

Lonza

Full-Year Results 2019

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Note: Since 1 March 2019, Lonza has been operating in a Lonza Pharma Biotech & Nutrition segment and a Lonza Specialty Ingredients segment. Restated 2018 financials are published [here](#).



A speed skater in a blue suit is racing on an ice track. The skater is leaning forward, and the background is blurred to indicate high speed. The sun is visible in the upper right corner, creating a bright glow.

Lonza

Full-Year 2019 Corporate Overview

Full-Year 2019 Corporate Overview

Pharma Biotech & Nutrition driving performance, headwinds in Specialty Ingredients

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- Lonza Group delivers on guidance¹ with 6.8% sales growth, resulting in CHF 5.9bn, and CHF 1.6bn CORE EBITDA, resulting in a 27.4% margin
- Pharma Biotech & Nutrition (LPBN) as driver, with 11.0% sales growth and 32.9% CORE EBITDA margin
- Specialty Ingredients (LSI) shows improved 17.8% CORE EBITDA margin, despite sales growth of -3.2%; carve-out progressing according to plan
- Lonza Group outlook 2020: above mid single-digit sales growth¹, driven by high single-digit sales growth in LPBN, and overall stable CORE EBITDA margin
- Mid-Term Guidance 2022 confirmed, supported by solid building blocks

¹ Guidance for FY 2019: mid to high single-digit sales growth and sustained high CORE EBITDA margin level

² Outlook 2020 in constant currency



Current Business Portfolio

Nutritional hard capsules business becoming part of LPBN

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Lonza Pharma Biotech & Nutrition (LPBN)

CDMO¹ Services Businesses

- Small molecules
- Mammalian and microbial
- Cell and gene technologies

Product Businesses

- Bioscience
- Capsule systems
- Nutritional ingredients

Lonza Specialty Ingredients (LSI)

Microbial-Control Solutions

- Professional hygiene
- Home and personal care
- Wood protection
- Material protection
- Paints & coatings
- Crop protection

Specialty Chemicals Services

- Composites
- CMO²
- Performance chemicals & intermediates

2019 Sales

CHF 4.2bn

CHF 1.7bn

Organizational changes in 2019

Alignment of the scope of segments

- Integrating the nutritional hard capsule business and small portfolio for nutritional ingredients into Pharma & Biotech
- Designed to strengthen collaboration and leverage synergies within the capsules businesses

Start of carve-out of Lonza Specialty Ingredients

- LSI will operate independently, but remain a fully owned segment of Lonza Group
- Increase focus on LSI priorities and optimal organization model

¹ Contract Development and Manufacturing Organization

² Custom Manufacturing Organization

Progressing LSI Carve-out According to Timelines and Defined Milestones

Completion of operational separation expected mid-2020



Cross-functional workstreams

Tax	Carve-out structure	Visp	Nansha
Regional carve-out	Global real estate	HR	Carve-out financials
Environment	IT	Comms	Treasury
Procurement	Logistics	Legal / IP	Regulatory

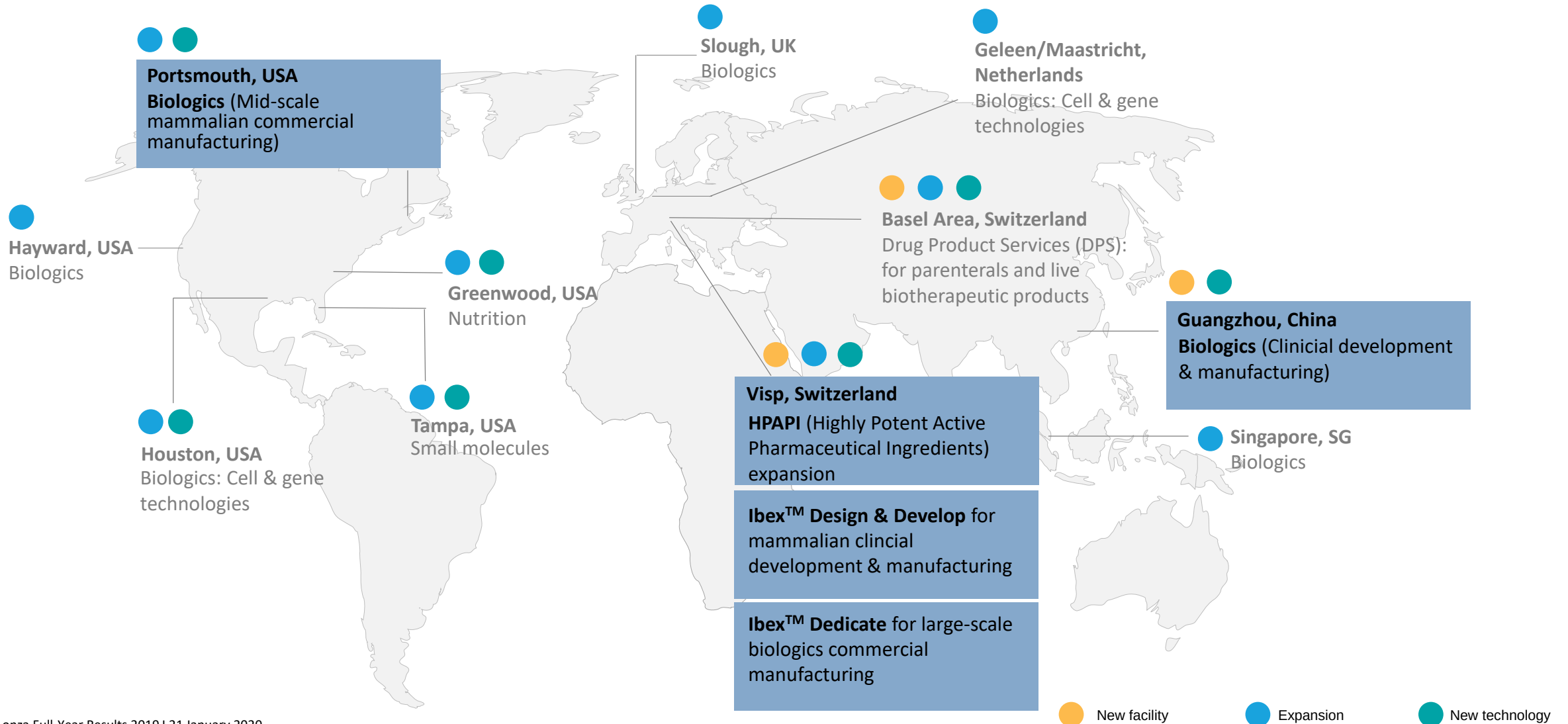
Selected milestones in 2020:

