



News Release

Bayer HealthCare and Genzyme Finalize Strategic Alliance Agreement

Berlin, Germany and Tarrytown, NY, USA, June 2, 2009 – Bayer HealthCare and Genzyme Corporation said today that they have received regulatory approvals for the strategic alliance announced on March 31, 2009. With these approvals, the legal closing of the transaction was completed on May 29, 2009.

Under the terms of the agreement, Bayer licenses its hematological oncology products to Genzyme and transfers its current commercial portfolio of these products to Genzyme. In many countries around the world Genzyme will begin to market and sell Campath[®] / MabCampath[®] (alemtuzumab), Fludara[®] (fludarabine) and Leukine[®] (sargramostim) as of today. Genzyme now has full responsibility for developing, marketing and selling the acquired oncology products and will record sales revenue in the United States and more than 90 other countries where they are sold. During a transition period following closing, Genzyme has contracted with Bayer to provide continuing services in certain countries to ensure no interruption in product supply to patients or support services to providers.

Under the agreement, Bayer will also return to Genzyme the worldwide distribution and development rights for alemtuzumab. The companies will also continue their co-development partnership for alemtuzumab in multiple sclerosis (MS) and should the drug be approved in this indication, Bayer and Genzyme will co-promote the drug worldwide. In addition, following FDA licensure, Genzyme will acquire from Bayer the new US Leukine manufacturing facility in Seattle, Washington. Bayer will continue to produce Fludara as a contract manufacturer for Genzyme.

“This transaction provides greater long-term profitability for two of our most important franchises - MS and Oncology - and affirms our strong commitment to better serve patients and physicians in the MS community,” said Gunnar Riemann, Member of Bayer HealthCare’s Executive Committee.

About Alemtuzumab / Campath

Campath[®] is approved in the United States as a single agent for the treatment of B-cell chronic lymphocytic leukemia (B-CLL). In the EU, MabCampath[®] is approved for the treatment of patients with B-CLL for whom fludarabine combination chemotherapy is not appropriate. The product was launched in its oncology indication in 2001 in the US, where it is marketed by Bayer HealthCare Pharmaceuticals Inc. as Campath, and in Europe, where it is named MabCampath. Alemtuzumab is a humanized monoclonal antibody that binds to a specific target, CD52, on cell surfaces and directs the body's immune system to destroy those cells. It is the first and only monoclonal antibody approved by the FDA for the treatment of patients with B-CLL.

About Leukine

Leukine[®] (sargramostim) is a growth factor that helps fight infection and disease in appropriate patients by enhancing immune cell function. Leukine was approved in the United States in 1991, and is marketed by Bayer HealthCare Pharmaceuticals. Leukine is the only growth factor approved in the US for use following induction chemotherapy in older adults with acute myelogenous leukemia (AML) to shorten the time to neutrophil recovery and reduce the incidence of severe and life-threatening infections and infections resulting in death. Leukine has also been approved in the US for use in four additional indications: myeloid reconstitution following allogeneic and autologous bone marrow transplantation (BMT), peripheral blood stem cell (PBSC) mobilization and subsequent myeloid reconstitution in patients undergoing PBSC transplantation, and bone marrow transplantation failure or engraftment delay.

About Fludara

Unlike alkylating cytotoxic chemotherapies, Fludara[®], a purine nucleotide analog, inhibits the synthesis of new DNA, thus preventing leukemia cells from multiplying. The intravenous (i.v.) formulation of Fludara was first approved in 1991 and is available in 98 countries worldwide as a second-line therapy for B-CLL patients who have failed to respond to previous treatment with alkylating agents. In addition, Fludara i.v. has been approved as a first-line therapy of B-CLL in 62 countries. In 29 countries, Fludara i.v. is also approved for the second-line treatment of low grade non-Hodgkin's Lymphoma (Ig-NHL). The oral formulation has the same effect as the i.v. formulation and was approved in Europe in 2001.

About Genzyme

One of the world's leading biotechnology companies, Genzyme is dedicated to making a major positive impact on the lives of people with serious diseases. Since 1981, the company has grown from a small start-up to a diversified enterprise with more than 11,000 employees in locations spanning the globe and 2008 revenues of \$4.6 billion. In 2007, Genzyme was chosen to receive the National Medal of Technology, the highest honor awarded by the President of the United States for technological innovation.

With many established products and services helping patients in approximately 100 countries, Genzyme is a leader in the effort to develop and apply the most advanced technologies in the life sciences. The company's products and services are focused on rare inherited disorders, kidney disease, orthopaedics, cancer, transplant and immune disease, and diagnostic testing. Genzyme's commitment to innovation continues today with a substantial development program focused on these fields, as well as cardiovascular disease, neurodegenerative diseases, and other areas of unmet medical need.

About Bayer HealthCare

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, Bayer Schering Pharma, Consumer Care and Medical Care divisions. 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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Forward-Looking Statements

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