

Press Release

Lonza Concludes Divestment of Peptides Business and Operations in Braine-l'Alleud, Belgium, to PolyPeptide

Basel, Switzerland/Braine-l'Alleud, Belgium, 4 January 2017 – Lonza has concluded the divestment of its Peptides Business located in Braine-l'Alleud, (BE) to PolyPeptide Laboratories Holding (PPL). The facility, with approximately 280 employees, was the center for peptide chemical development and manufacturing within Lonza. The intention to divest was announced at the beginning of December 2016.

PolyPeptide Group announced that the harmonization of procedures at the Belgian facility to ensure consistency, continuity and quality within its expanded Group will be implemented in the coming months. The integration process is expected to be seamless to customers.

The financial terms of the transaction are not disclosed. As announced early December, Lonza has booked a non-cash related write-off of CHF 44 million. Furthermore, Lonza will also book a CHF 29 million non-cash currency translation impact in the first half of 2017.

About Lonza

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

Not only are we a custom manufacturer and developer, Lonza also offers services and products ranging from active pharmaceutical ingredients and stem-cell therapies to drinking water sanitizers, from the vitamin B3 compounds 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 more than 40 major manufacturing and R&D facilities and approximately 9,800 full-time employees worldwide. The company generated sales of CHF 3.8 billion in 2015 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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Certain matters discussed in this news release may constitute forward-looking statements. These statements are based on current expectations and estimates of Lonza Group Ltd, although Lonza Group Ltd can give no assurance that these expectations and estimates will be achieved. Investors are cautioned that all forward-looking statements involve risks and uncertainty and are qualified in their entirety. The actual results may differ materially in the future from the forward-looking statements included in this news release due to various factors. Furthermore, except as otherwise required by law, Lonza Group Ltd disclaims any intention or obligation to update the statements contained in this news release.