- Dedicated legal entities by business/segment (operational in H1 2020)
- Assignment of employees to segments
- Set up of service and supply agreements between the two segments progressing
- Continued progress in setting up systems to reflect new legal entity structure
- Carve-out related cost of CHF 19 million with 30bps negative impact on CORE EBITDA margin for full-year 2019

Investing in Growth Opportunities Globally

Major projects in LPBN expected to start operations in Q4 2020

Lonza



A full-page background image showing a person skydiving over a snowy mountain range. The skydiver is wearing a white jacket, orange pants, and a black backpack, and is holding onto the controls of a white parachute. The sun is shining brightly in the upper left corner of the sky. The mountains below are covered in snow and have some evergreen trees.

Lonza

Full-Year 2019 Financial Summary

Full-Year 2019 Results

Comparison vs. Prior Year (Continuing Operations)

5,920million

Sales (CHF) **6.8%**

1,620million¹

CORE EBITDA (CHF) **7.2%**

27.4%¹

CORE EBITDA Margin **10bps**

13.59CHF²

CORE EPS Diluted **13.4%**

9.1%

ROIC **110bps**

15,468

Employees **7.2%**

¹ IFRS 16 accounting adjustment on leases had a positive CORE EBITDA impact of CHF 33 million in 2019 (60 bps positive CORE EBITDA margin impact), offset by costs related to the divestment of the Water Care business and carve out of Specialty Ingredients (50 bps negative CORE EBITDA margin impact). IFRS Results – Continuing Business: EBITDA – CHF 1,525 million; 6.7 % change, EBITDA Margin – 25.8%; 0bps change

² EPS diluted – CHF 10.22; 16.5% change (IFRS Results – Continuing Business)

Segment Financial Performance Full-Year 2019

Comparison vs. Prior Year (Continuing Operations)

Pharma Biotech & Nutrition

4,167 million

Sales (CHF) **11.0%**

1,371 million¹

CORE EBITDA (CHF) **10.0%**

32.9%²

CORE EBITDA Margin **(30bps)**

Specialty Ingredients

1,693 million

Sales (CHF) **(3.2%)**

302 million³

CORE EBITDA (CHF) **(0.3%)**

17.8%⁴

CORE EBITDA Margin **50bps**

¹ CORE EBITDA excl. IFRS 16 – CHF 1,347 million; 8.1% change

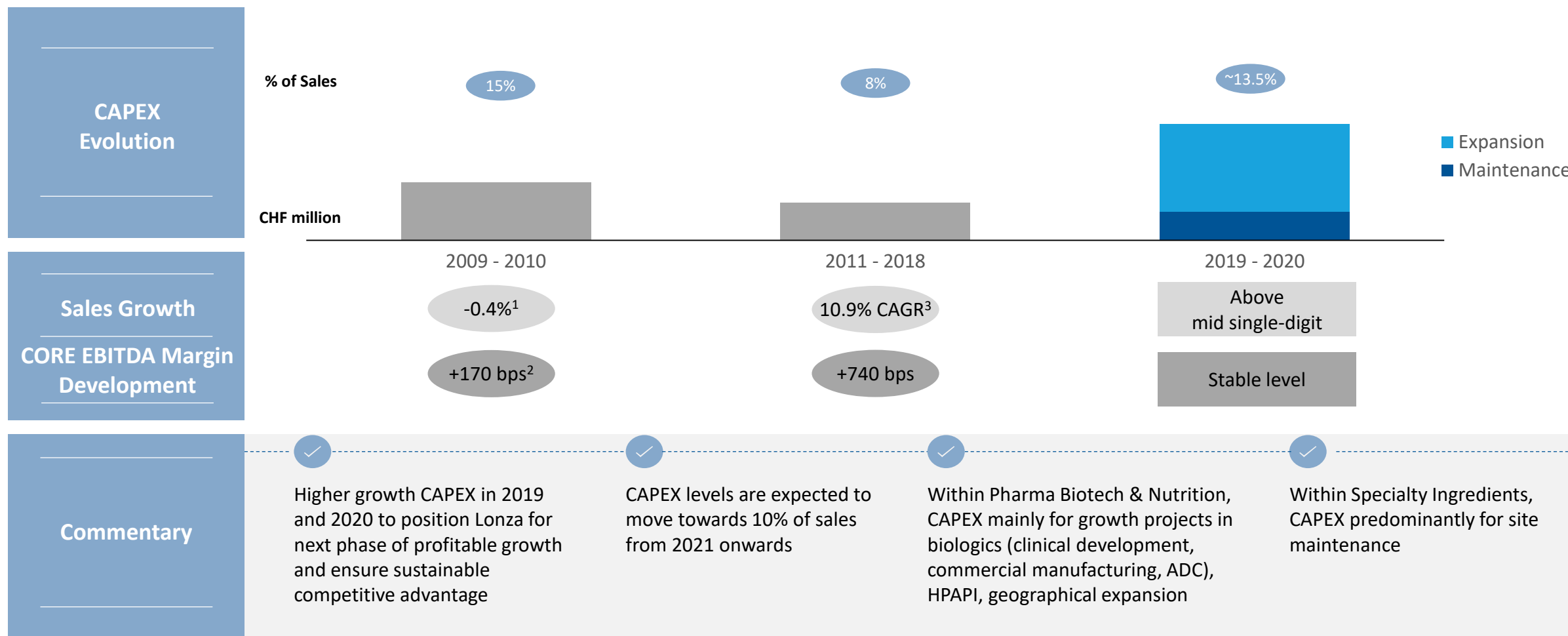
² CORE EBITDA Margin excl. IFRS 16 – 32.3%; (90bps) change

