



News Release

Long-term cooperation with leading Australian research institute CSIRO:

Bayer CropScience expands global R&D activities in seeds and traits by setting up new research focus area in cereals

Superior solutions for wheat farmers could be available as early as 2015

Monheim, July 21, 2009 – Bayer CropScience is expanding its global research and development activities in seeds and traits to include a focus on cereals. In support of this expansion, the company recently formalised a long-term alliance with the Commonwealth Scientific and Industrial Research Organisation (CSIRO), Australia's national research organization, which is one of the world's leading institutions in the development of new wheat varieties.

The agreement establishes a far-reaching joint research and development program between CSIRO and Bayer CropScience, aimed at improving the productivity and sustainability of cereal production utilizing modern techniques. The cooperation will broaden the strong research and development basis of Bayer CropScience's seeds and traits business, which is currently focused on cotton, canola, rice and vegetables. The company also offers innovative trait solutions for the soybean and corn seed industry.

Bayer CropScience has a global market leadership position in crop protection solutions for cereals that combat plant diseases, pests and weeds, and regulate plant growth. The company now intends to further complete its portfolio by developing improved plant characteristics for wheat. With about 25% of the global agricultural land under wheat cultivation, it is the largest cereal crop in terms of acreage and one of the world's most important staple foods.

Both parties will set up a number of research and development projects in the area of traits and their introgression into cereal germplasm, the goal being to develop cereal varieties with higher yield, more efficient nutrient utilization and tolerance against abiotic stress such as drought. One of the initial projects of this collaboration is dedicated to the

development of wheat lines with improved yield potential and stress tolerance, while another focuses on wheat lines with improved utilization of phosphorus. These and other research projects are expected to result in new varieties available to farmers from 2015 onwards.

Financial terms of the agreement were not disclosed.

Aiming to ensure rapid delivery of superior solutions for wheat farmers

“Australia and the world at large are facing a number of challenges affecting food security and supply such as changing climate, the decline of mineral resources used for fertiliser and the need to increase crop yields to feed an ever increasing world population,” said Dr. Jeremy Burdon, CSIRO’s Plant Industry Chief. He stressed: “We will focus on the specific wheat problems farmers are facing today and conduct targeted research to solve those problems. By doing so, we will ensure more rapid delivery of solutions to wheat farmers.”

“Extending our trait research activities to cereals is fully in line with our commitment to deliver solutions for agricultural sustainability and to help tackle the issues of global food security. We look forward to working together with CSIRO in this area. Together we will create one of the leading research and development platforms in cereals worldwide”, said Dr. Joachim Schneider, Head of the BioScience Business Unit at Bayer CropScience. He added: “Drawing on our strength in carbohydrate research and our existing wheat portfolio, Bayer CropScience aims to become the partner of choice to the wheat industry and will offer superior technology solutions to improved cereal productivity moving forward.”

The new program follows on from an existing collaboration between the two organisations, which has led to a number of successful research discoveries including improved fibre quality in cotton, and CSIRO’s pioneering gene silencing technology. The business with seeds and traits is of growing importance for Bayer CropScience. The company plans to invest some EUR 750 million in the development of new solutions in its seeds and traits business from 2008 to 2012.

About Bayer CropScience

Bayer is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer CropScience AG, a subsidiary of Bayer AG with annual sales of about EUR 6.4 billion (2008), is one of the world's leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and plant biotechnology. The company offers an outstanding range of products and extensive service backup for modern, sustainable agriculture and for non-agricultural applications. Bayer CropScience has a global workforce of more than 18,000 and is represented in more than 120 countries. This and further news is available at: www.press.bayercropscience.com

About CSIRO

CSIRO is Australia's national science agency and one of the largest and most diverse scientific research organisations in the world. Their role is to deliver great science and innovative solutions for industry, society and the environment. They work on new ways to improve quality of life, as well as the economic and social performance of a number of industry sectors through research and development. Established in 1926, CSIRO is the single largest employer of scientists in Australia, with more than 6,500 people conducting and assisting with scientific research at 57 sites in Australia and around the world. Find out more at: www.csiro.au

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