



Investor News

Bayer CropScience and Monsanto enter long-term business and license agreements for key enabling technologies

Agreements aim at creating new choices and more options for farmers

Monheim (Germany) / St. Louis (USA) / June 20, 2007 – Bayer CropScience AG and Monsanto Company (NYSE: MON), two of the leading agro-companies worldwide, have entered into a series of long-term business and licensing agreements related to key enabling agricultural technologies. Within the framework of these agreements Bayer CropScience will grant Monsanto a royalty bearing, non-exclusive license for its LibertyLink[®] herbicide tolerance technology for use in corn and soybeans, the two largest field crops in terms of acreage in the United States.

The agreements provide Monsanto with an option to market corn and soybean seeds which contain both Monsanto's Roundup Ready[®] and Bayer CropScience's LibertyLink[®] technologies, which could provide farmers with additional weed management solutions. Monsanto and Bayer CropScience also amended certain existing agreements in the area of herbicide tolerance to provide each other more favorable terms.

In the area of insect resistance, the two companies have also entered into a royalty-bearing agreement giving Bayer CropScience rights under certain Monsanto intellectual property. In addition, the companies amended other agreements related to insect-protection technologies, including Monsanto's existing non-exclusive, royalty-bearing license for use of Bayer CropScience's Dual Bt technology. This enables Monsanto to commercialize products containing multiple insect resistance genes with different modes of action.

As part of the agreements, Monsanto and Bayer CropScience cross-licensed each other under their respective patent estates for RNAi technology, an important enabling technology for the development of new agricultural products.

“I am delighted that Bayer CropScience and Monsanto have joined together to offer more choice and flexibility for farmers in the use of modern technology options,” said Prof. Dr. Friedrich Berschauer, chairman of the Board of Management of Bayer CropScience. “These agreements are an important step for Bayer CropScience as they could significantly broaden the availability of our LibertyLink[®] technology outside our core cotton and canola seed business. This agreement could also expand the base for our Liberty[®] herbicide business. At the same time, the agreements enable us to facilitate the development and commercialization of new technology solutions in the future.”

“Monsanto is pleased to have reached licensing agreements with Bayer CropScience across a range of crops and technologies,” said Hugh Grant, chairman, president and chief executive officer of Monsanto. “Farmers look to technology providers like Bayer CropScience and Monsanto Company to discover and deliver needed technologies to their farms. We believe these agreements will support and advance the work of both our companies as we independently bring innovation to the farm.”

Additional details of the agreements were not disclosed.

About Bayer CropScience

Bayer CropScience AG, a subsidiary of Bayer AG, is one of the world’s leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and plant biotechnology. The company offers an outstanding range of products and extensive service backup for modern, sustainable agriculture and for non-agricultural applications. Bayer CropScience has a global workforce of about 17,900 and is represented in more than 120 countries. This and further news is available at: www.newsroom.bayercropscience.com.

About Monsanto

Monsanto Company is a leading provider of technology-based solutions and agricultural products that improve farm productivity and food quality. For more information on Monsanto, see www.monsanto.com.

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Forward-Looking Statements

This release contains “forward-looking statements” which reflect the companies’ current expectations about future performance. These forward-looking statements rely on a number of assumptions and estimates which could be inaccurate and which are subject to risks and uncertainties. Actual results could vary materially from those anticipated or expressed in any forward-looking statement made by the companies due to a number of factors, including without limitation technological uncertainties facing the companies continued competition in the companies’ businesses; the companies’ exposure to various contingencies, including those related to intellectual property protection, regulatory compliance and the speed with which approvals are received, and public acceptance of biotechnology products; the success of the companies’ research and development activities; compliance with regulations affecting manufacturing; and the effect of weather conditions, natural disasters and accidents on the agriculture business or facilities. Additional risks factors related to Bayer CropScience AG and Monsanto are detailed in Bayer AG’s and Monsanto’s respective periodic filings with the SEC. Undue reliance should not be placed on these forward-looking statements, which are current only as of the date of this release. The companies disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this release, except as otherwise may be required by securities and other applicable laws.