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## News Release

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### **Bayer to divest Diabetes Care business to Panasonic Healthcare Holdings Co., Ltd. for EUR 1,022 million**

Transaction includes blood glucose monitoring systems and lancing devices for people with diabetes

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**Leverkusen, June 10, 2015** – Bayer AG has entered into a definitive agreement to sell its Diabetes Care business to Panasonic Healthcare Holdings Co., Ltd., a company which is backed by funds sponsored by leading global investment firm KKR and the Panasonic Corporation. The total consideration for the transaction is EUR 1,022 million (JPY 138 billion). The sale will include the leading Contour™ portfolio of blood glucose monitoring meters and strips, as well as other products such as Breeze™2, Elite™ and Microlet™ lancing devices. Closing of the transaction is subject to customary conditions, including relevant antitrust clearance, and is expected to occur in the first quarter of 2016.

“We are confident that the sale of our Diabetes Care business to our long-standing partner Panasonic Healthcare, with the strong backing of KKR, will support the long-term sustainability of this portfolio,” said Werner Baumann, member of the Board of Management of Bayer AG and CEO of Bayer HealthCare.

“For more than 20 years, our companies have shared complementary goals. We anticipate that this partnership will take our two great businesses to new heights, and we wholly welcome the BDC team as full partners to Panasonic Healthcare,” said Kenji Yamane, President of Panasonic Healthcare and Panasonic Healthcare Holdings Co., Ltd.

Johannes Huth, Member and Head of KKR Europe, Africa and Middle East, and Hiro Hirano, Member and CEO of KKR Japan, said, “We are pleased that Bayer Diabetes Care chose Panasonic Healthcare and KKR as the trusted partners for bringing the business to its next stage of development. This is another milestone in KKR's track record of

partnering with leading German and Japanese corporates and in growing top health care companies. Together, we will leverage our experience and network to create a global diabetes care solutions powerhouse in an effort to make this a transformational transaction for the diabetes care industry."

Bayer's Diabetes Care business is a technological leader in blood glucose monitoring systems, lancing devices and diabetes management software. The business accounted for EUR 909 million in sales in 2014, with Contour™ being the principal product portfolio. The Contour™ portfolio includes Contour™ Next, Contour™ Plus, Contour™ and Contour™ TS and is designed to meet the needs of all patients regardless of type of diabetes, stage of disease, or testing frequency. Other products include Breeze™2, Brio™, Entrust™, Elite™ and Microlet™ lancing devices.

### **Bayer: Science For A Better Life**

Bayer is a global enterprise with core competencies in the fields of health care, agriculture and high-tech polymer materials. As an innovation company, it sets trends in research-intensive areas. Bayer's products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2014, the Group employed 118,900 people and had sales of EUR 42.2 billion. Capital expenditures amounted to EUR 2.5 billion, R&D expenses to EUR 3.6 billion. For more information, go to [www.bayer.com](http://www.bayer.com).

### **About Bayer Diabetes Care**

Global Head: Michael Kloss

Headquarters: Basel, Switzerland and Whippany, NJ (USA)

Business overview: Develops, manufactures and sells blood-glucose monitoring systems

Sales (FY 2014): EUR 909 million

Sales region: 125 countries

Employees (April 2015): Approximately 1,500

### **About Panasonic Healthcare Holdings Co., Ltd.**

Established in 2014, Panasonic Healthcare Holdings Co., Ltd. (shareholder structure: KKR 80%; Panasonic Corporation 20%) is involved in developing, manufacturing, selling and servicing medical equipment through its subsidiary Panasonic Healthcare Co., Ltd. It seeks to strengthen its core businesses, In Vitro Diagnostics including self-monitoring of blood glucose systems, its Medicom businesses involved in medical IT businesses and its life sciences based Biomedical business and to continue to pursue an important role in the provision of optimal healthcare for all. For further information on Panasonic Healthcare please visit <http://www.panasonic-healthcare.com/global/phchd/>

### **About KKR**

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE: KKR), please visit KKR's website at [www.kkr.com](http://www.kkr.com).

### Note to editors:

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### **Forward-Looking Statements**

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