

Carve-out of Lonza Specialty Ingredients will help segment to become a global leader in microbial control

- **Specialty Ingredients (LSI) will operate independently, but remain a fully owned segment of Lonza Group.**
- **The carve-out will enable LSI to grow and strengthen its leading role in microbial control.**
- **A focus on efficiency will place around 130 roles under consultation for redundancy in the LSI segment and Group-level support functions.**

Basel, Switzerland, 3 June 2019 – Lonza Group today announced its intention to proceed with a carve-out of its Specialty Ingredients segment (LSI). The decision will see the LSI business under independent management, with increased control over its operations and costs. The segment will remain fully owned by Lonza. The company has already commenced with the separation and expects to complete the process by mid-year 2020.

Lonza Group CEO Marc Funk commented, “This is an important moment for our business and the LSI segment. Our decision will allow the segment to focus on its strengths and drive future growth in a dynamic and competitive environment. More widely, it reflects our commitment to enabling the segment to become the leading global player in microbial control.”

Sven Abend, Executive Vice President and COO of the LSI segment, commented, “The carve-out represents a significant opportunity for LSI. It will enhance our performance levels by improving efficiency, creating synergies and delivering an improved customer value proposition. The carve-out will also deliver greater levels of transparency and control, which will give us the opportunity to shape our future and drive our success.”

To further improve business efficiency, Lonza has also announced plans to enter consultations to make around 130 roles redundant, of which around 50 roles will be in Switzerland and 35 will be in the United States. Lonza is working to minimize job losses by transferring impacted employees to vacant positions and offering early retirements where appropriate. This program is limited to the LSI segment and the support functions and does not impact the Pharma Biotech & Nutrition (LPBN) segment.

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About Lonza

Lonza is an integrated solutions provider that creates value along the Healthcare Continuum[®]. Through our Pharma Biotech & Nutrition segment and our Specialty Ingredients segment businesses, we harness science and technology to serve markets along this continuum. We focus on creating a healthy environment, promoting a healthier lifestyle and preventing illness through consumers' preventive healthcare, as well as improving patient healthcare by supporting our customers to deliver innovative medicines that help treat or even cure severe diseases.

Patients and consumers benefit from our ability to transfer our pharma know-how to the healthcare, hygiene and fast-moving consumer goods environment and to the preservation and protection of the world where we live.

Founded in 1897 in the Swiss Alps, Lonza today is a well-respected global company with more than 100 sites and offices and approximately 15,500 full-time employees worldwide at the end of 2018. The company generated sales of CHF 5.5 billion in 2018 with a CORE EBITDA of CHF 1.5 billion. Further information can be found at www.lonza.com.

Additional Information and Disclaimer

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