³ CORE EBITDA excl. IFRS 16 – CHF 297 million; (2%) change

⁴ CORE EBITDA Margin excl. IFRS 16 – 17.5%; 20bps change

Overview of Capital Expenditures

Accelerated investment in 2019 and 2020 to seed next growth wave



*Growth rates based on reported figures at actual exchange rates. No adjustment for acquisitions and divestments reflected, except for 2018 and 2019 figures, which are restated for reorganization of Lonza's Segments LPBN / LSI (excluding Water Care business as discontinued operations)

¹ Actual exchange rate; in constant exchange rate: +3.3% growth

² CORE EBITDA margin development after special charges; before special charges: -50bps

³ 2011 base impacted by Arch acquisition

Lonza Full-Year Results 2019 | 21 January 2020

CORE definition: See appendix

Lonza Operational Free Cash Flow 2019

Operational free cash flow* impacted by increased CAPEX and higher inventories



CHF million	FY 2019	YoY change	FY 2018
EBITDA	1,489	47	1,442
Change of operating net working capital (NWC)	(336)	(307)	(29)
Capital expenditures in tangible and intangible assets (CAPEX)	(786)	(211)	(575)
Disposals of tangible and intangible assets and change of other assets and liabilities	32	22	10
Operational free cash flow (before acquisitions / disposals)	399	(449)	848
Acquisitions / disposal of subsidiaries	596	624	(28)
Operational free cash flow	995	175	820
<i>Net working capital as % of sales (annualized)</i>	<i>19.5</i>	<i>150 bps</i>	<i>18.0</i>
<i>CAPEX as % of sales</i>	<i>13.1¹</i>	<i>360 bps</i>	<i>9.5</i>

- Operational free cash flow impacted by increased CAPEX and net working capital (NWC)
- Higher CAPEX for LPBN growth investments
- Increased inventories to support vertical integration in small molecules (i.e. intermediates manufacturing)

*Operational free cash flow represents Lonza Group incl. Discontinued Operations

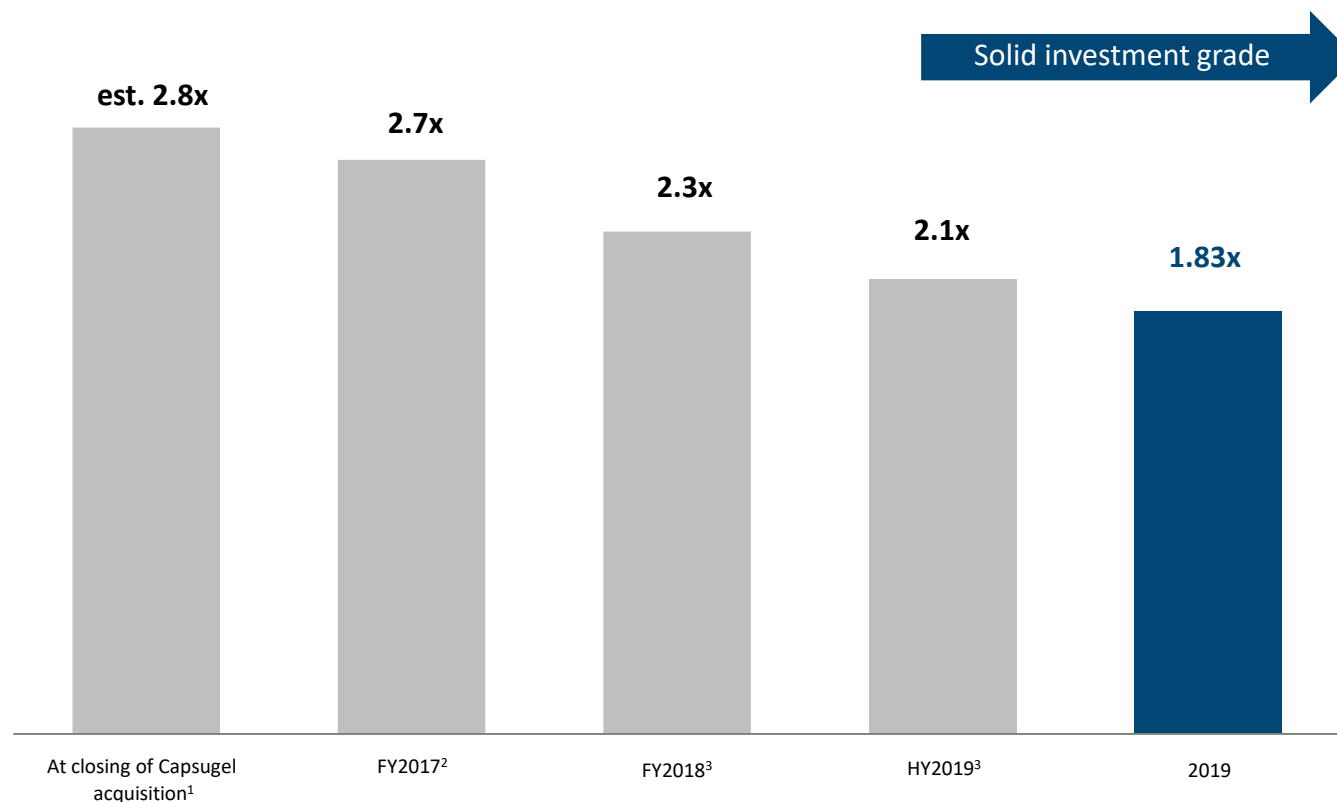
¹ CAPEX as % of sales excl. Discontinued Operations: 13.3%

