
Bayer CropScience AG to sell a range of products to BASF

Company on track with regulatory divestments subsequent to acquisition of Aventis CropScience

Monheim - Bayer CropScience AG today announced that it intends to sell a package of selected insecticides and fungicides to BASF AG while retaining certain back-licenses for non-agricultural applications. The total package is valued at EUR 1,330 million. Taking into consideration the back-licenses the cash purchase price amounts to EUR 1,185 million. With the completion of the envisaged transaction, Bayer CropScience would fulfill within the given timeframe a major condition imposed by the European Commission and the U.S. Federal Trade Commission (FTC) as part of the Aventis CropScience acquisition. This transaction is subject to the approval by the European Commission and the U.S. Federal Trade Commission.

Following the respective consent orders the agreements with BASF contain assets and rights related to two insecticides (active ingredients: Fipronil, Ethiprole) and a number of fungicides (active ingredients: Prochloraz, Iprodione, Triticonazole, Fluquinconazole and Pyrimethanil) for certain regions and application fields. BASF will also acquire the Aventis CropScience manufacturing plant in Elbeuf, France. The total revenue from the products and operations involved in the transaction amounted to about EUR 500 million in 2001.

“After the sale of these products, Bayer CropScience can now focus entirely on developing its business and expanding its market position”, said Werner Wenning, Chairman of the Board of Management of Bayer AG. “Cash-in from the sale also contributes to improving the Group’s financials, as does the cash inflow from the other divestments we have already announced.”

“Following a very competitive auction process and intensive negotiations with several interested parties we are pleased to have reached an agreement with BASF,” added Dr. Jochen Wulff, Chairman of the Board of Management of Bayer CropScience AG. “The purchase price agreed represents a fair compensation for the required divestments. I am also pleased that we were able to retain licence rights to market Fipronil and its mixtures in certain non-agricultural markets within the scope of the FTC consent order,” emphasized Wulff. “The integration of the Aventis CropScience operations is moving

ahead quite rapidly and we continue to focus our efforts on the further integration and strategic development of the new Bayer CropScience.“

Bayer CropScience AG, a subsidiary of Bayer AG with annual sales of some EUR 6.5 billion, is one of the world's leading innovative crop science companies in the areas of crop protection, seeds and green biotechnology, as well as non-agricultural pest control. 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 22,000 and is represented in 122 countries, ensuring proximity to dealers and consumers.

Leverkusen, October 28, 2002

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.