting factor VIII (FVIII). People with this disorder therefore suffer repeated episodes of bleeding into the muscles, joints or other tissues, which can lead to long-term damage. The earlier a patient with hemophilia receives prophylactic treatment with Factor VIII, the rarer the episodes of bleeding become, which enhances the quality of life of the individual patients.

About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of health care, agriculture and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG with annual sales of EUR 18.9 billion (2013), 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, develop, manufacture and market products that will improve human and animal health worldwide. Bayer HealthCare has a global workforce of 56,000 employees (Dec 31, 2013) and is represented in more than 100 countries. More information at www.healthcare.bayer.com.

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