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News Release

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Bayer resolves capital increase with subscription rights in the amount of 6.0 billion euros to finance the acquisition of Monsanto

- Final equity measure associated with the acquisition
- Stockholders can acquire 2 new shares for every 23 shares they hold for 81.00 euros per new share

Leverkusen, June 3, 2018 – On Sunday, with the consent of the Supervisory Board, the Board of Management of Bayer AG resolved to execute a capital increase out of authorized capital against cash contributions and with subscription rights for existing Bayer stockholders. To this end, Bayer is to issue 74,604,156 new registered (no-par value) shares with an entitlement to dividends as of January 1, 2018. "It is a significant component of the financing for the acquisition of Monsanto and the final equity measure associated with this undertaking," said Werner Baumann, Chairman of the Board of Management of Bayer AG. Additionally, senior bond issuances in US dollars and euros are planned. They are expected to have a total volume of up to 20 billion euros.

The new shares are to be offered to Bayer stockholders at a price of 81.00 euros per new share by way of indirect subscription rights. Stockholders can acquire 2 new shares for every 23 Bayer shares they hold. As a result, Bayer expects to generate gross proceeds of 6.0 billion euros from the capital increase. The company intends to use the net proceeds from this transaction and the bond issues to repay amounts drawn under the syndicated loan facilities agreement for the acquisition of Monsanto.

The capital increase is a part of the equity component, announced in September 2016, to finance the acquisition of Monsanto.

Subject to the approval of the prospectus by Germany's Financial Supervisory Authority (BaFin) and to the publication of the approved prospectus, the subscription period for the capital increase with subscription rights is expected to start on June 6, 2018, and is scheduled to end on June 19, 2018 (both dates inclusive). At the end of the subscription period, any unsubscribed shares are to be offered for sale to eligible institutional investors in a private placement for a price at least equal to the subscription price.

Subject to the approval and publication of the prospectus, the subscription rights (ISIN DE000BAY1BR7 / WKN BAY 1BR) for the new shares will be traded on the regulated market (Xetra and Xetra Frankfurt Specialist) of the Frankfurt Stock Exchange in the period from June 6, 2018, up to and including June 15, 2018 (around 12:00 midday CEST).

The offering will be made on the basis of an underwriting agreement between Bayer and a consortium of 20 banks, with the Joint Global Coordinators BofA Merrill Lynch and Credit Suisse that was signed on Sunday and provides for a firm commitment to acquire all new shares at the subscription price.

It is anticipated that the execution of the capital increase will be entered into the Commercial Register of the Local Court of Cologne by June 20, 2018, and that trading and the inclusion of the new shares in the existing quotation on the German stock exchanges will take place on or around June 22, 2018.

About Bayer

Bayer is a global enterprise with core competencies in the life science fields of health care and agriculture. Its 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 2017, the Group employed around 99,800 people and had sales of 35.0 billion euros. Capital expenditures amounted to 2.4 billion euros, R&D expenses to 4.5 billion euros. For more information, go to www.bayer.com.

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Cautionary Statements Regarding Forward-Looking Information

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: the risk 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 Company's ("Monsanto") operations into those of Bayer Aktiengesellschaft ("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 difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater or more significant than expected following the transaction; the retention of certain key employees at Monsanto; the parties' ability to meet expectations regarding 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 U.S. Securities and Exchange Commission (the "SEC") for the fiscal year ended 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, in Bayer's public reports which are available on the Bayer website at www.bayer.com as well as in the securities prospectus by Bayer, which is to be published. Bayer assumes 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.

Stabilization/Commission Delegated Regulation (EU) 2016/1052

In connection with the placement of shares of Bayer, Credit Suisse Securities (Europe) Limited, acting for the account of the underwriters, will act as the stabilization manager and may, as stabilization manager, make over-allotments and take stabilization measures in accordance with legal requirements (Art. 5 para. 4 and para. 5 of the Market Abuse Regulation (EU) No. 596/2014 in conjunction with Articles 5 through 8 of the Commission Delegated Regulation (EU) 2016/1052) to support the market price of Bayer's shares and thereby counteract any selling pressure. The stabilization manager is under no obligation to take any stabilization measures. Therefore, stabilization may not necessarily occur and may cease at any time. Such measures may be taken on the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) from the date of the publication of the subscription offer and must be terminated no later than 30 calendar days following expiration of the subscription period, expected to be July 19, 2018 (the "Stabilization Period"). Stabilization transactions aim at supporting the market price of Bayer's shares during the Stabilization Period. These measures may result in the market price of Bayer's shares being higher than would otherwise have been the case. Moreover, the market price may temporarily be at an unsustainable level.

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