

The Greater Houston Retina Research Center affiliated with Vitreoretinal Consultants in Houston, Texas recently became the first clinical site in the world to treat a patient with wet age-related macular degeneration in the pivotal phase III trial comparing VEGF Trap-Eye to ranibizumab (Lucentis). This trial will investigate the clinical efficacy and safety of VEGF Trap-Eye in the treatment of wet age-related macular degeneration. Results of earlier clinical trials evaluating VEGF Trap-Eye in wet age-related macular degeneration have demonstrated the potential of VEGF Trap-Eye to be a highly efficacious treatment in the disease. The participation of Vitreoretinal Consultants in this important trial continues their tradition of cutting edge clinical research in the fight against age-related macular degeneration. For further information about the trial, please call The Greater Houston Retina Research Center at (713) 524-3434

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Regeneron and Bayer HealthCare Initiate Phase 3 Global Development Program For VEGF Trap-Eye In Wet Age-Related Macular Degeneration (AMD)

Study will compare the VEGF Trap-Eye to ranibizumab (Lucentis®)

Tarrytown, NY and Leverkusen, Germany (August 2, 2007) – Regeneron Pharmaceuticals, Inc. (Nasdaq: REGN) and Bayer HealthCare AG (NYSE:BAY) announced today that the companies have initiated a Phase 3 study of the VEGF Trap-Eye in the neovascular form of age-related macular degeneration (wet AMD). The study will be a non-inferiority comparison of the VEGF Trap-Eye and ranibizumab (Lucentis®), a registered trademark of Genentech, Inc.), an anti-angiogenic agent approved for use in wet AMD. The study will be conducted pursuant to a Special Protocol Assessment from the U.S. Food and Drug Administration (FDA). This trial, known as VIEW 1 (VEGF Trap: Investigation of Efficacy and safety in Wet age-related macular degeneration), is the first study in the companies' Phase 3 global development program in wet AMD, which is planned to be carried out in the U.S., Europe, and other parts of the world.

“Age-related macular degeneration continues to be one of the leading causes of blindness in adults, and new therapies are essential to providing optimal patient care,” stated Jeffrey Heier, M.D., a clinical ophthalmologist at Ophthalmic Consultants of Boston and chair of the steering committee for the trial. “The results of early phase studies of VEGF Trap-Eye suggest it has the potential to be a highly efficacious treatment with less frequent administration. If these results are confirmed in Phase 3 trials, it would be important for both patients and physicians and would be a significant advance in the treatment of these patients.”

“The initiation of this Phase 3 trial represents a major milestone in the development of the VEGF Trap-Eye to treat wet AMD,” said Avner Ingerman, M.D., vice president and ophthalmology team leader for Regeneron. “While this trial enables us to continue in our effort to improve the lives of patients suffering from wet AMD, it also signals the beginning of a larger, more global development program investigating the potential of VEGF Trap-Eye for the treatment of diabetic eye diseases and other eye diseases and disorders. “

The randomized, double-masked Phase 3 study is expected to enroll approximately 1,200 patients in more than 200 centers throughout the United States and Canada. The study will evaluate the safety and efficacy of the VEGF Trap-Eye at doses of 0.5 milligrams (mg) and 2.0 mg administered at four-week dosing intervals and 2.0 mg at an eight-week dosing interval, compared to 0.5 mg of ranibizumab administered every four weeks, consistent with its labeled dosing schedule.

The primary endpoint of the study is the proportion of patients treated with the VEGF Trap-Eye who maintain or improve vision at the end of one year, compared to ranibizumab patients. Visual acuity is defined as the total number of letters read correctly on the Early Treatment Diabetic Retinopathy Study (ETDRS) chart. Maintenance of vision is defined as losing fewer than three lines (equivalent to 15 letters) on the ETDRS chart. After the first year of treatment, patients will continue to be treated and followed for another year.

In an analysis of interim data from the ongoing Phase 2 trial in wet AMD, where patients were treated with the VEGF Trap-Eye either monthly or quarterly, combined data for all patients demonstrated a statistically significant reduction in retinal thickness and improvement in visual acuity after 12 weeks, compared to baseline. There were no drug-related serious adverse events, and treatment with the VEGF Trap-Eye was generally well-tolerated. The most common adverse events were those typically associated with

intravitreal injections. The interim results of this Phase 2 trial were presented at the annual meeting of the Association for Research in Vision and Ophthalmology (ARVO) this past May. The companies expect to report final primary endpoint results of the trial at a scientific meeting later this quarter.

Regeneron and Bayer HealthCare are collaborating on the global development of the VEGF Trap-Eye for the treatment of wet AMD, diabetic eye diseases, and other eye diseases and disorders. Bayer HealthCare will market the VEGF Trap-Eye outside the United States, where the parties will share equally in profits from any future sales of the VEGF Trap-Eye. Regeneron maintains exclusive rights to the VEGF Trap-Eye in the United States.

About the VEGF Trap-Eye

Vascular endothelial growth factor (VEGF) is a naturally occurring protein in the body whose normal role is to trigger formation of new blood vessels (angiogenesis) to support the growth of the body's tissues and organs. It has also been associated with the abnormal growth and fragility of new blood vessels in the eye, which lead to the development of wet AMD. The VEGF Trap-Eye is a fully human, soluble VEGF receptor fusion protein that binds all forms of VEGF-A along with the related placental growth factor (PlGF). The VEGF Trap-Eye is a specific and highly potent blocker of these growth factors. Blockade of VEGF, which can prevent abnormal blood vessel formation and vascular leak, has proven beneficial in the treatment of wet AMD. Blocking VEGF has been shown to be effective in patients with wet AMD; and a VEGF inhibitor, ranibizumab, has been approved for treatment of patients with this condition.

About AMD

Age-related macular degeneration (AMD) is a leading cause of acquired blindness. Patients with this condition can experience a loss of vision due to the development of abnormal, fragile blood vessels in the back of the eye. A particular type of AMD, called wet AMD, accounts for approximately 90 percent of AMD-related blindness. Wet AMD is the leading cause of blindness for people over the age of 65 in the U.S. and Europe.

Macular degeneration is diagnosed as either dry (nonexudative) or wet (exudative). In wet AMD, new blood vessels grow beneath the retina and leak blood and fluid. This leakage causes disruption and dysfunction of the retina creating blind spots in central vision, and it can lead to blindness in wet AMD patients.