

News release



BASF Plant Science and Bayer CropScience collaborate to develop higher-yielding hybrid rice

- **Global license agreement**
- **Launch of first yield enhanced hybrid rice expected by 2020**

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Limburgerhof, Monheim, Germany - December 16, 2010 – BASF Plant Science and Bayer CropScience today announced a long-term collaboration agreement to improve rice productivity through plant biotechnology. The companies aim to develop and commercialize hybrid rice seeds with traits enabling yield advances of 10 percent or more over conventional hybrid rice seeds. In this global, non-exclusive agreement, BASF Plant Science licenses yield-increasing technologies to Bayer CropScience for commercialization in Bayer CropScience's Arize[®] hybrid rice. The agreement encompasses all major rice growing geographies, with first products expected to be launched by 2020.

Within the scope of the agreement, BASF Plant Science is responsible for the research and development activities leading to the selection of higher-yielding rice traits, and for obtaining the regulatory approvals needed for commercialization. Bayer CropScience will integrate these higher-yielding traits into leading Arize[®] rice hybrids. The companies will communicate and work closely with key rice stakeholders as the products near commercialization. The final products will be brought to farmers by

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Bayer CropScience. Financial details of the collaboration were not disclosed.

"We are very happy to announce Bayer CropScience as our first partner in bringing higher yielding rice to farmers around the world," said Marc Ehrhardt, Senior Vice President at BASF Plant Science. "BASF has a great portfolio of superior yield enhancing and stress tolerance genes that we have already screened in rice plants. With Bayer CropScience, we now have a partner with a strong market position and long-term experience on our side."

"In our efforts to contribute to securing the world's food supply in the 21st century, we are committed to improving rice productivity using multiple approaches," said Joachim Schneider, Head of the BioScience Business Unit at Bayer CropScience. "We are already a market leader in hybrid-rice with Arize[®], and we intend to enhance our hybrids further through the development and integration of important traits, including those developed through plant biotechnology. As we accelerate the extension of our seed business and offerings in this core crop, BASF is a partner of choice."

Rice is the world's largest food crop. Half of the world's population consumes at least one meal of rice every day. According to a forecast by the International Rice Research Institute (IRRI), an additional 8–10 million tons of rice needs to be produced each year to maintain sufficient quantities to feed people and keep rice prices at an affordable level. Today, the global rice production amounts to about 685 million tons. Hybrid rice seeds are gaining in popularity and market share over traditional varieties due to their ability to produce higher yields. BASF and Bayer CropScience believe that the addition of yield-enhancing traits to hybrid rice will play an important role in meeting the need for increased global rice production.

About Arize

Arize® hybrid rice seeds are developed and commercialized across Asia and the Americas, where they show a significant yield advantage over the best traditional rice varieties grown in similar conditions. Through hybrid vigor, hybrid rice yields more than traditional varieties, generates higher income for farmers and therefore improves daily life for millions of farmers across the globe.

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 6.5 billion (2009), is one of the world's leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and traits. Bayer CropScience has a global workforce of 18,700 and is represented in more than 120 countries. This and further news is available at: www.press.bayercropscience.com.

About BASF Plant Science

BASF is the world's leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics and performance products to agricultural products, fine chemicals as well as oil and gas. BASF Plant Science – a BASF group company – is one of the world's leading companies providing innovative plant biotechnology solutions for agriculture. Today, about 700 employees are helping farmers meet the growing demand for improved agricultural productivity and healthier nutrition for humans and animals. BASF Plant Science has developed an unparalleled gene discovery platform focusing on yield and quality traits in crops such as corn, soybean and rice. Jointly with leading partners in the seed industry BASF Plant Science is commercializing its products. Current projects include higher yielding row crops, nutritionally-enhanced corn for animal feed or higher content of Omega-3's in oil crops for preventing cardiovascular diseases. To find out more about BASF Plant Science, please visit www.basf.com/plantscience.