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## **Lilly Announces Significant Global Insulin Manufacturing Capacity Investments in Response to Growing Diabetes Epidemic**

### **Company's insulin manufacturing commitments over the past year exceed \$1 billion**

INDIANAPOLIS, Nov. 14, 2013 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) today announced it will invest more than \$700 million to enhance its global insulin manufacturing capacity in Puerto Rico, France and China, as well as in Indianapolis, home to Lilly's global headquarters. Today's news raises Lilly's manufacturing commitment in the past year to more than \$1 billion in planned investments in response to the growing diabetes epidemic and increasing demand for insulin around the world.

Nearly half of the \$1 billion investment will improve Indianapolis sites, where Lilly has been manufacturing insulin since it introduced the first commercially available insulin product in 1923.

According to the International Diabetes Federation (IDF)—which today released the latest diabetes prevalence numbers—diabetes is a significant and growing global problem, with high and increasing costs to society and to individuals. The IDF also noted that all types of diabetes are on the rise, with the number of people with type 2 diabetes increasing most dramatically.[i]

"Insulin is a cornerstone of diabetes treatment and its use will only continue to increase given the rising number of people with diabetes around the world," said Enrique Conterno, senior vice president and president, Lilly Diabetes. "Since introducing the first commercially available insulin 90 years ago, Lilly has helped address the global diabetes burden, and today's announcement further underscores our deep commitment to diabetes care."

In addition to committing to investments in manufacturing, the company is investing heavily in diabetes research. Lilly currently has 14 new molecular entities in clinical development, including three under regulatory review and another in Phase III, for the treatment of diabetes and related complications.

The new manufacturing investments will support both existing and future insulin-based medicines and are as follows:

- France — \$120 million to enhance insulin cartridge manufacturing capacity
- Indianapolis and Puerto Rico — \$245 million to expand insulin-active-ingredient and delivery device manufacturing capacity
- China — \$350 million to expand insulin cartridge manufacturing capacity

The commitment to expand insulin production in China is the latest in a series of diabetes-related investments in this part of the world, such as the opening of the Lilly China Research and Development Center in Shanghai last year. According to the IDF, there are almost 100 million people in China with diabetes, with as many as three-quarters of them not having adequate control of their disease.

"The burden of diabetes knows no boundaries," said Jacques Tapiero, senior vice president and president, Lilly Emerging Markets. "In particular, our ongoing investment in China will help Lilly bring medicines to the country with the largest population of people with diabetes—and which is projected to rise to more than 142 million by 2035."

Prior to today's announcement, Lilly recently communicated insulin-related commitments in Indianapolis totaling \$320 million to expand insulin-active-ingredient and drug product manufacturing capacity, as well as an additional \$80 million in ancillary projects. Together, these announcements bring the total commitment over the past year to more than \$1 billion, which will be invested over the next several years.

### **New Report Quantifies the Global Diabetes Burden**

Today, as part of World Diabetes Day, the IDF released the 6<sup>th</sup> edition of its *Diabetes Atlas*, which illustrates the escalating impact of diabetes around the world. The numbers are staggering: 382 million adults around the world have diabetes, and this number is projected to rise to 592 million over the next 25 years. In 2013, 5 million people died from complications of diabetes. The economic cost is equally alarming: \$548 billion spent worldwide in 2013, representing 11 percent of the total health care expenditures. This number is projected to increase 14 percent by 2035.[ii]

## 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](http://www.lilly.com).

This press release contains forward-looking statements about the company's proposed insulin manufacturing expansion projects. It reflects Lilly's current beliefs; however, the process of planning and implementing/expanding a pharmaceutical manufacturing process carries with it substantial risks and uncertainties. There is no guarantee that Lilly will be able to complete the proposed projects, that they will function as expected, or that Lilly will realize the expected benefits of the proposed expansion. 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. The companies undertake no duty to update forward-looking statements.

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[i] International Diabetes Federation. (2013). *Diabetes Atlas* (6<sup>th</sup> ed.).

[ii] International Diabetes Federation. (2013). *Diabetes Atlas* (6<sup>th</sup> ed.).

## Refer to:

Kelley Murphy, 1-317-701-4007 or [murphy\\_kelley@lilly.com](mailto:murphy_kelley@lilly.com)

Andy McLaughlin, 1-317-433-3246 or [mclaughlin\\_andrew@lilly.com](mailto:mclaughlin_andrew@lilly.com)



Image with caption: "Eli Lilly and Company logo." Image available at: <http://photos.prnewswire.com/prnh/20031219/LLYLOGO>

PDF with caption "As a leader in diabetes, Lilly is addressing the challenges ahead." available at: [http://origin-gps.onstreammedia.com/origin/multivu\\_archive/ENR/FX-MM16768-20131114-2.pdf](http://origin-gps.onstreammedia.com/origin/multivu_archive/ENR/FX-MM16768-20131114-2.pdf)

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