

Press Release

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Lonza announces the launch of an accelerated bookbuilding

Basel, 31 January 2017 – Following the announcement on 15 December 2016 regarding the contemplated acquisition of Capsugel S.A. ("Capsugel") by Lonza Group AG ("Lonza", VTX: LONN.VX), Lonza launches an accelerated bookbuilding by offering up to 5.0 million registered shares, sourced from authorised capital. As a result, Lonza's share capital will increase by a maximum of 9.4% of the share capital as currently registered in the commercial register. The net proceeds from the capital increase are intended to be used to partially finance the acquisition of Capsugel.

The transaction will be executed by way of a primary placement (the "Placement") of shares excluding subscription rights of the existing shareholders. The offer price will be determined in an accelerated bookbuilding procedure and the shares to be placed will be offered exclusively to pre-selected investors in Switzerland (private placement) and outside of Switzerland to institutional investors and qualified institutional buyers (in reliance on Regulation S and 144A of the U.S. Securities Act). The offer price of the new shares will be announced upon completion of the bookbuilding procedure.

Additionally, Lonza has entered into lock up undertakings ending on the later of (1) 180 days following the first day of trading of the new shares issued in the Placement and (2) if the additional equity issuance proceeds, as referenced in Lonza's announcement of the Capsugel acquisition on 15 December 2016, 90 days following the first day of trading of the shares issued in that equity issuance. Such lock up undertakings are subject to customary exceptions and waiver by the joint bookrunners, and also exclude the underwritten equity issuance referred to above, which will be reduced by the gross proceeds raised in this accelerated bookbuilding.

The new shares are expected to be listed and admitted to trading on the SIX Swiss Exchange on 3 February 2017. Payment and settlement is expected to take place on the same date.

To download to complete press release follow this link: www.thefuturelonza.com/abb (country restrictions may apply)

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About Lonza

Lonza is one of the world's leading and most-trusted suppliers to the pharmaceutical, biotech and specialty ingredients markets. It harnesses science and technology to create products that support safer and healthier living and that enhance the overall quality of life.

Not only is Lonza a custom manufacturer and developer, the company also offers services and products ranging from active pharmaceutical ingredients to drinking water sanitizers, from nutritional and personal care ingredients to agricultural products, and from industrial preservatives to microbial control solutions that combat dangerous viruses, bacteria and other pathogens.

Founded in 1897 in the Swiss Alps, Lonza today is a well-respected global company with approximately 40 major manufacturing and R&D facilities and more than 10,000 full-time employees worldwide. The company generated sales of CHF 4.13 billion in 2016 and is organized into two market-focused segments: Pharma&Biotech and Specialty Ingredients.

Further information can be found at www.lonza.com.

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Additional Information and Disclaimer

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.

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*The securities to which this announcement relates have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There will not be a public offering of securities in the United States.*

This announcement is not an offering circular within the meaning of article 652a of the Swiss Code of Obligations, nor is it a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or a prospectus under any other applicable laws.

*This communication does not constitute an "offer of securities to the public" within the meaning of Directive 2003/71/EC of the European Union (the "**Prospectus Directive**") of the securities referred to herein in any member state of the European Economic Area (the "**EEA**"). Any offers of the securities referred to in this announcement to persons in the EEA will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the EEA, from the requirement to produce a prospectus for offers of the Securities. In the United Kingdom, this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial*

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The joint bookrunners of the Placement, each of which are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority are acting exclusively for Lonza Group Ltd and no-one else in connection with the placing of securities referred to in this announcement. They will not regard any other person as their respective clients in relation to the placing and will not be responsible to anyone other than Lonza Group Ltd for providing the protections afforded to their respective clients, nor for providing advice in relation to the placing, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the placing of the shares, the joint bookrunners of the Placement, and any of their affiliates, may take up a portion of the shares in the placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of Lonza Group Ltd or related investments in connection with the placing or otherwise. Accordingly, references in this announcement, or in other documents relating to the placing described herein, to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the joint bookrunners of the Placement and any of their affiliates acting in such capacity. In addition the joint bookrunners of the Placement and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the joint bookrunners of the Placement and any of their affiliates may from time to time acquire, hold or dispose of shares. The joint bookrunners of the Placement do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.