Lonza Net Leverage 2017 to 2019

Continued deleveraging on the back of strategic growth investments



Net Leverage (Net Debt / CORE EBITDA)



- Deleveraging well below guidance of less than 2x net debt/CORE EBITDA by end 2019
- Debt reduction behind strong operational free cash flow and divestment of Water Care business with net proceeds of CHF 620 million
- Successful refinancing of loan facilities in 2019, leveraging successful initiation of S&P BBB+ credit rating with stable outlook in 2019
- Commitment to maintain solid investment grade rating going forward

¹ Net Debt/CORE EBITDA is calculated based on the CORE EBITDA of the last 12 months, including Capsugel. The Capsugel acquisition closed on 5 July 2017

² 2017 including Capsugel as of 5 July 2017, restated for IFRS 15

³ Net Debt/CORE EBITDA is calculated based on the CORE EBITDA of the last 12 months



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Segments: LONZA Pharma Biotech & Nutrition (LPBN)

A wide-angle photograph of a snowy mountain landscape. In the foreground, a smooth, white snow slope leads down. In the middle ground, two skiers are descending the slope. The skier in front is wearing a black jacket and bright green pants, while the skier behind is wearing a black jacket and pink pants. They are both leaving tracks in the snow. To the left, a jagged, snow-covered mountain peak rises against a clear blue sky with some light, wispy clouds. The overall scene is bright and crisp, suggesting a sunny day in winter.

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CDMO Services within LPBN

New Customers Announced in 2019

Lonza selected customers in the healthcare sector

Lonza



Serving hundreds of customers across modalities...

- Chemical technologies (API/HPAPI)
- Mammalian & Microbial
- Bio-conjugates
- Cell & gene
- Cell culture media
- Oral dosage forms
- Parenteral drug product services

... and millions of patients

Full-Year 2019 CDMO Services Overview

Continued strong momentum for clinical and commercial offerings



Small Molecules

Continued to benefit from innovative business models and formulation capabilities

New customers signed for long-term manufacturing of HPAPI

Dosage forms and delivery systems performed positively in securing commercial business and new long-term contracts

Mammalian and Microbial

Commercial agreements signed with sales visibility for the mid- and long-term

Commercial capacities for 2020 largely committed

Gene-to-vial offering gained further traction

Drug product services continued positive performance

Cell and Gene Technologies

Continued sales momentum in a dynamic market environment

Strong interest in Lonza technology offerings including process development and commercial manufacturing capacity

Continue to focus on improving operational excellence

Strong Position in Cell and Gene Technologies

High demand for Lonza offerings across all modalities, supporting a leading market position

Lonza

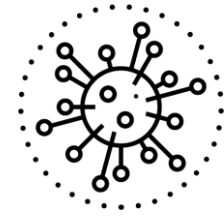
Delivering services across 3 key modalities in cell and gene technologies from four global centers of excellence



**Autologous
cell and gene
therapy**



**Allogeneic
cell and gene
therapy**



**Viral vector
gene therapy**

New clinical and commercial contracts signed in 2019

- Significant number of clinical and commercial contracts signed, among those commercial supply agreements with long-standing Lonza customers
- At least five late-stage registrations expected in 2020 across the global network

Some recent examples:

Prevail
THERAPEUTICS

cellectis

DNAQOR

gamida **Cell**

mesoblast

2019 Investment Highlights from across Lonza Pharma Biotech & Nutrition

CAPEX projects to expand our offering



Ibex™ Solutions (CH)



Design & Develop: Start of suite fit-out and 2 customers signed, with 2020 available capacities contracted

Dedicate: Start of suite fit-out, customers signed in addition to Sanofi, new deal with large pharma for microbial manufacturing

HPAPI & Bioconjugates



Expansion in Visp (CH)

Clinical to commercial HPAPI:
Astra Zeneca monosuite

Bioconjugates expansion &
support of majority of
commercial ADCs

Stein (CH) Acquisition



Acquisition of cGMP parenteral
drug product plant from Novartis

Clinical & launch supply

Initial customers signed including
Novartis

Guangzhou (CN)



First biologics foothold in China
with clinical development and
manufacturing offering

First modules on site

Key positions hired

CHF 1 billion CAPEX expected to generate **>CHF 1 billion sales** per annum, after 6 to 7 years

2019 Innovation Highlights from across Lonza Pharma Biotech & Nutrition

Investing in R&D to stay one step ahead of industry challenges

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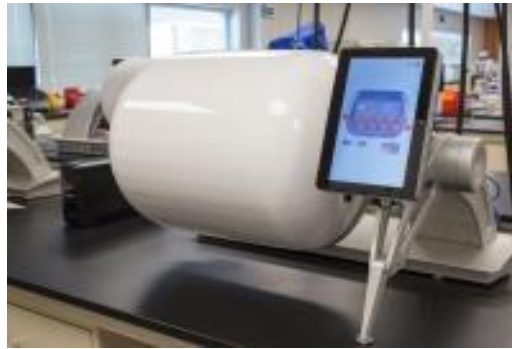
Advanced Molecular Biology



Building new capabilities into our proprietary GS Xceed® expression system

Launch of GS piggyBac™ for stable expression of more complex molecules

Automation



Pilot project to introduce Cocoon™ to the clinic with Sheba Medical Center, the largest hospital in Israel and the Middle East

Live Biotherapeutics



BacThera – first end-to-end CDMO for live biotherapeutic products

Full-service offering for microbiome through joint venture with Chr. Hansen

AI & Machine Learning



Advanced sensors to measure complex bioprocesses (e.g. Metabolites) in real time

Predictive modelling using wealth of data generated for better control of bioprocesses



