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## **Bayer sells household insecticides for EUR 725 million to SC Johnson**

Active ingredient production remains with Bayer

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**Leverkusen** – Bayer AG, a world leader in healthcare and chemical products, has reached an agreement with SC Johnson on the sale of the household insecticides business of its Consumer Care Division, consisting of insect control, cleaning and air freshener products. The agreement will give SC Johnson worldwide rights to such brands as Baygon®, Autan®, Bayclin® and Bayfresh®, among others. The two companies have agreed on a purchase price of EUR 725 million. The transaction is intended to be closed prior to year end for the majority of countries, subject to any legally required approvals by the relevant merger control authorities.

Under the agreement, SC Johnson will purchase Bayer's household insect control and repellent business and other household specialty brands, which posted combined sales of close to EUR 400 million in 2001. Bayer will retain the active ingredients used in these household insecticide products and will continue to supply them to SC Johnson on a non-exclusive basis. All of the approximately 2,300 dedicated employees will be transferred to the purchaser.

“In our Consumer Care business we now want to concentrate on our core competencies, which are non-prescription health care products such as Aspirin, Alka-Seltzer and Canesten,” explained Bayer CEO Werner Wenning. “I am glad that after recently closing the sale of Haarmann & Reimer we have now met another target for streamlining our portfolio this year,” he added. “Bayer will use the proceeds to further reduce net indebtedness.” In the first half of 2002, Bayer already sold the company housing units, the interest in Agfa and the generics business in France and Spain.

“For over a century, SC Johnson has been dedicated to providing products to improve the quality of life for people around the world,” said Dr. H. Fisk Johnson, Chairman, SC Johnson. “This acquisition expands our capability

and reach into those countries where insect control products are needed the most to help make people's lives better every day."

#### About Bayer AG:

Bayer is an international, research-based group with major businesses in health care, crop science, polymers and specialty chemicals. For 2001, the group recorded sales of EUR 30.3 billion and a group net income of EUR 965 million. Capital expenditures totaled EUR 2.6 billion in 2001, and EUR 2.6 billion were invested in research and development. The total number of employees worldwide at the end of June 2002 amounted to about 127,800. For more information visit [www.bayer.com](http://www.bayer.com)

#### About SC Johnson:

SC Johnson is a family-owned and -managed business dedicated to innovative, high-quality products, excellence in the workplace and a long-term commitment to the environment and the communities in which it operates. Based in Racine, Wisconsin, the company is one of the world's leading manufacturers of household cleaning products and products for home storage, personal care and insect control. It markets such well-known brands as WINDEX®, PLEDGE®, GLADE®, SHOUT®, ZIPLOC®, EDGE® and RAID®. The 117-year old company employs more than 9,500 people and sells products in about 100 countries. SC Johnson invests at least 5 percent of pretax profits (over 4 times the national average of corporate giving) into programs designed to improve quality of life in our host communities around the world. For more information visit [www.scjohnson.com](http://www.scjohnson.com)

Leverkusen, November 11, 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.