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Milestone on Bayer's path to completing the planned acquisition of Monsanto:

Bayer signs agreement to sell selected Crop Science businesses to BASF for EUR 5.9 billion

Package includes global glufosinate-ammonium business and selected seeds activities / Assets generated total sales of EUR 1.3 billion in 2016 / Sale is subject to successful closing of Bayer's acquisition of Monsanto / BASF has committed to maintain employment for all transferring permanent employees for at least three years post closing

Leverkusen, October 13, 2017 – In light of the planned acquisition of Monsanto, Bayer has signed an agreement to sell selected Crop Science businesses to BASF for EUR 5.9 billion. The assets to be sold generated net sales of approximately EUR 1.3 billion in 2016. "We are taking an active approach to address potential regulatory concerns, with the goal of facilitating a successful close of the Monsanto transaction," explained Werner Baumann, Chairman of the Board of Management of Bayer AG. "At the same time, we are pleased that, in BASF, we have found a strong buyer for our businesses that will continue to serve the needs of growers and offer our employees long-term prospects." The transaction is subject to regulatory approvals as well as the successful closing of Bayer's acquisition of Monsanto.

The assets to be sold include Bayer's global glufosinate-ammonium business and the related LibertyLink™ technology for herbicide tolerance, essentially all of the company's field crop seeds businesses, as well as respective research and development capabilities. The seeds businesses being divested include the global cotton seed business (excluding India and South Africa), the North American and European canola seed businesses and the soybean seed business. The transaction includes the transfer of relevant intellectual property and facilities, as well as more than 1,800 employees primarily in the United States, Germany, Brazil, Canada and Belgium. As part of the agreement, BASF has committed to maintain all permanent positions, under similar conditions, for at least three years after closing of the transaction.

"We are very grateful to our employees, who have played a key role in the success of these businesses over the years," said Baumann. "At the same time, we are aware of the need to address certain overlaps in the combined product portfolio of Bayer and Monsanto." Bayer continues to work diligently with the relevant authorities with the aim of closing the planned acquisition of Monsanto by early 2018.

"With this acquisition, we are seizing the opportunity to purchase highly attractive assets in key row crops and markets. We look forward to growing these innovative and profitable businesses and to welcoming the experienced and dedicated team in crop protection, seeds and traits. These businesses are an excellent match for BASF Group's portfolio," said Dr. Kurt Bock, Chairman of the Board of Executive Directors of BASF SE.

"I am very pleased that, in BASF, Bayer has selected an acquirer that, like our company, attaches a great deal of importance to social partnership and values its employees. I welcome the fact that BASF has committed to offering comparable employment conditions for our colleagues," said Oliver Zühlke, Chairman of the Bayer Central Works Council.

Bayer will continue to own, operate and maintain these businesses until the closing of this divestiture. After the closure of the planned Monsanto acquisition, Bayer will continue to be active in these same areas as a result of Monsanto's current programs, products and offerings.

The base purchase price of EUR 5.9 billion excludes the value of any net working capital and will be subject to customary adjustments at closing, including the value of any inventories transferred to BASF. Bayer will use net proceeds from the announced divestiture to partially refinance the planned acquisition of Monsanto. Bayer will provide an update on the total expected synergies from the Monsanto acquisition latest upon closing of the transaction.

BofA Merrill Lynch and Credit Suisse are acting as financial advisors to Bayer. Bayer's legal advisors are Sullivan & Cromwell, Dentons, Cohen & Grigsby and Redeker, Sellner & Dahs.

For more information go to www.bayer.com.

Forward-Looking Statements

Certain statements contained in this communication may constitute "forward-looking statements." Actual results could differ materially from those projected or forecast in the forward-looking statements. Certain statements contained in this communication may constitute "forward-looking statements." Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include the following: uncertainties as to the timing of the transaction; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the merger within the expected time-frames or at all and to successfully integrate Monsanto's operations into those of Bayer; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the announcement of the transaction; the retention of certain key employees at Monsanto; risks associated with the disruption of management's attention from ongoing business operations due to the transaction; the conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the impact of the refinancing of the loans taken out for the transaction, the impact of indebtedness incurred by Bayer in connection with the transaction and the potential impact on the rating of indebtedness of Bayer; the effects of the business combination of Bayer and Monsanto, including the combined company's future financial condition, operating results, strategy and plans; other factors detailed in Monsanto's Annual Report on Form 10-K filed with the SEC for the fiscal year ended August 31, 2016 and Monsanto's other filings with the SEC, which are available at <http://www.sec.gov> and on Monsanto's website at www.monsanto.com; and other factors discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. Bayer and Monsanto assume no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.