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Product Businesses within LPBN

Full-Year 2019 Product Businesses Overview

Experiencing mixed demand and some operational challenges



Bioscience

Increased demand for media, research tools, testing solutions and quality control software, based on favorable market trends in drug discovery and cell therapy

Continuous progress with operational improvements

Pharma Hard Capsules

Ongoing demand for specialty polymer and dry powder inhalation (DPI) offerings

Business was supported by new product launches but challenged by market conditions in the US and slower growth in developed markets

Several long-term agreements signed

Nutritional Hard Capsules

Negatively impacted by increased competition

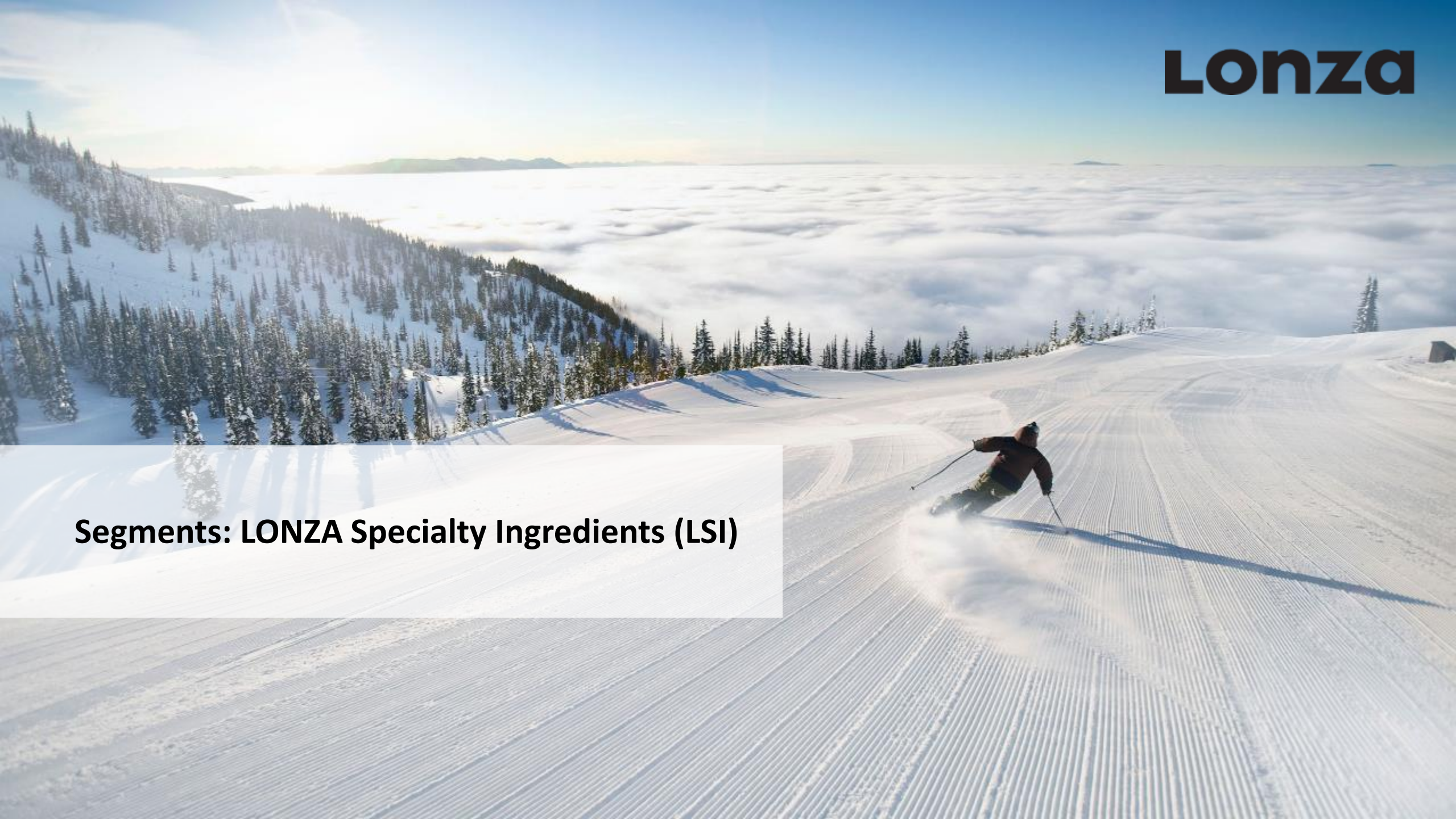
Softer demand for conventional gelatin hard capsules and slower growth in specialty polymer empty capsules, particularly in mature markets

Ongoing countermeasures with first impact in Q4 2019

Nutritional Ingredients

Experienced soft demand in 2019

UC-II® manufacturing expansion in Greenwood, SC (USA) on track to be operational in H1 2020



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Segments: LONZA Specialty Ingredients (LSI)

Full-Year 2019 Specialty Ingredients Overview

Headwinds in line with broader sector, however, operating margins were improved

Lonza

- Weaker sales in a challenging environment
- Improved CORE EBITDA margins driven by pricing initiatives, operational improvements and cost control measures
- BIT¹ supply began to regain stability in H2 2019; a fully restored supply is expected by the end of H1 2020
- LSI will continue to focus on driving recovery for its business, delivering the carve-out and developing a new market-oriented and efficient organization



¹ 1,2-Benzisothiazolin-3-one

Full-Year 2019 Microbial Control Solutions Overview

Mixed performance, related to the diverse end-markets



Professional Hygiene

Positive performance with continued strong sales in most market segments

Personal and Home Care

Personal care with an uptake in H2 with Lonza's anti-dandruff platform for hair care

