

News Release

Lonza Group Ltd
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New strategic partnership strengthens Lonza's position as leading supplier to the life science industry

- **Strategic partnership concluded with Novartis for the joint development and manufacture of its biological pipeline**
- **Lonza to provide development services and both mid and large scale manufacturing capacity**
- **Agreement reinforces Lonza's leadership position in process development and manufacturing**
- **Extension of Contract Manufacturing Business model benefits both customers and Lonza**

Basel, 11 July 2008 – Novartis and Lonza have entered into a long term strategic partnership for the joint development and manufacture of the Novartis biological pipeline. Lonza will contribute its biotech leadership knowledge in process development and the manufacturing of complex processes to the collaboration. In combination with the strong Novartis research and development pipeline, the agreement generates significant benefits for both parties.

The collaboration will involve Lonza in the development, scale-up and manufacturing of Novartis biological pipeline. Lonza will provide development services from its R&D center in Slough, UK, using Lonza's GS Gene Expression System™, and large scale manufacturing capacity from its operations in the US, Spain and Singapore.

This strategic partnership represents an extension of Lonza's Contract Manufacturing Business model, expanding from a product by product development and manufacturing arrangement towards the joint development of a pipeline of products with its customers.

Novartis has a pipeline of pharmaceutical products in numerous therapeutic areas. The collaboration will fulfill their need for additional resources in technical development. It will also provide Novartis with extra manufacturing capacity, to be utilized in a flexible way.

"We are delighted to enter into this collaboration. For Lonza, it represents a change in approach from a typical CMO deal. It focuses on a real collaborative approach to development and manufacturing asset planning to ensure our customers can bring their pipeline of products to the market in an efficient and timely manner", said Dr. Stephan Kutzer, Head of Lonza Biopharmaceuticals. "We believe this is the beginning of a long partnership that will bring significant benefits to both parties."

About Lonza

Lonza is one of the world's leading suppliers to the pharmaceutical, healthcare and life science industries. Its products and services span its customers' needs from research to final product manufacture. Lonza is the global leader in the production and support of

active pharmaceutical ingredients both chemically as well as biotechnologically. Biopharmaceuticals are one of the key growth drivers of the pharmaceutical and biotechnology industries. Lonza has strong capabilities in large and small molecules, peptides, amino acids and niche bioproducts which play an important role in the development of novel medicines and healthcare products. Lonza is a leader in cell-based research, endotoxin detection and cell therapy manufacturing. Lonza is also a leading provider of value chemical and biotech ingredients to the nutrition, hygiene, preservation, agro and personal care markets.

Lonza is headquartered in Basel, Switzerland and is listed on the SWX Swiss Exchange. In 2007, Lonza had sales of CHF 2.87 billion. Further information can be found at www.lonza.com.

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