

Bayer CropScience to Invest EUR1B More than Planned Until 2016

By Nicky Redl

German chemical company Bayer AG's (BAYN.XE) CropScience segment Thursday said it will spend 1 billion euros (\$1.3 billion) more than initially planned until 2016 on its investment program, responding to growing demand for its products from farmers.

The additional amount will bring total investments between 2013 and 2016 to around EUR2.4 billion. The unit is on track to increase annual sales toward EUR10 billion by 2015, it said.

"Since 2007 we have continuously expanded our business with record sales, and we are optimistic about the future development," said Bayer CropScience Chief Executive Liam Condon said.

"Demand from farmers for our products is increasing so strongly that we're significantly stepping up our supply chain capacity," Mr. Condon said.

About EUR380 million will be invested in a new glufosinate-ammonium plant in the U.S. with production expected to start in the fourth quarter of 2015. Glufosinate-ammonium is an ingredient in herbicides.

Bayer CropScience further wants to invest in its soybean business through acquisitions in Latin America, and intends to significantly expand its soybean-related sales within the next decade.

The unit also plans to invest in wheat and is building a global wheat breeding network, with first varieties expected to come to market in 2015.

<http://online.wsj.com/article/BT-CO-20130905-702883.html>