Home care business with positive performance

Wood Protection

Stable demand, but increasingly competitive environment and pricing pressure, especially in the US market

Material Protection

Strong performance for oil and gas industry solutions

Polymer and textile with softer market demand from the automobile industry

Paints and Coatings

Good performance despite the shortage of key raw material BIT

Crop Protection

Ongoing customer destocking after a dry 2018 summer in Europe and further dry weather in 2019

Full-Year 2019 Specialty Chemical Services Overview

Negatively impacted by ongoing geopolitical tensions, raw material supply and cyclical end-markets



Composites

Slow improvement in the market environment in H2

Affected by weak market demand for consumer electronics and US-China trade tensions

Custom Manufacturing (CMO)

Performance at same level as previous year

Expanding offering to industrial and pharma customers in addition to agricultural partners

Performance Chemicals & Intermediates

Lower volumes in industrial intermediates impacted by Chinese competitive pressure and supply chain challenges

Lower volumes in Vitamin B3 due to African Swine Fever in Asia and low prices at the beginning of the year

Lower demand for agro ingredients

Delivering Innovation in Specialty Ingredients

Specialty Ingredients' focus on strengthening its market leadership



Examples from 2019

Next Generation Anti-dandruff Active

Commenced manufacturing of Piroctone Olamine (PO) to broaden portfolio

Strengthening position as world's leading anti-dandruff active supplier



Navigating Regulation

Introduction of regulatory approved microbial-control alternatives:

- Triclosan-free antibacterial personal care
- Creosote-free wood protection
- Fungicides for metalworking lubricants



Keeping our world healthy

Efficient and environmentally friendly disinfection of hospital & food-contact surfaces with NUGEN®

- Combats 12 common pathogens
- Active breaks down into water and oxygen
- Disinfectant wipes for convenience and ease of use



Expansion in Personal Care

Broadening our personal care portfolio with new naturally-derived offerings:

- Moditect® EV Bioactive for skin care
- Non-ionic emulsifiers and surfactants



Lonza

Outlook 2020



Outlook 2020

The year ahead for Lonza Group and its segments



- High single-digit sales growth in Pharma Biotech & Nutrition and low single-digit sales growth in Specialty Ingredients anticipated in 2020
- Overall stable CORE EBITDA margin despite growth projects in LPBN with CAPEX investments expected to remain at 2019 levels, related OPEX and start-up cost for significant projects scheduled to start operations by the end of 2020
- Outlook factors in continued macroeconomic uncertainty and some potential ongoing headwinds in the cyclical parts of Lonza's Specialty Ingredients businesses

**Above
mid single-digit
sales growth**

**Stable CORE
EBITDA
margin level**

Outlook 2020 is based on present business composition, the current macroeconomic environment, existing visibility and constant exchange rates.

Confirming Mid-Term Guidance 2022

Building blocks in place to deliver on Guidance



	Pharma Biotech & Nutrition (LPBN)	Specialty Ingredients (LSI)		
Sales Growth 2017PF ¹ -2022	High single-digits	Low to mid single-digits	Sales CHF 7.1 billion	CORE RONOA 35%
2022 CORE EBITDA Margin	>30%	>20%		
Building Blocks	- Manufacturing excellence - Operating leverage - Growth projects and CAPEX investments	- Microbial control expertise - Procurement and supply-chain excellence - Productivity gains	CORE EBITDA Margin 30.5%	Double-Digit ROIC

¹ Pro forma as Lonza Full-Year 2017 financial results (restated for IFRS 15) include Capsugel Full-Year 2017 financial results

Mid-Term Guidance 2022 is based on present business composition, the current macroeconomic environment, existing visibility and constant exchange rates.

Lonza Priorities 2020

Setting up the business for continued growth

Lonza

- Delivering financial targets 2020 and building blocks for Mid-Term Guidance 2022
- Realizing LSI carve-out on time and on budget
- Focusing on execution of growth projects and new partnerships in LPBN, as well as strengthening R&D and innovation
- Continuing talent attraction and retention as well as ensuring constant pipeline to develop the future leaders of the company
- Establishing clearer targets and action plan for implementation of environmental, social and governance (ESG) measures
- Reviewing future plans for Specialty Ingredients



A full-page background image showing two skiers in blue jackets and helmets skiing down a snowy mountain slope. The skier in the foreground is wearing a pink helmet and purple pants, while the one behind is wearing a blue helmet and orange pants. They are both kicking up snow as they descend. The background features a vast, snow-covered mountain range under a clear blue sky, with evergreen trees scattered across the slopes. The sun is shining from the upper right, creating a bright, hazy atmosphere.

Lonza

Q&A

An aerial photograph of a dense forest of evergreen trees covered in a thick layer of snow. A dark, winding road or path cuts through the forest, curving from the bottom left towards the top right. The overall scene is serene and wintry.

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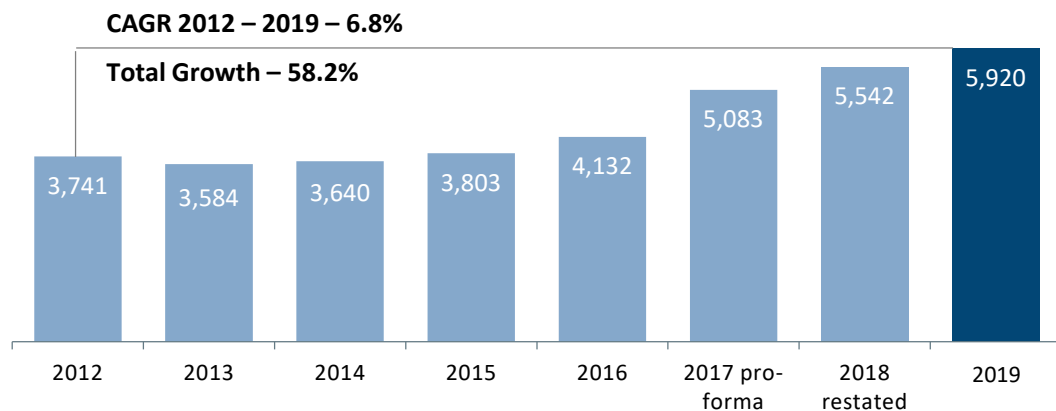
Appendices

