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Lilly's Commitment to Global Innovation Reinforced with Opening of New Diabetes-Focused Research and Development Center in Shanghai

Scientists to Explore Genetic Basis of Diabetes in Chinese Patients as Critical Step in Discovering and Tailoring Novel Treatments

SHANGHAI, May 30, 2012 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) today announced it has officially opened the Lilly China Research and Development Center (LCRDC), a key component of its significant and sustainable commitment to China. The goal of the LCRDC is to discover innovative diabetes medicines with novel mechanisms of action that can be tailored specifically for the Chinese population to delay the progression of the disease. Affecting nearly 90 million Chinese, diabetes is a significant national public health problem, due in part to longer life expectancies, dietary changes and a sedentary lifestyle emerging in China. Differences in the genetic makeup of Asian patients may also play a role in diabetes development and progression, and exploring these differences is a priority for the LCRDC. The LCRDC, which employs approximately 150 scientists and staff hired primarily from China, is the latest in a series of significant research and development (R&D) investments exemplifying Lilly's commitment to innovation, diabetes care and improving outcomes for individual patients around the world.

"Conquering a devastating disease like diabetes requires innovation, collaboration and investment. The establishment of the Lilly China Research and Development Center demonstrates we are serious about discovering and developing desperately needed breakthrough medicines for Chinese people with diabetes," said Jan M. Lundberg, Ph.D., executive vice president, science and technology, and president, Lilly Research Laboratories. "We will do this by looking at diabetes in new and different ways and through collaborations with local academic research centers and partners that enable us to link Lilly scientists with scientists in China. With an eagerness and optimism to explore new theories about disease development and progression and potentially translate this to tailored diabetes medicines, I believe we will make a difference for people with diabetes, in China and around the world."

Focus on Genetics to Tailor Novel Treatments

Exploring the genetic profiles of Chinese, and eventually Asian, people with diabetes is a key area of research being conducted at the LCRDC. For example, Chinese people with diabetes have a significantly lower average body mass index (BMI) than do Americans with diabetes. Chinese people with diabetes also tend to have a higher prevalence of abdominal obesity, fatty liver and insulin resistance than do non-Asians with diabetes. Research to better understand these characteristics may offer opportunities for discovering new medicines to treat diabetes.

"Diabetes has reached epidemic proportions in China — there are more people in China with diabetes than in any other country in the world, with as many as three-quarters of them not having adequate control of their disease," said Bei Betty Zhang, vice president, China Research and site head and general manager, LCRDC. "The research community needs to better understand the genetic and environmental factors that underlie this epidemic so that we may discover medicines that address these factors. At the Lilly China Research and Development Center, we will explore innovative ways to address this unmet patient need, such as targeting pathways involved in disease pathophysiology and partnering with the Chinese academic network to investigate unique features of diabetes in Chinese patients, with the goal of discovering breakthrough treatments."

In the near term, the work at the LCRDC will focus on evaluating a pool of highly-selective targets with the potential to deliver robust candidates, helping to feed the Lilly portfolio with novel treatment opportunities.

Serving Patients in China for More Than 90 Years

The new LCRDC is the latest example of Lilly's ongoing and deep commitment to China for the benefit of the Chinese people—in other words, Lilly is in China for China. Beginning in 1918 with the stationing of a sales representative in Shanghai, the first such position located outside of the U.S., Lilly's presence in China is long-standing, significant and meaningful. Over the years Lilly has cultivated a network of productive collaborations with scientists and companies in China. In the last decade, Lilly has broadened and extended its presence in China to include the entire value chain, from early research to clinical development, manufacturing and commercialization:

- In 2002, Lilly facilitated the establishment of Shanghai ChemExplorer, one of the first contract research organizations in China. In 2006, Lilly also helped to establish Shanghai PharmExplorer. Both organizations are a part of ShangPharma and provide preclinical services exclusively for Lilly. In June 2012, Lilly and ShangPharma will celebrate the 10th anniversary of their strategic partnership with the opening of a new facility in Shanghai to be dedicated exclusively to Lilly chemistry services,
- In 2003, Lilly and WuXi PharmaTech, now known as WuXi AppeTec, formed a partnership to provide a range of services from early compound screening to large-scale pharmaceutical intermediate manufacturing. Since 2006, WuXi has been Lilly's key strategic manufacturing partner for the production of active pharmaceutical ingredients and drug products for preclinical and clinical studies,
- In 2007, Lilly became the first pharmaceutical company to establish a venture capital fund focused on the biopharmaceutical industry in China. The fund actively seeks investment opportunities and will now collaborate with the LCRDC to leverage its scientific expertise to evaluate new diabetes ventures,
- In 2007, Lilly, the European Association for the Study of Diabetes and the Chinese Diabetes Society formed a unique partnership to provide 1.8 million euro over three years to support collaborative programs between Chinese and European academic centers. This partnership, which involves preclinical and clinical research grants, research fellowships for young Chinese scientists and postgraduate courses was renewed in 2010 for another three years,
- In 2008, Lilly opened the Lilly China Drug Development & Medical Affairs Center, which is responsible for clinical aspects of drug development across therapeutic areas,
- In 2010, Lilly funded a study of outcomes associated with gestational diabetes through BRIDGES (Bringing Research in Diabetes to Global Environments and Systems), an International Diabetes Federation research grant program sponsored by Lilly,
- In 2012, Lilly is constructing a new insulin production, packaging and warehouse facility in Suzhou which is expected to open this year,
- Today Lilly and Covance announced a new agreement to establish a diabetes discovery partnership in China. Under this agreement, Covance's wholly-owned entity in China will provide the LCRDC with a range of services, including pharmacology studies, pharmacokinetic screening and other preclinical research to test and evaluate potential new diabetes medicines. The partnership in China is aligned with the global strategic alliance between Lilly and Covance, and will focus primarily on diabetes.

Stepping up the Fight

Drs. Lundberg and Zhang were joined by Lilly China executives, including Eric Baclet, president and general manager Lilly China, and local thought leaders and academics, including professor Ji Linong, president of the China Diabetes Society and professor Ning Guang, president of the Chinese Endocrine Society, at an event held today to officially open the LCRDC and showcase the research already underway. Also present was a Chinese person with diabetes who explained to audiences what living everyday with diabetes is like. In addition to learning more about Lilly's commitment to China and the nature of the work to take place at the LCRDC, the event featured a tour of the new facility. To reinforce that diabetes involves lifestyle and genetic factors, and that successfully delaying disease progression will require tailored medicines and lifestyle changes, attendees were given a pedometer to record the number of steps they took during the event. Exercise guidelines from the American Diabetes Association and others advocate that people should walk at least 10,000 steps a day for their health. With this pedometer, participants and employees tracked how far they had gone today toward reaching the recommend daily goal.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers — through medicines and information — for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com.

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