



## News Release

Further milestone to strengthen the fruits and vegetables business:

### **Bayer CropScience acquires US-based biological company AgraQuest for close to US\$ 500 million**

- Unique technology platform and promising biological pipeline
- Wide range of established green product brands
- Purchase includes R&D and manufacturing facilities

**Monheim, July 3, 2012** – Bayer CropScience announced today that it has signed an agreement to purchase AgraQuest, Inc. for a purchase price of US\$ 425 million (approximately EUR 340 million) plus milestone payments. AgraQuest, headquartered in Davis, California, USA, is a global supplier of innovative biological pest management solutions based on natural microorganisms. This acquisition will enable Bayer CropScience to build a leading technology platform for green products and to strengthen its strategically important fruits and vegetables business, while also opening new opportunities in other crops and markets. Green products control a broad spectrum of pests and diseases and offer farmers integrated pest management programs to minimize development of resistance and maximize crop yields. The acquisition is subject to approval by the relevant authorities.

“The growing fruits and vegetables market, which today accounts for more than 25 percent of our sales, is of strategic importance for us. We plan to achieve EUR 3 billion sales in this segment by 2020 and with the acquisition of AgraQuest we are underlining our growth ambitions,” said Sandra Peterson, CEO of Bayer CropScience, sending a strong signal to the market. “We are the first in our industry to offer farmers a truly comprehensive range of integrated crop solutions based on seeds, traits and combined chemical crop protection and biological control,” she added.

The tailor-made portfolio and promising R&D pipeline of AgraQuest will help Bayer CropScience to build a broad-based technology platform to bring a new generation of innovative products to the market. Furthermore, this acquisition will help to optimally use R&D, manufacturing and market synergies creating value for both Bayer CropScience and its customers. “AgraQuest expands our existing biological pest control portfolio centered on our successful Votivo™ biological nematicide, and it allows us to further leverage the biotechnology platform we have acquired through Athenix Corporation,” said Sandra Peterson.

“We are proud to become part of Bayer CropScience,” AgraQuest CEO Marcus Meadows-Smith commented. “AgraQuest is ideally positioned as a technology leader in the global biological market and by joining forces with Bayer CropScience we will be able to develop revolutionary, tailor-made biological solutions. Every AgraQuest employee is passionate about developing innovative solutions for better food, and now the products developed through their hard work will be made available to farmers in every corner of the world.” AgraQuest has its own sales force in the NAFTA crop protection market, and sells its green products through a network of distributors and partners in other global regions.

The company’s current product portfolio includes well-established product brands such as Serenade®, Rhapsody®, Sonata® and Ballad® fungicides and Requiem® insecticides, which provide effective disease and pest control and will complement Bayer CropScience’s product offering. Bayer CropScience will also leverage AgraQuest’s technology platform and its promising pipeline of new biological control agents. Several new pipeline products, which include acaricides, fungicides and nematicides, amongst others, are under development, and have undergone successful early field evaluations. Through the acquisition Bayer CropScience will integrate AgraQuest’s state-of-the-art biopesticides production facility in Tlaxcala, Mexico, as well as the company’s R&D site in Davis. AgraQuest employs a total staff of approximately 250 full-time employees.

AgraQuest products are available today in more than 30 countries including Canada, USA, Mexico, Brazil and European countries including the United Kingdom, Germany, France and Italy. They are used in diverse market segments such as fruits and vegetables, broad-acre crops, post-harvest protection, turf, home and garden and animal health.

## **About Bayer CropScience**

Bayer is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer CropScience, a subgroup of Bayer AG with annual sales of EUR 7.255 billion (2011), is one of the world's leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and traits. 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 21,000 and is represented in more than 120 countries. This and further news is available at: [www.press.bayercropscience.com](http://www.press.bayercropscience.com).

## **About AgraQuest**

AgraQuest, Inc. is a global biotechnology company that focuses on discovering, manufacturing and marketing highly effective biopesticide products to increase agricultural production. As a leader in green agriculture and the emerging low chem sector, AgraQuest is at the forefront of changes in food production by providing growers with solutions that offer best-in-class control while reducing the chemical load on the environment and creating sustainable agriculture opportunities. Through its Agriculture and BioInnovations divisions, AgraQuest focuses on natural products designed for pest control and yield improvements for global agriculture, the garden and in food safety markets. AgraQuest's major shareholders include Otter Capital, TPG Biotech, Loudwater Investment Partners, Generation Investment Management, Halcyon Capital, SwissRe and several Swiss sustainable investment funds. For more information, visit [www.agraquest.com](http://www.agraquest.com).

### Note to editors:

*Photo material in print quality can be downloaded from the internet at [www.press.bayer.com](http://www.press.bayer.com) and [www.press.bayercropscience.com](http://www.press.bayercropscience.com).*

### Contact:

#### **Bayer CropScience**

**Utz Klages, Tel. +49 2173 38-3125**

E-Mail: [utz.klages@bayer.com](mailto:utz.klages@bayer.com)

#### **AgraQuest**

**Jake Mortensen, Tel. +1530-746-3314**

E-Mail: [jmortensen@agraquest.com](mailto:jmortensen@agraquest.com)

Find more information at [www.bayercropscience.com](http://www.bayercropscience.com).

kgs (2012-0291E)

**Forward-Looking Statements**

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at [www.bayer.com](http://www.bayer.com). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.