Lonza Financial Performance

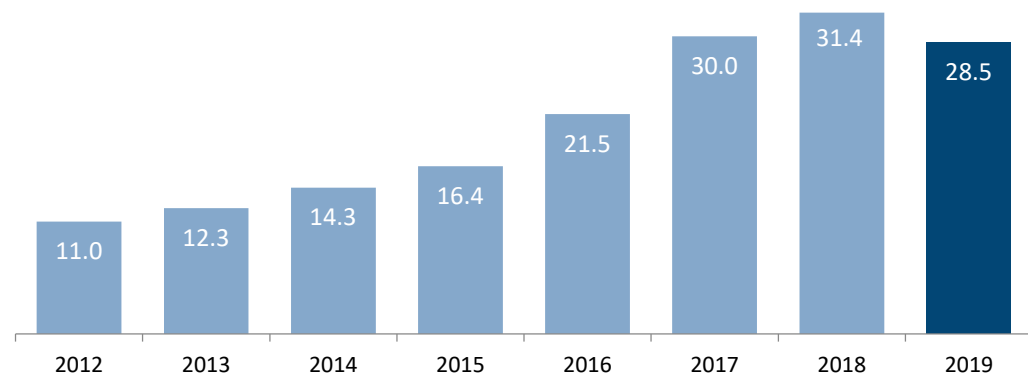
Trends from 2012 to 2019



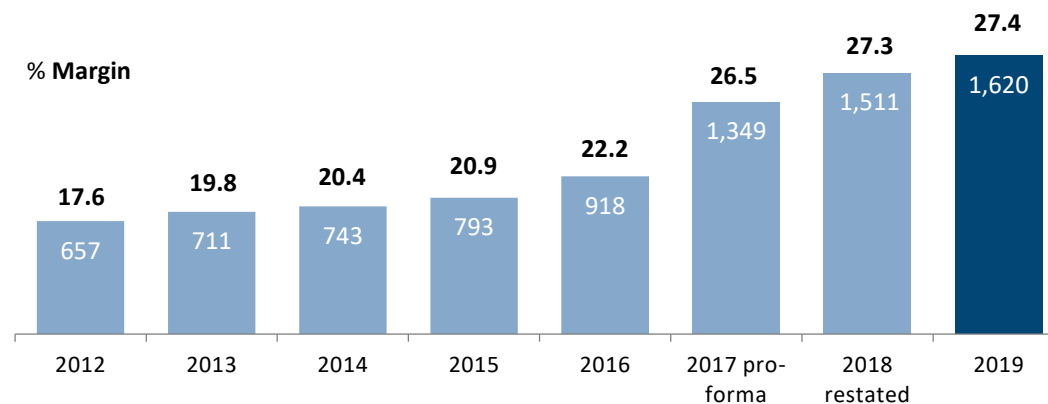
Sales in CHF million



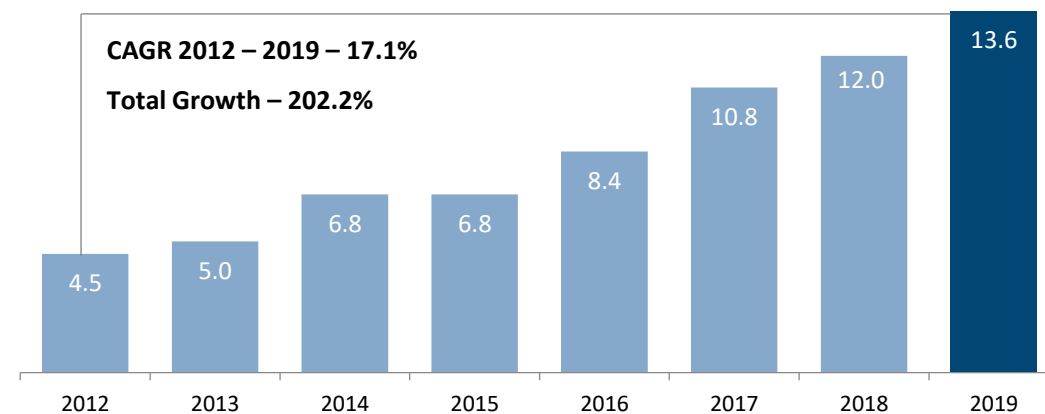
CORE RONO in %



CORE EBITDA in CHF million



CORE EPS Diluted in CHF



*Growth rates based on reported figures at actual exchange rates. No adjustment for acquisitions and divestments reflected, except 2018 and 2019 figures, which are restated for reorganization of Lonza's Segments LPBN / LSI (excluding Water Care business as discontinued operations)

CORE definition: See appendix

Full-Year 2019 Financial Highlights Lonza Continuing Business (1/2)

Income statement – Full report accessible [online](#)



CHF million	FY 2019	FY 2018 ¹	YoY
Sales	5,920	5,542	6.8%
CORE EBITDA	1,620 ²	1,511	7.2%
<i>Margin in %</i>	<i>27.4²</i>	<i>27.3</i>	<i>10bps</i>
CORE EBIT	1,245 ³	1,165	6.9%
<i>Margin in %</i>	<i>21.0³</i>	<i>21.0</i>	<i>0bps</i>
EBITDA	1,525	1,429	6.7%
<i>Margin in %</i>	<i>25.8</i>	<i>25.8</i>	<i>0bps</i>
EBIT	972	842	15.4%
<i>Margin in %</i>	<i>16.4</i>	<i>15.2</i>	<i>120bps</i>
Net Financing Costs	(120)	(34)	-
<i>Tax Rate in %</i>	<i>10.2</i>	<i>18.3</i>	-
CORE Profit for the Period	1,014	899	12.8%
Profit for the Period	763	659	15.8%

