



News Release

Bayer HealthCare and Onyx Pharmaceuticals Restructure Global Oncology Partnership

Settlement in Litigation Reached

San Francisco, CA, USA, October 12, 2011 – Today Bayer HealthCare and Onyx Pharmaceuticals, Inc. (NASDAQ: ONXX) restructured their partnership for the global development and marketing of Nexavar® (sorafenib) tablets and entered into a new agreement related to regorafenib, a late-stage oncology compound.

Under the terms of the agreements, regorafenib is a Bayer compound and Bayer will have the final decision-making authority for global development and commercialization. Onyx will receive a royalty on any future global net sales of regorafenib in oncology. In addition, Bayer will contract the Onyx sales force to promote regorafenib, along with Bayer sales representatives, in the United States.

The status of Nexavar under the revised Collaboration Agreement remains largely unchanged. Bayer and Onyx are free to use their respective Nexavar sales forces to promote regorafenib and additional products outside of the collaboration in the future. Bayer will purchase Onyx's royalty rights for sales of the product in Japan in exchange for a one-time payment to Onyx. Bayer will have no obligation to pay Nexavar royalties to Onyx on Japanese sales after December 31, 2011. Further, in the event of a change of control or acquisition of Onyx, the current profit-sharing, co-development and U.S. co-promotion of Nexavar will be preserved.

"These agreements set the stage for the next chapter in our successful partnership," said Dr. Joerg Reinhardt, Chairman of the Bayer HealthCare Executive Committee.

"Innovation is central to Bayer's mission 'Science for a Better Life,' and our ongoing collaboration with Onyx demonstrates the priority we place on working with partners to

identify, develop and commercialize new medicines to meet unmet or under-served medical needs."

"These new agreements strengthen the collaboration and provide Onyx the opportunity to participate significantly in the market potential of regorafenib," said N. Anthony Coles, M.D., President and Chief Executive Officer of Onyx Pharmaceuticals. "Together we are taking our collaboration to the next level by more effectively structuring our future working relationship. Onyx and Bayer are committed to benefitting patients worldwide and ensuring that the potential of both Nexavar and regorafenib is fully realized."

These agreements also settle and dismiss all claims related to the complaint filed by Onyx against Bayer Corporation and Bayer A.G. in the U.S. District Court (Case No. CV09-2145 MHP).

About Regorafenib

Regorafenib is an oral multikinase inhibitor of angiogenic, stromal and oncogenic receptor tyrosine kinases (TK) currently being investigated in clinical trials for its potential to treat patients with various tumor types.

Regorafenib is an investigational agent and is not approved by the U.S. Food and Drug Administration (FDA), the European Medicines Agency (EMA) or other Health Authorities.

About Nexavar

Nexavar is approved in the U.S. for the treatment of patients with unresectable liver cancer and for the treatment of patients with advanced kidney cancer. Nexavar inhibits both the tumor cell and tumor vasculature. In preclinical studies, Nexavar has been shown to inhibit members of two classes of kinases thought to be involved in both cell proliferation (growth) and angiogenesis (blood supply) – two important processes that enable cancer growth. These kinases included Raf kinase, VEGFR-1, VEGFR-2, VEGFR-3, PDGFR-B, KIT, FLT-3 and RET.

Nexavar is currently approved in more than 100 countries.

Nexavar is also being evaluated by the companies, international study groups, government agencies and individual investigators.

Important Safety Considerations For Patients Taking Nexavar

NEXAVAR in combination with carboplatin and paclitaxel is contraindicated in patients with squamous cell lung cancer. Nexavar may cause fetal harm when administered to a pregnant woman. Women of childbearing potential are advised to avoid becoming pregnant and female patients should also be advised against breast-feeding while receiving Nexavar.

Cardiac ischemia and/or myocardial infarction may occur. Temporary or permanent discontinuation of Nexavar should be considered in patients who develop cardiac ischemia and/or myocardial infarction. Gastrointestinal perforation was an uncommon adverse reaction and has been reported in less than 1% of patients taking Nexavar.

Uncommon but serious adverse reactions including keratoacanthomas/squamous cell cancer of the skin and Stevens - Johnson Syndrome have been reported in clinical trials.

An increased risk of bleeding may occur following Nexavar administration. If bleeding necessitates medical intervention, consider discontinuation of Nexavar. Hypertension may occur early in the course of treatment. Monitor blood pressure weekly during the first 6 weeks and periodically thereafter and treat, as required.

Hand-foot skin reaction and rash are common and management may include topical therapies for symptomatic relief. In cases of any severe or persistent adverse reactions, temporary treatment interruption, dose modification, or permanent discontinuation of Nexavar should be considered. Temporary interruption of Nexavar therapy is recommended in patients undergoing major surgical procedures.

