Lilly to expand injectable manufacturing capacity with planned $2.5 billion site in Germany

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Company also commits to investing up to $100 million in German early-stage life sciences ecosystem

INDIANAPOLIS, Nov. 17, 2023 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) today announced plans to construct a new $2.5 billion high-tech manufacturing site in Alzey, Rhineland-Palatinate, Germany. This new facility will further expand the company's global parenteral (injectable) product and device manufacturing network and support an increased demand for Lilly's medicines, including its diabetes and obesity portfolio. The company has launched 21 treatments since 2014 and plans to launch several more in the coming years.

"Every investment into our manufacturing capacity around the world is a renewed commitment to patients today – and to those who may need our medicines tomorrow," said Edgardo Hernandez, executive vice president and president, Lilly manufacturing operations. "This state-of-the-art parenteral site with the latest technology will enable us to continue to deliver medicines with safety first and quality always around the world."

With the planned manufacturing facility in Alzey, Lilly will operate a total of six manufacturing sites in Europe, including one in nearby Fegersheim, France. Lilly's ongoing investments in Europe will create operational synergies, strengthen university and government relationships, support the early-stage life science ecosystem, and diversify the growing Lilly presence in Europe.

With extensive experience across the pharmaceutical industry, Germany's workforce will play a vital role in bolstering Lilly's incretin supply when the new site is operational beginning in 2027. The site in Alzey will employ up to 1,000 highly skilled workers such as engineers, operators and scientists, who will leverage state-of-the-art technology, including automation and high-speed manufacturing lines, to produce life-changing medicines. In addition, an estimated 1,900 jobs will be created during construction, which is scheduled to begin in 2024. Lilly's investment in Alzey is contingent upon finalization of government permitting and local approvals.

"The decision to locate here is good news for Germany as a business location," said Dr. Robert Habeck, vice chancellor and federal minister for Economic Affairs and Climate Action. "It creates new and future-oriented jobs, shows the confidence of companies in the attractiveness of Germany as a pharmaceutical and industrial location and helps to improve healthcare for our citizens. The new location will make an important contribution to industrial value creation in Germany with high-tech production facilities and research and development."

Lilly has announced investments of more than $11 billion in its global manufacturing footprint in the past three years to help ensure the safe and reliable supply of Lilly's innovative medicines. The company continues to invest in the expansion of its global manufacturing to address the growth expected from potential new medicines to treat diabetes and obesity, Alzheimer's disease, cancer and autoimmune conditions.

"As we look to usher in the next generation of medicines, we're looking for people and partners who share our passion for improving health outcomes," said Ilya Yuffa, executive vice president and president, Lilly International. "With this new investment, we hope to spark a new era of collaboration and innovation in Germany and the European Union defined by our shared purpose to find lasting solutions for patients."

The company is also announcing an investment of up to $100 million to dramatically increase its footprint in Germany's early-stage biotech ecosystem. These investments will focus on biotech and the life sciences venture capital funds – expanding Lilly's incubator and accelerator engagements, and strengthening Lilly's ties and activities with world-renowned academic and innovation partners. With these investments, Lilly will pursue strategic partnerships and collaborations utilizing a variety of models that meet a range of business needs, including capital and equity investments; world-class lab space; and outstanding research and development capabilities and expertise to help accelerate innovative medicines that meet the needs of people globally.

"This investment strengthens the Federal Government in its efforts to make Germany more attractive again as a pharmaceutical location," added Prof. Dr. Karl Lauterbach, federal minister of health. "It shows good innovative products can be reliably developed and produced in Germany. But we will continue to improve the framework conditions for research and production. This will ensure that patients have rapid access to new treatment options and make us more independent from fragile supply chains. Europe needs a strong pharmaceutical industry and research – not least for good and secure healthcare. Germany wants to provide new stimuli here."

About Lilly
Lilly unites caring with discovery to create medicines that make life better for people around the world. We've been pioneering life-changing discoveries for nearly 150 years, and today our medicines help more than 51 million people across the globe. Harnessing the power of biotechnology, chemistry and genetic medicine, our scientists are urgently advancing new discoveries to solve some of the world's most significant health challenges, redefining diabetes care, treating obesity and curtailing its most devastating long-term effects, advancing the fight against Alzheimer's disease, providing solutions to some of the most debilitating immune system disorders, and transforming the most difficult-to-treat cancers into manageable diseases. With each step toward a healthier world, we're motivated by one thing: making life better for millions more people. That includes delivering innovative clinical trials that reflect the diversity of our world and working to ensure our medicines are accessible and affordable. To learn more, visit Lilly.com and Lilly.com/news or follow us on Facebook, Instagram and LinkedIn. C-LLY

This press release contains forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) about planned capital investments in new manufacturing sites and related initiatives and reflects Lilly's current beliefs and expectations. However, there can be no assurance that Lilly will successfully or timely complete the planned manufacturing sites or that Lilly will otherwise execute its strategy as planned. There are substantial risks and uncertainties in facilities construction, the manufacturing process and development, and commercialization of pharmaceutical products which could impact the launch of potential new products or the supply and overall commercial success of our products. For further discussion of these and other risks and uncertainties, see Lilly's most recent Form 10-K and Form 10-Q filings with the United States Securities

and Exchange Commission. Except as required by law, Lilly undertakes no duty to update forward-looking statements to reflect events after the date of this release.

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