Bayer’s euro bonds a resounding success

Issue was more than two times oversubscribed

Leverkusen – Bayer AG has today successfully placed in the European capital market the benchmark bonds whose issuance was first announced in December 2001. The bonds serve to finance Bayer’s acquisition of Aventis CropScience. With investor demand exceeding the company’s already high expectations, the total volume of the issues was increased to EUR 5 billion and the order book was closed early. The bonds are a very attractive addition to a corporate bond portfolio, partly on account of Bayer’s high credit standing, and partly because bond issues of this industrial sector are a rarity,. Lead managers are Banc of America Securities Limited, Deutsche Bank AG and J.P. Morgan.

The issue has been split into two tranches: a five-year EUR 3 billion bond and a ten-year EUR 2 billion bond. The tranches are expected to carry a 5.375% and a 6% coupon, respectively, and offer spreads of 42 and 62 basis points over the corresponding swap rates. Some 60 percent of accepted orders came from outside Germany.

Standard & Poor’s has given Bayer a long-term credit rating of “A+” while Moody’s has rated Bayer “A2”, both with stable outlook. The rating assigned to the bond issues – which will be listed on the Luxembourg Stock Exchange – is expected to reflect these credit ratings.

The bonds serve to finance a part of the acquisition price of Aventis CropScience. The remaining price will be covered through the ongoing issuance of commercial paper.

Bayer is an international, research-based group with core businesses in health care, agriculture, polymers and specialty chemicals. In 2001 Bayer had sales of EUR 30.3 billion, net income of EUR 965 million, and approximately 117,000 employees at year end. Capital expenditures amounted to EUR 2.6 billion, R&D spending to EUR 2.5 billion.

Leverkusen, March 25, 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.