

Closing of Aventis CropScience acquisition

## Bayer CropScience ready for launch

Among the top companies in the world market /  
Forecasted growth above the industry average

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**Leverkusen, June 3, 2002** – The new Bayer CropScience subgroup, formed through the merger of Bayer’s Crop Protection Business Group with Aventis CropScience SA, will begin operating on June 4, 2002. The industry’s new number two company is thus being given the green light following a thorough examination by the antitrust authorities. The European Commission approved the acquisition in April, and the United States Federal Trade Commission (FTC) gave the go-ahead on May 30. Closing of the EUR 7.25 billion deal on June 3 marks the biggest acquisition in Bayer’s history.

“We are pleased to have accomplished this major acquisition in just half a year. Bayer CropScience will be one of the pillars of the reorganized Bayer Group,” commented Bayer Management Board Chairman Werner Wenning. “We will be able to capitalize on our strengths as a leading company in crop protection, the seed business and biotechnology, as well as in non-agricultural pest control. We are counting on the considerable innovative power of the new company, which we intend to safeguard through suitably high research and development budgets.”

Despite the conditions imposed by the antitrust authorities, which will mean divesting or outlicensing a sales volume of between EUR 650 million and EUR 700 million, Bayer CropScience is one of the industry’s top companies, with approximately 22,000 employees and sales of roughly EUR 6.5 billion.

Bayer CropScience is divided into five functions, and its operations are steered via five market regions – Europe, NAFTA, Cono Sur, Northeast Asia and International. The classic crop protection business is complemented by two autonomous business groups: Environmental Science (which includes professional pest control) and BioScience, both headquartered in Lyon, France.

“We want to be more than just the sum of the combined businesses. That’s why we have set ourselves the target of growing at about 4 percent a year, considerably faster than the total market. That way we would increase annual sales to more than EUR 7 billion within the next three to four years,” explained Dr. Jochen Wulff, Chairman of the Board of Management of Bayer CropScience. “We have had to reduce our sales forecast compared to our original plan because we have to meet the conditions set by the E.U. Commission and the FTC. But we are holding on to our strategic goal of achieving a 20 percent return on sales by 2006,” Wulff added.

An advantage the new company has in the competitive environment is its balanced range of high-performance products covering the entire market spectrum: Bayer CropScience holds excellent positions both in the classic agriculture business – including insecticides (number 1), herbicides (number 3) and fungicides (number 2) – and in terms of regional presence. Then there are its two additional business groups: Environmental Science, which combines professional pest control with the home and garden business, and BioScience, which comprises the seed and biotechnology businesses.

“With our broad regional base and extensive technical expertise, we can capitalize on all market opportunities and be a partner of choice for customers. We now have the best perspectives for success in an industry that is already at an advanced stage of consolidation,” Wulff pointed out. With subsidiaries or representations in 122 countries, Bayer CropScience operates close to the trade and to end users. This is a key competitive factor, since close contact between manufacturers and customers brings maximum benefit. That’s why Bayer CropScience has chosen the launch slogan “Your Partner for Growth.”

In the run-up to today’s closing – the legal transfer of Aventis CropScience SA to Bayer – 23 mixed teams of experts and numerous subteams have developed the structures for the new company. The first decisions regarding corporate locations have been made, and the managerial staff have been selected with the aid of external consultants. One-time integration charges are expected to total EUR 500 million, while Bayer is aiming for an annual saving through synergies of about the same amount, which it is hoped will be fully realized by 2005.

The top management of Bayer CropScience will introduce itself to the employees in a number of welcoming events taking place around the world – from the company’s Monheim, Germany base through the European headquarters in Lyon, France and

the site in Frankfurt, Germany to the United States, Japan and Brazil. At these meetings, the management team consisting of Management Board Chairman Dr. Jochen Wulff and Board members Dr. Bernward Garthoff (Technology), Dr. Esmail Zirakparvar (Business Operations) and Willy Scherf (Administration) will also answer questions concerning the ongoing integration process that will continue to be a focus of the new company. Also a high priority are efficient communication with, and continuing support for, the new company's customers, for in the future Bayer CropScience will offer a considerably broader product range and enhanced problem solutions thanks to its increased wealth of expertise.

Leverkusen, June 3, 2002

Further information on Bayer CropScience is available at [www.bayercropscience.com](http://www.bayercropscience.com)

#### **Forward-Looking Statements**

This news release contains forward-looking statements based on current assumptions and forecasts made by Bayer Group management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in our public reports filed with the Frankfurt Stock Exchange and with the U.S. Securities and Exchange Commission (including our Form 20-F). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.