

Plant Health Care PLC
17 January 2007

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PLANT HEALTH CARE PLC

Bayer CropScience and Plant Health Care sign Myconate development and commercialisation agreement

New seed treatment technology for use in important crops including corn and soybean worldwide

Bayer CropScience AG and Plant Health Care Inc, a wholly owned subsidiary of Plant Health Care plc ('Plant Health Care') have entered into an agreement of up to ten years to develop new seed treatment solutions based on Plant Health Care's Myconate technology in combination with Bayer CropScience's seed treatment products. The agreement enables Bayer CropScience to develop and commercialise new seed treatment solutions.

Plant Health Care will receive an undisclosed up-front payment, two milestone payments, dependent on the progress of the development, over the next two years and supply payments. The companies believe that Myconate enhanced seed treatment products could be available to growers as early as 2009, subject to regulatory approvals. The contract was signed on 16 January 2007.

In the seed treatment segment, Bayer CropScience offers a broad portfolio of high-quality products to combat pests and fungal diseases. Plant Health Care's Myconate technology is known to help crops to develop larger root mass through the stimulation of naturally occurring mycorrhizal fungi, which in turn often leads to improved yields and enhanced stress resistance. Both companies will collaborate on the further development of Myconate as a seed treatment product in corn, soybean, cotton and sunflower on a worldwide basis.

'We are pleased to have secured the exclusive rights for the development of Myconate', stated Gerhard Simons, Head of the Business Unit Seed Treatment within Bayer CropScience. 'This agreement underlines Bayer CropScience's strong commitment to enhance plant health and to ensure the quality and quantity of yields. In addition, Myconate shows an excellent strategic fit within our R&D pipeline and represents an exciting opportunity to further expand and extend the range of seed treatment products and services Bayer CropScience offers to its customers.'

Commenting on the agreement Greg Lewis, Managing Director of Plant Health Care said: 'Bayer CropScience is the innovation leader and the world's number one provider of seed treatment solutions and we are delighted to be working together to develop Myconate.'

John Brady, CEO of Plant Health Care added: 'This agreement represents a significant step forward in the development of our company and provides the ideal first platform for Myconate. The cooperation with Bayer CropScience validates the confidence that the Board of Plant Health Care has had in the Myconate technology. We see a very attractive market potential for Myconate enhanced crop protection products, with a total target of some 200 million acres globally.'

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A briefing for analysts, hosted by John Brady, CEO of Plant Health Care, will be held at 10:30am today, 17 January 2007, at the offices of Tavistock Communications, 131 Finsbury Pavement, London, EC2A 1NT.

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Notes to Editors:

About Plant Health Care:

Plant Health Care plc ('PHC') is a leading provider of natural products for plants and soil. Established in 1995 in Pittsburgh (Pennsylvania) in the United States, PHC currently has approximately 70 employees and has operations in the US, Mexico, UK, Spain, and the Netherlands. The Company listed on the AIM market of the London Stock Exchange in July 2004. Ticker symbol is PHC.

PHC's products are aimed at the landscape, agriculture and land reclamation industries and are environmentally beneficial. Through the commercialization of these products, PHC is capitalizing on current long-term trends toward natural systems and biological products for plant care and soil and water management.

Further information is available at: www.planthealthcare.com

About Bayer CropScience:

Bayer CropScience, a subsidiary of Bayer AG with annual sales of about EUR 5.9 billion in 2005, is one of the world's leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and plant biotechnology. The company offers an outstanding range of products and extensive service backup for modern, sustainable agriculture and for non-agricultural applications. Bayer Crop-Science has a global workforce of about 19,000 and is represented in more than 120 countries. This and further news is available at: www.newsroom.bayercropscience.com

Forward-Looking Statements

This news release contains forward-looking statements based on current assumptions and forecasts made by Bayer CropScience AG management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future consolidated results, financial situation, development or performance of the Bayer CropScience AG or our parent company, Bayer AG, and the estimates given here. These factors include those discussed in Bayer AG's public reports filed with the Frankfurt Stock Exchange and with the U.S. Securities and Exchange Commission (including Bayer AG's Form 20-F). Neither Bayer AG nor Bayer CropScience AG assumes any liability whatsoever to update these forward-looking statements or to conform them to future events or developments.