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News Release

Another Record Year for Bayer HealthCare Pharmaceuticals in Asia Pacific

- Bayer continues to deliver top-tier performance in growth
- Launch success continues to drive growth momentum
- Focused R&D pipeline to address unmet medical needs

Singapore, April 1, 2015 – Bayer HealthCare announced today that 2014 was again a record year for its Pharmaceuticals division in Asia Pacific. On a currency-adjusted basis, sales grew by 13.1 percent to about EUR 3.3 billion. Recently launched products like Xarelto™ and EYLEA™ continued to drive top-tier growth in the region.

“With our recently launched products we are providing patients with innovative treatment options,” said Wei Jiang, Regional Head for Bayer HealthCare Pharmaceuticals, Asia Pacific. “The strong uptake of new products supports our upbeat view of the future of our pharmaceutical business in the APAC region.”

The region’s double-digit growth came from developed and emerging markets like Vietnam (31.1 percent¹), the Philippines (15.5 percent¹), India (12.0 percent¹), Pakistan (10.7 percent¹) and Indonesia (7.5 percent¹). Overall in 2014, Bayer HealthCare Pharmaceuticals continue its top-tier performance and remains one of the major Pharma companies in terms of growth in the region. Moving forward, Asia Pacific provides a viable growth opportunity, as global health intelligence agency IMS predicts, CAGR of 6.5 percent across the Asia Pacific region from 2014 to 2018².

¹ IMS MIDAS, Database: CurrentAll, Q4/14

² IMS Market Prognosis, September 2014, CAGR 2014-2018

Products Performing Well with More Indications to Come

Recently launched products – the anticoagulant Xarelto™, the eye medicine Eylea™, the cancer drug Stivarga™ – contributed significantly to the strong growth in the region. Globally, these products are predicted to have a combined peak annual sales potential of more than EUR 7.5 billion.

“Our strategy in executing our product launches across the developed, developing and emerging markets over the years is paying off. We are now working hard to ensure that we continue to deliver innovative treatment options to patients in Asia Pacific,” said Wei Jiang.

Bayer expects further growth momentum with the introduction of Xofigo™ and Adempas™, as well new indications in approved products. Expanded use of these products – Eylea™ in diabetic macular edema, central retinal vein occlusion, branch retinal vein occlusion and myopic choroidal neovascularization, Stivarga™ in gastrointestinal stromal tumor and Nexavar™ in thyroid cancer – are expecting regulatory approvals in the region.

Focus on Innovation to Accelerate Promising Pipeline

Bayer aims to grow sales of its Pharmaceutical Division in the coming years by approximately 7 percent each year through 2017, to more than EUR 15 billion (2014: EUR 12.1 billion).

As a global specialty pharmaceutical company, Bayer focuses on therapeutic areas with a high unmet medical need and areas that require further innovation despite the progress that has been made, such as cancer therapy. The company invests approximately 15 percent of its divisional sales back into R&D, with 2014 research expenses at close to EUR 1.9 billion.

The Pharma pipeline is well-stocked with 57 development compounds in Phase I to III of clinical development; about a third is in oncology and also a third in cardiology. These promising new compounds will have the potential to treat various difficult-to-treat diseases which are also prevalent in Asian population. In 2015, three new Phase III oncology studies and three Phase III cardiology studies in two indications will begin in eight countries across Asia Pacific.

Bringing Life Science to Asian patients

With these new investigative compounds, there is a corresponding robust clinical development programme in Asia Pacific which systematically recruits patients as part of global clinical trials. Today, there has been a three-fold increase in the number of ongoing clinical trials that Bayer has conducted since 2007, with 66 in Asia Pacific, and 20 in Singapore alone.

“Singapore is at the heart of life sciences in Asia Pacific. Through research collaborations in oncology and cardiology, Bayer works with esteemed scientists, academia and medical institutions on areas where treatment options are not available today or where true breakthrough innovations are missing,” said Dr Chuan Kit Foo, Head of Medical Affairs, Bayer HealthCare Pharmaceuticals Asia Pacific.

Over the past seven years, Bayer has invested more than S\$20 million in joint research in Singapore with the Economic Development Board (EDB) and five research institutions. This includes joint cancer research collaborations which have led to the setup of an Integrated Translational Oncology Network in 2013. Such collaborative partnerships have produced positive outcomes particularly in gastric, liver and lung cancers, which are leading causes of cancer death in Asia and among the top killers in Singapore in particular. Today, Bayer runs seven Phase I cancer studies in Asia Pacific, including four in Singapore. Patients taking part in Phase I trials often have advanced cancer and have usually used all the treatments available to them. In early drug development, Bayer continues to engage oncology experts and scientists across the region with its “Asia Bayer Clinical Day” initiative in the areas of oncology and cardiology.

With a rapidly ageing population and global increase in devastating and difficult-to-treat medical conditions like cancer, heart disease and stroke, time is of the essence in the pursuit of health.

Asia accounts for 60 percent of the world population and half the global burden of cancer. The incidence of cancer cases is estimated to increase from 6.1 million in 2008 to 10.6 million in 2030, due to ageing and growing populations, lifestyle and socioeconomic changes. The most common cancers are lung, stomach, liver, colon/rectum and oesophagus in men and breast, lung, stomach, colon/rectum and liver cancers in women.³ Cardiovascular disease (CVD) is the leading cause of death in the Asia Pacific region, although they are highly preventable. CVD was the cause of an estimated 9.3 million deaths in the region and accounted for about one-third of all deaths in 2012.⁴

“Our drug development pipeline holds a number of promising compounds which we want to bring to patients who need them urgently, therefore it is our ultimate goal to see more Asian patients being included earlier in global drug development so that they can have earlier access to innovative medicines,” said Dr Chuan Kit Foo.

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About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of health care, agriculture and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG with annual sales of EUR 20.0 billion (2014), 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, Consumer Care, Medical Care and Pharmaceuticals divisions. Bayer HealthCare’s aim is to discover, develop, manufacture and market products that will improve human and animal health worldwide. Bayer HealthCare has a global workforce of 60,700 employees (Dec.

³ Rengaswamy, Sankaranarayanan; Kunnambath, Ramadas; You-lin Qiao. Managing the changing burden of cancer in Asia. BMC Medicine. 2014. <http://www.biomedcentral.com/1741-7015/12/3>

⁴ OECD/WHO (2014), “Mortality from cardiovascular disease”, in Health at a Glance: Asia/Pacific 2014: Measuring Progress towards Universal Health Coverage, OECD Publishing. http://dx.doi.org/10.1787/health_glance_ap-2014-9-en

31, 2014) and is represented in more than 100 countries. More information is available at www.healthcare.bayer.com.

Bayer HealthCare Pharmaceuticals Asia/Pacific operates under the legal entity Bayer (South East Asia) Pte Ltd. The Pharmaceuticals division's research and business activities are focused on the following areas: General Medicine/Women's Healthcare and Specialty Medicine. With innovative products, Bayer HealthCare Pharmaceuticals aims for leading positions in specialized markets worldwide. Using new ideas, Bayer HealthCare Pharmaceuticals aims to make a contribution to medical progress and strives to improve the quality of life.

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