¹ Restated to reflect the classification of Water Care business as discontinued operations (see note 4 of [Full-Year Results 2019 Report](#))

² IFRS 16 accounting adjustment on leases had a positive CORE EBITDA impact of CHF 33 million in 2019 (60 bps positive CORE EBITDA margin impact), offset by costs related to the divestment of the Water Care business and carve out of Specialty Ingredients (50 bps negative CORE EBITDA margin impact)

³ IFRS 16 accounting adjustment on leases had a positive CORE EBIT impact of CHF 2 million in 2019 (3 bps positive CORE EBIT margin impact), offset by costs related to the divestment of the Water Care business and carve out of Specialty Ingredients (50 bps negative CORE EBIT margin impact)

Full-Year 2019 Financial Highlights Lonza Continuing Business (2/2)

Selected performance metrics – Full report accessible [online](#)



CHF million	FY 2019	FY 2018 ¹	YoY
CORE EPS basic (CHF)	13.67	12.03	13.6%
EPS Basic (CHF)	10.28	8.80	16.8%
CORE EPS Diluted (CHF)	13.59	11.98	13.4%
EPS Diluted (CHF)	10.22	8.77	16.5%
Operational Free Cash Flow	495	884	(44.0%)
Change of Net Working Capital ²	(336)	(29)	(290)
Capital Expenditures ²	(786)	(575)	(211)
CORE RONO in %	28.5	31.4	(9.2%)
ROIC in %	9.1	8.0	110bps
Net debt	2,961	3,534	(16.2%)
Debt-equity ratio	0.45	0.56	(19.6%)
Net Debt / CORE EBITDA ratio	1.83	2.28	(19.7%)
Number of Employees	15,468	14,425	7.2%

¹ Restated to reflect the classification of Water Care business as discontinued operations (see note 4 of [Full-Year Results 2019 Report](#))

² Lonza Group incl. Discontinued Operations

- 10-11 Feb 2020 CEO roadshow Boston & New York (BAML)
- 18 Feb 2020 CEO & CFO roadshow London (Morgan Stanley)
- 3-4 March 2020 Credit Suisse Healthcare Conference (London)
- 17 March 2020 Annual Report 2019 (Tentative)
- 28 April 2020 Annual General Meeting, Basel (CH)
- 30 April 2020 Ex-Dividend Date
- 4 May 2020 Record-Dividend Date
- 5 May 2020 Dividend-Payment Date
- 24 July 2020 **Half-Year Results 2020**

Information about investor relations events is constantly updated on the website:

www.lonza.com/about-lonza/investor-relations



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“

Lonza believes that disclosing CORE results of the Group's performance enhances the financial markets' understanding of the company because the CORE results enable better comparison across years.

”

Therefore, the CORE results exclude exceptional expenses and income related to e.g. restructuring, environmental-remediation, acquisitions and divestitures, impairments and amortization of acquisition-related intangible assets, which can differ significantly from year to year.

For this same reason, Lonza uses these CORE results in addition to IFRS as important factors in internally assessing the Group's performance.

In Lonza's [2019 Half-Year Results report](#), the reconciliation of IFRS to CORE results provides further details on the adjustments.

Lonza Group Ltd has its headquarters in Basel, Switzerland, and is listed on the SIX Swiss Exchange. It has a secondary listing on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Lonza Group Ltd is not subject to the SGX-ST’s continuing listing requirements but remains subject to Rules 217 and 751 of the SGX-ST Listing Manual.

Forward-looking statements contained herein are qualified in their entirety as there are certain factors that could cause results to differ materially from those anticipated. Any statements contained herein that are not statements of historical fact (including statements containing the words “outlook,” “guidance,” “believes,” “plans,” “anticipates,” “expects,” “estimates” and similar expressions) should be considered to be forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty.

There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including the timing and strength of new product offerings; pricing strategies of competitors; the company’s ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; difficulty to maintain relationships with employees, customers and other

business partners; and changes in the political, social and regulatory framework in which the company operates, or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis.

In particular, the assumptions underlying the Outlook 2019 and Mid-Term Guidance 2022 herein may not prove to be correct. The statements in the section on Outlook 2019 and Mid-Term Guidance 2022 constitute forward-looking statements and are not guarantees of future financial performance.

Lonza’s actual results of operations could deviate materially from those set forth in the section on Outlook 2019 and Mid-Term Guidance 2022 as a result of the factors described above or other factors. Investors should not place undue reliance on the statements in the section on Outlook 2019 and Mid-Term Guidance 2022. Except as otherwise required by law, Lonza disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after this presentation was published.

ADC	Antibody Drug Conjugate
AAV	Adeno Associated Virus
Autologous	Autologous cell-based therapy uses a person's own stem cells
Allogeneic	Allogeneic cell-based therapy uses stem cells from a matched related or unrelated dono
bps	Basis Points
CAPEX	Capital Expenditure
CAR-T cells	Chimeric antigen receptor-redirected T cells
CDMO	Contract Development and Manufacturing Organization
cGMP	Current good manufacturing practices
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EPS	Earnings per share
HP(API)	Highly Potent (Active Pharmaceutical Ingredient)
IFRS	International Financial Reporting Standards
IRR	Internal Rate of Return
OPEX	Operating Expense
QC	Quality Control
ROIC	Return On Invested Capital
RONOA	Return on Net Operating Assets
Small-Molecules	Low molecular weight molecules that include lipids, monosaccharides, second messengers, other natural products and metabolites, as well as drugs and other xenobiotics
YoY	Year over year