

Bayer Gratified with Successful Outcome of Lawsuit Against Elanco

Shawnee, Kan. November 21, 2011 – Bayer HealthCare LLC announced today that it has reached successful resolution whereby Eli Lilly and Company has agreed to a consent decree that would bar Eli Lilly from disseminating false information and painting a distorted picture about Bayer’s support for veterinarians.

“Bayer has always been and remains steadfast in its support for veterinarians,” said Peter Ryan, Vice President and Head of Bayer Companion Animal Products. “We are gratified to have obtained this relief in court and we look forward to continuing our longstanding relationship with and support of the veterinary community.”

The consent decree, which was entered Friday, November 18, by Judge Hellerstein of the United States District Court for the Southern District of New York, resolves Bayer’s lawsuit against Eli Lilly. The suit alleged that Eli Lilly’s Elanco Companion Animal Health division had engaged in a pattern of false advertising and unfair competition that misled veterinarians and distributors and violated the Lanham Act.

Under the terms of the consent decree, Elanco is barred from communicating without substantiation that Bayer does not support veterinarians or that there is a direct correlation between Bayer’s sales of certain pet medicines through retail stores and any decline in veterinary-dispensed flea medication. The consent decree also prohibits Elanco from: telling veterinarians or distributors to stop doing business with Bayer because Bayer is disrespecting the veterinary profession; and communicating that Elanco’s own pet medicines cannot be purchased from Internet pharmacies.

Bayer manufactures a number of successful pet medicines, including the popular Advantage® II, K9 Advantix® II and Advantage Multi® products for flea, tick and heartworm prevention. Elanco manufactures several competing flea control products. For more information about Bayer or Bayer products, visit www.bayerhealthcare.com.

Debevoise & Plimpton LLP represented Bayer, led by partners David H. Bernstein and Michael Schaper and associate Christopher J. Hamilton.

About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG with annual sales of EUR 16.913 billion (2010), 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 and manufacture products that will improve human and animal health worldwide.

With sales of EUR 1,120 million (2010), Bayer's Animal Health division is one of the world's leading manufacturers of veterinary drugs. The business manufactures and markets approximately 100 different veterinary drugs and care products for food-supplying animals and companion animals. U.S. Headquarters for Bayer HealthCare LLC, Animal Health Division is located in Shawnee, Kansas. Find more information at www.bayerhealthcare.com.

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