

Bayer Schering Pharma strengthens its oncology R&D portfolio

Bayer acquires Preclinical Anti-cancer Program from Nycomed

Company assuming full development and commercialization rights

Berlin, August 7, 2008 – Bayer Schering Pharma AG, Germany, is expanding its oncology pipeline with the acquisition of a preclinical oncology program from Nycomed, a pharmaceutical company headquartered in Switzerland. The agreement comprises two potential drug candidates and an extensive set of back-up compounds targeting a kinase critical for growth and survival of cancer cells. Bayer Schering Pharma will assume full development and commercialization rights of the program. The company is making this investment after Nycomed has taken the strategic decision to not further invest in oncology R&D activities.

“The acquisition of this promising program strengthens Bayer Schering Pharma’s oncology pipeline as it is complementary to existing in-house approaches,” says Prof. Andreas Busch, Member of the Board of Management of Bayer Schering Pharma AG, responsible for Global Drug Discovery. “The deal underpins our commitment to oncology research and our long-term aspiration to provide new treatment options for patients suffering from cancer.”

Nycomed will receive an initial reward and payments upon completion of agreed preclinical and regulatory milestones. Overall compensations could total at 52 million Euro.

Oncology is one of four focus areas of Bayer Schering Pharma’s research. The most prominent product from this therapeutic field is a multi-kinase-inhibitor with the active ingredient sorafenib which is already approved in numerous countries for treatment of renal cell and liver cancer and is being investigated for a wide range of other cancers. In addition, several new drug candidates are currently in the phase of clinical testing.

About Nycomed

Nycomed is a privately owned pharmaceutical company that provides medicines for hospitals, specialists and general practitioners, as well as over-the-counter medicines in selected markets.

The company is active in a range of therapeutic areas, focusing on gastroenterology, respiratory, inflammation, pain management, osteoporosis and surgical management. New products are sourced both from its own research and from business partners.

Nycomed is European based with a presence in over 50 countries worldwide and an increasing emphasis on fast growing markets. The combined group employs 12,000 people. In 2007, it had annual sales of EUR 3.5 billion and an adjusted EBITDA of EUR 1.2 billion. For more information visit www.nycomed.com

About Bayer Schering Pharma

The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer HealthCare, a subsidiary of Bayer AG, is one of the world's leading, innovative companies in the healthcare and medical products industry and is based in Leverkusen, Germany. The company combines the global activities of the Animal Health, Consumer Care, Diabetes Care and Pharmaceuticals divisions. The pharmaceuticals business operates under the name Bayer Schering Pharma. Bayer HealthCare's aim is to discover and manufacture products that will improve human and animal health worldwide.

Find more information at www.bayerhealthcare.com.

Bayer Schering Pharma is a worldwide leading specialty pharmaceutical company. Its research and business activities are focused on the following areas: Diagnostic Imaging, General Medicine, Specialty Medicine and Women's Healthcare. With innovative products, Bayer Schering Pharma aims for leading positions in specialized markets worldwide. Using new ideas, Bayer Schering Pharma aims to make a contribution to medical progress and strives to improve the quality of life.

Find more information at www.bayerscheringpharma.de.

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