



Bayer AG
Investor Relations
51368 Leverkusen
Germany
www.investor.bayer.com

Investor News

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Bayer and Regeneron To Jointly Develop Novel Combination Therapy for Eye Diseases

Leverkusen, Germany, March 24, 2016 – Bayer and Regeneron Pharmaceuticals, Inc. (NASDAQ: REGN) will jointly develop a combination therapy of the angiopoietin2 (Ang2) antibody nesvacumab and vascular endothelial growth factor (VEGF) trap aflibercept for the treatment of serious eye diseases. Two ongoing Phase II clinical studies are evaluating the combination therapy as a co-formulated single intravitreal injection, known as REGN910-3, in patients with wet age-related macular degeneration or diabetic macular edema.

Angiopoietins, discovered by scientists at Regeneron, are a family of vascular growth factors. Preclinical data demonstrates that angiopoietins act together with the VEGF family to promote the formation and maturation of blood and lymphatic vessels in the eye. Ang2 and VEGF together therefore have the potential to influence the pathological development of new blood vessels and the permeability of blood vessel walls in certain diseases of the eye.

“Bayer is strongly committed to further expanding its ophthalmology portfolio with innovative therapies for patients suffering from vision impairment. Addressing multiple pathways offers potential additional benefit to patients with devastating retinal eye diseases,” said Dr. Joerg Moeller, member of the Executive Committee of Bayer AG's Pharmaceuticals Division and Head of Development. “Inhibiting the angiopoietin2 pathway is a promising new approach for a combination therapy, and we are looking forward to working on it together with Regeneron.”

“Our collaboration with Bayer has been extremely successful to date, as we work together to combat vision loss around the world. Vision loss can often have devastating consequences to an individual's quality of life,” said George D. Yancopoulos, M.D., Ph.D., Chief Scientific Officer of Regeneron and President of Regeneron Laboratories. “This new

agreement reflects our shared commitment to being leaders in ophthalmology and to now pursue the goal of improving anatomical and visual outcomes for patients with retinal eye diseases.”

Under the terms of the agreement, Regeneron will receive a \$50 million upfront payment and will share global development costs for the program with Bayer. Bayer will have exclusive commercialization rights to the combination product outside the United States and will share potential profits equally with Regeneron. Within the U.S., Regeneron retains exclusive commercialization rights and will retain 100 percent of profits from U.S. sales. Regeneron is also eligible to receive up to \$80 million in potential payments related to development and regulatory milestones.

Bayer and Regeneron currently collaborate on the global development and commercialization of EYLEA[®] (aflibercept) Injection and on the global development of REGN2176-3, an antibody to Platelet Derived Growth Factor Receptor Beta (PDGFR-beta) co-formulated in a single intravitreal injection with aflibercept, which is currently in Phase II clinical trials for patients with wet age-related macular degeneration.

About Ophthalmology at Bayer

Bayer has established strong internal R&D capabilities in ophthalmology with the aim to bring new therapies to patients suffering from vision impairment and sight-threatening diseases. The company’s internal R&D capacities are supplemented by external collaborations. As such, Bayer supports multiple projects and initiatives worldwide as well as partnering with multiple organizations to help improve the lives of people living with a visual impairment or blindness.

About Regeneron Pharmaceuticals, Inc.

Regeneron (NASDAQ: REGN) is a leading science-based biopharmaceutical company based in Tarrytown, New York that discovers, invents, develops, manufactures and commercializes medicines for the treatment of serious medical conditions. Regeneron commercializes medicines for high LDL cholesterol, eye diseases and a rare inflammatory condition and has product candidates in development in other areas of high unmet medical need, including oncology, rheumatoid arthritis, asthma, atopic dermatitis, pain, and infectious diseases. For additional information about the company, please visit www.regeneron.com or follow @Regeneron on Twitter.

Bayer: Science For A Better Life

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 2015, the Group employed around 117,000 people and had sales of EUR 46.3 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.3 billion. These figures include those for the high-tech polymers business, which was floated on the stock market as an independent company named Covestro on October 6, 2015. For more information, go to www.bayer.com.

Bayer AG, Investor Relations contacts:

Dr. Alexander Rosar (+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)

Dr. Olaf Weber (+49-214-30-33567)

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