



For further information please contact:

Media enquiries

Northbank Communications

Rebecca Todd, Senior Account Manager
Tel: +44 (0)20 7886 8157
Mobile: +44 (0)7801 573073
E-mail: r.todd@northbankcommunications.com

Sue Charles, CEO
Tel: +44 (0)20 7886 8152
Mobile: +44 (0)7968 726585
E-mail: s.charles@northbankcommunications.com

At Oxford Genome Sciences (UK) Ltd

Christian Rohlff, Chief Executive Officer
Tel: +44 (0) 7740 153485
E-mail: christian.rohlff@oxfordgenomesciences.com
<http://www.OxfordGenomeSciences.com>

Bayer HealthCare Diagnostics and Oxford Genome Sciences Partner in Proteomics-based Evaluation of New Biomarkers for Breast Cancer

Oxford, UK, 14 March, 2005 - Oxford Genome Sciences (UK) Ltd (OGeS), the proteomics technology company, announced today that it has entered into a collaboration with Bayer HealthCare AG Diagnostics Division, a member of the Bayer Group (NYSE: BAY). OGeS will apply its highly-innovative proteomics platform, in conjunction with its unique Oxford Genome Anatomy Project (OGAP™), the world's largest proteomics database, to evaluate novel candidate biomarkers that may have important applications in clinical care for the diagnosis and prognostic assessment of breast cancer.

Under the agreement, Bayer Diagnostics has committed programme funding to OGeS and agreed to performance-related payments upon achieving certain milestones.

The biomarkers for breast cancer were identified by Bayer HealthCare previously using gene arrays—an advanced research method based on a highly parallelized reading of the templates a cell synthesizes for subsequent translation into other key components required for building and operating an organism. Through this collaboration, OGeS will apply its proteomics technologies to the discovery and development of novel therapeutic and diagnostic products that will improve human health by enabling better-targeted and more effective treatment regimes for breast cancer.

OGeS will leverage OGAP™ (Oxford Genome Anatomy Project)—the world's largest proteomics database to date: over one million peptide sequences from approximately 50 different tissues involved in close to 60 different diseases have been mapped onto 15,000 human genes integrated with the entire genome and over five million single nucleotide polymorphisms (SNPs). OGAP offers a data integration framework to explain the size and diversity of the human proteome at the tissue, disease and protein isoform levels. It is an invaluable source of information for verifying protein variants associated with disease that will unlock the true potential of genomics and genetics for drug development and diagnostics.

“We're delighted to have formed this collaboration applying proteomics technologies to diagnostic biomarker development. There is a real need for better diagnostics in oncology and we are pleased that Bayer has recognised the potential that proteomics has to offer in this area, especially when combined with our OGAP™ database. Now that the human genome has been sequenced, proteomics is *the* key technology for leveraging genetic data,” said Dr. Christian Rohlff, CEO of OGeS.



“As a world leader in oncology diagnostics, Bayer HealthCare recognizes novel research is the cornerstone for the successful discovery and development of diagnostic and therapeutic products,” explained Dr. Christoph Petry, Head of Diagnostics Research Germany at Bayer HealthCare. “This collaboration is a further step in the implementation of Bayer’s strategy to co-operate with external partners in the life sciences arena and to exploit existing, innovative knowledge for the development of improved medical care.”

###

Breast Cancer

Breast cancer is a malignant (cancerous) tumor that starts from cells of the breast. The disease occurs mostly in women, but men can get breast cancer as well. Breast cancer is the most common cancer among women, other than skin cancer. It is the second leading cause of cancer death in women, after lung cancer.¹ According to the World Health Organization, more than 1.2 million people will be diagnosed with breast cancer this year worldwide.²

All women are at risk for developing breast cancer. The older a woman is, the greater her chances of developing breast cancer. Approximately 77% of breast cancer cases occur in women over 50 years of age. Findings from Surveillance, Epidemiology, and End Results (SEER) Program (1975-2001) of the National Cancer Institute demonstrate that:

- White, Hawaiian, and African-American women have the highest incidence of invasive breast cancer in the United States (approximately four times higher than the lowest group).
- Korean, American Indian, and Vietnamese women have the lowest incidence of invasive breast cancer in the United States.
- African-American women have the highest death rate from breast cancer and are more likely to be diagnosed with a later stage of breast cancer than White women.
- In the age groups, 30-54 and 55-69 years, African-American women have the highest death rate from breast cancer, followed by Hawaiian women, and white non-Hispanic women. However, in the 70 year old age group, the death rate from breast cancer for white women is higher than for African –American.²

About Oxford Genome Sciences (www.oxfordgenomesciences.com)

Oxford Genome Sciences (OGeS) is applying proteomics technologies to the discovery and development of novel therapeutic and diagnostic products. Through the integration of proteomics and genomics the Company believes that a new frontier is being opened in the development of therapeutic and diagnostic products. It has established a substantial resource for applying novel concepts in proteomics technologies for biomarker discovery and evaluation. Its platforms for the systematic high-throughput characterisation of proteins expressed in clinical samples create new opportunities for improving the time and cost efficiency of drug development, as well as early disease detection, prognosis and monitoring. OGeS owns Oxford Genome Anatomy Project (OGAP™), the world’s largest proteomics database to date, comprising over one million peptide sequences from ~50 different tissues involved in ~60 different diseases. The Company provides proteomics analysis services to pharmaceutical companies that complement its in-house proteomics efforts, as part of the drug discovery and development process. OGeS is pursuing wide-ranging business development activities to maximise the value of its expertise in proteomics.

The Company is located near Oxford in the UK and began trading a year ago after senior members of the Proteomics division at Oxford GlycoSciences plc (OGS) acquired key know how, technology, infrastructure, intellectual property, bioinformatics and data from Oxford GlycoSciences and Confirmant



following its acquisition by Celltech plc. The company completed its seed funding in August 2004 with the South East Growth Fund representing GE Commercial Finance, Barclays, The Royal Bank of Scotland, the European Investment fund, Berkshire Pension Fund and the DTI.

About Bayer HealthCare, Diagnostics Division (www.bayerdiag.com)

Bayer HealthCare, Diagnostics Division, based in Tarrytown, New York, U.S.A., is one of the largest diagnostic businesses in the world. The organization supports customers in 100 countries through an extensive portfolio of laboratory testing, molecular testing and near patient care diagnostics systems and services for use in the assessment and management of health, including the areas of cardiovascular and kidney disease, oncology, virology and women's health. Bayer HealthCare Diagnostics Division's global headquarters in the United States operates as part of Bayer HealthCare LLC, a member of the worldwide Bayer HealthCare group.

About Bayer HealthCare AG

Bayer HealthCare AG, a subgroup of Bayer AG with sales of approximately 8.9 billion Euro in 2003 is one of the world's leading, innovative companies in the health care and medical products industry.

The company combines the global activities of the divisions Animal Health, Biological Products, Consumer Care, Diagnostics, Diabetes Care and Pharmaceuticals. More than 34,000 people are employed by Bayer HealthCare worldwide.

Our aim is to discover and manufacture innovative products that will improve human and animal health worldwide. Our products enhance well-being and quality of life by diagnosing, preventing and treating disease.

This news release contains forward-looking statements based on current assumptions and forecasts made by Bayer Group 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 our public reports filed with the Frankfurt Stock Exchange and with the U.S. Securities and Exchange Commission (including our Form 20-F). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

¹ American Cancer Society, www.cancer.org

² Imaginis Breast Health Resource, www.imaginis.com