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## **Lilly Announces \$850 Million Investment in U.S. Capital Projects in 2017**

**Significant investment in manufacturing diabetes medicines continues with new \$85 million commitment in Indianapolis  
\$5 billion invested in its U.S. operations over the last decade; more favorable tax climate could lead to additional U.S. investments**

INDIANAPOLIS, March 24, 2017 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) today announced plans to invest \$850 million in its U.S. operations in 2017. The company's investments span facilities across its U.S. enterprise, including research laboratories, manufacturing sites, and general and administrative areas. The investments are being driven by demand for Lilly products, as well as its robust pipeline of potential medicines in development targeting cancer, pain, diabetes and other unmet medical needs.

Company leaders were joined by federal, state and local government officials at Lilly Technology Center, where the details of the investments were unveiled, including plans for a new \$85 million expansion of its Trulicity® (dulaglutide) device assembly operations in the U.S. This expansion is part of a massive five-year investment by the company to expand its diabetes products manufacturing operations in the U.S., which also includes a \$140 million insulin cartridge production facility that was officially dedicated at today's announcement.

David A. Ricks, Lilly's president and chief executive officer, said that Lilly's potential for growth and its long-standing commitment to the U.S. market led to its decision to invest in its U.S. operations and expand its manufacturing footprint in Indianapolis.

"Our future at Lilly is bright, as we're on a path to launch 20 new products in a 10-year time frame," Ricks said. "As we have for our entire 140-year history, we continue to see Indiana and the United States as attractive places to research and make the medicines that we sell around the world."

Ricks explained that Lilly's \$850 million investment will fund both projects that are already underway as well as new projects that will be initiated throughout the course of the year, including additional projects in Indianapolis.

### Diabetes products manufacturing investment

Company officials focused much of today's announcement around its massive investment in diabetes products manufacturing. Over the course of the last five years (2012-2016), Lilly has invested approximately \$1.1 billion to boost its diabetes products manufacturing operations in the U.S. These investments include upgrades to existing facilities, as well as the addition of new capacity and capabilities based on the evolution of the company's diabetes pipeline and portfolio and the increased prevalence of the disease.

During this period, Lilly has increased its U.S. manufacturing workforce by more than 1,000 employees—from 5,000 to 6,000 roles—with approximately 400 added in Indianapolis.

"More than 400 million people around the world have diabetes—and that includes approximately 30 million people in the U.S. alone," said Enrique Conterno, president, Lilly Diabetes and Lilly USA. "Lilly has spent more than 90 years providing solutions to people with diabetes, and today's announcement extends the deep commitment of our heritage. This manufacturing expansion, along with the introduction of several other new treatments over the last two and a half years, will allow Lilly to continue to be a leader in diabetes care."

Conterno added that the new investments underscore Lilly's diabetes manufacturing presence in Indianapolis. Lilly's state-of-the-art manufacturing facility in Indianapolis is part of the company's nine-decade legacy of producing insulin.

"In addition to providing the capacity necessary for the safe and reliable supply of medicines to patients, these investments have allowed us to add U.S. manufacturing jobs," said Maria Crowe, president of Lilly Manufacturing. "These include highly-skilled technicians, scientists and engineers, which are an economic catalyst for local communities."

Further, Crowe noted that during the past five years, construction-trade staffing has averaged nearly 500 jobs, and had a peak level of nearly 1,000 workers. The ongoing operations together with the investment programs will continue to require a significant level of construction-trade workers at the Lilly Technology Center.

"Lilly's announcement today is a clear example of what a fiscally sound state with a strong business climate—coupled with a world-class company—can achieve," said Indiana Gov. Eric J. Holcomb. "I am grateful for Lilly's continued investment in Hoosiers and in our home state, and will work to maintain the strength of the life-sciences industry and advanced manufacturing in Indiana."

"Despite a global presence and diverse interests, Lilly's continued investment in Indianapolis is a testament to their exceptional level of faith in our workforce and a decades-long commitment to this community," said Indianapolis Mayor Joe Hogsett. "As the biotech industry continues to grow in Indianapolis, Lilly remains a clear leader, bringing advancements to the field and high paying jobs to the city. I'm excited for what today's announcement means for the company's future and look forward to Lilly's continued advancements as their footprint in our city grows."

Ricks concluded by saying that Lilly has invested approximately \$5 billion in its U.S. facilities during the last decade and that more investments can be expected, particularly if the U.S. adopts a more favorable tax environment.

"The equitable treatment of foreign earnings, a lower U.S. corporate tax rate, and U.S. innovation incentives—similar to the rest of the world—will encourage significant investment in the U.S., creating economic growth and good jobs for Americans," said Ricks. "The House Republican Blueprint with border adjustability is designed to achieve these priorities, puts America's global companies on a level playing field with competitors around the world, and creates economic growth and employment within the U.S."

### **About Eli Lilly and Company**

Lilly is a global healthcare leader that unites caring with discovery to make life better for people around the world. We were founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today we remain true to that mission in all our work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. To learn more about Lilly, please visit us at [www.lilly.com](http://www.lilly.com) and [www.lilly.com/newsroom/social-channels](http://www.lilly.com/newsroom/social-channels). **C-LLY**

*This press release contains forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) about the benefits of planned capital projects, and reflects Lilly's current beliefs, assuming that the capital projects are successfully completed. However, as with any such undertaking, there are substantial risks and uncertainties in the process of capital project implementation and completion. Among other things, there can be no guarantee that the projects will be completed on the anticipated timeline or at all or that Lilly will realize the expected benefits of the projects. For further discussion of these and other risks and uncertainties, please see Lilly's latest Forms 10-Q and 10-K filed with the U.S. Securities and Exchange Commission. Except as required by law, Lilly undertakes no duty to update forward-looking statements.*

### **Trulicity® (dulaglutide, Lilly)**

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The Lilly logo is written in a vibrant red, cursive script. The letters are thick and fluid, with the 'L' starting with a large loop and the 'y' ending in a long, sweeping tail.

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/lilly-announces-850-million-investment-in-us-capital-projects-in-2017-300428985.html>

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