Elevations in serum lipase and reductions in serum phosphate of unknown etiology have been associated with Nexavar. Caution is recommended when administering Nexavar with compounds that are metabolized/eliminated predominantly by the UGT1A9 pathway, UGT1A1 pathway (eg, irinotecan), doxorubicin, docetaxel, fluorouracil, and substrates of CYP2B6 and CYP2C8, and CYP3A4 inducers.

Concomitant use of carboplatin and paclitaxel with sorafenib resulted in an increase in paclitaxel exposure and an increase in Nexavar exposure. Patients taking concomitant warfarin should be monitored regularly for changes in prothrombin time, INR, or clinical bleeding episodes. Nexavar exposure decreases when co-administered with oral neomycin. Effects of other antibiotics on Nexavar pharmacokinetics have not been studied.

Most common adverse reactions reported for Nexavar-treated patients vs placebo-treated patients in unresectable HCC, respectively, were: diarrhea (55% vs 25%), fatigue (46% vs 45%), abdominal pain (31% vs 26%), weight loss (30% vs 10%), anorexia (29% vs 18%), nausea (24% vs 20%), and hand-foot skin reaction (21% vs 3%). Grade 3/4 adverse reactions were 45% vs 32%.

Most common adverse reactions reported for Nexavar-treated patients vs placebo-treated patients in advanced RCC, respectively, were: diarrhea (43% vs 13%), rash/desquamation (40% vs 16%), fatigue (37% vs 28%), hand-foot skin reaction (30% vs 7%), alopecia (27% vs 3%), and nausea (23% vs 19%). Grade 3/4 adverse reactions were 38% vs 28%.

During postapproval use of Nexavar, the following adverse drug reactions have been identified: angioedema and drug-induced hepatitis, including reports of hepatic failure and death.

For information about Nexavar including U.S. Nexavar prescribing information, visit www.nexavar.com or call 1.866.NEXAVAR (1.866.639.2827).

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 16.9 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. Bayer HealthCare has a global workforce of 55,700 employees (Dec 31, 2010) and is represented in more than 100 countries. Find more information at www.bayerhealthcare.com.

About Onyx Pharmaceuticals, Inc.

Onyx Pharmaceuticals, Inc. is a biopharmaceutical company committed to improving the lives of people with cancer. The company, in collaboration with Bayer HealthCare Pharmaceuticals, Inc., is developing and marketing Nexavar® (sorafenib) tablets, a small molecule drug that is currently approved for the treatment of liver cancer and advanced kidney cancer. Additionally, Nexavar is being investigated in several ongoing trials in a

variety of tumor types. Beyond Nexavar, Onyx has established a development pipeline of anticancer compounds at various stages of clinical testing, including carfilzomib, a next generation proteasome inhibitor, that is currently being evaluated in multiple clinical trials for the treatment of patients with relapsed or relapsed/refractory multiple myeloma and solid tumors. For more information about Onyx, visit the company's website at www.onyx-pharm.com.

Forward Looking Statements

This news release may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup 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 Bayer's public reports which are available on the Bayer Web site at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

This news release contains "forward-looking statements" of Onyx within the meaning of the federal securities laws. These forward-looking statements include, without limitation, statements regarding the agreements reached by Bayer and Onyx regarding Nexavar and regorafenib, the commercialization efforts or commercial potential of Nexavar and regorafenib, and the clinical development, safety, and regulatory processes of Nexavar, regorafenib and carfilzomib. These statements are subject to risks and uncertainties that could cause actual results and events to differ materially from those anticipated, including risks related to the fact that Nexavar is Onyx's only approved product; regorafenib is not approved, may never receive marketing approval and may never generate royalties for Onyx; competition; failures or delays in clinical trials or the regulatory process; dependence on Onyx's collaborative relationship with Bayer; market acceptance and the rate of adoption of products; pharmaceutical pricing and reimbursement pressures; and serious adverse side effects, if they are associated with Nexavar, regorafenib or carfilzomib. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Reference should be made to Onyx's Annual Report on Form 10-K for the year ended December 31, 2010, filed with the Securities and Exchange Commission under the heading "Risk Factors" and Onyx's subsequent Quarterly Reports on Form 10-Q for a more detailed description of such factors. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date of this release. Onyx undertakes no obligation to update publicly any forward-looking statements to reflect new information, events, or circumstances after the date of this release except as required by law.

Nexavar® (sorafenib) tablets is a registered trademark of Bayer HealthCare Pharmaceuticals, Inc

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