

Press Release

Lonza Publishes Annual Report 2016 and Invitation to the 2017 Annual General Meeting

- **Annual General Meeting to take place on 25 April 2017 in Basel**
- **Albert M. Baehny proposed as new member of the Board of Directors**
- **Proposal to increase share capital, by up to 22 million shares, to partially finance Capsugel acquisition**
- **Proposal for reintroduction of authorized capital and increase of conditional capital to CHF 7,500,000 each**
- **Increased dividend to CHF 2.75 per share proposed**
- **New Online Annual Report published**

Basel, Switzerland, 30 March 2017 – Lonza today announced that it has published its Online Annual Report 2016 and its invitation to the Annual General Meeting 2017, which will take place on **Tuesday, 25 April 2017, at 10:00 a.m. CEST**, at the Congress Center Messe Basel, Messeplatz 21, 4058 Basel, Switzerland.

Annual General Meeting

The Annual General Meeting invitation can be accessed on Lonza's website by clicking on "Annual General Meeting" on the following webpage: www.lonza.com/about-lonza/investor-relations/investor-information

The Board of Directors proposes the re-election of Chairperson Rolf Soiron for one final year and the election of Albert M. Baehny as a new member of the Board of Directors. Thomas Ebeling will not stand for re-election.

For the purpose of partially financing the acquisition of Capsugel S.A., the Board of Directors proposes an increase of the share capital by the issuance of up to 22,000,000 fully paid registered shares to raise gross proceeds in the amount of approximately CHF 2.3 billion by way of a rights offering, which is fully underwritten by a banking syndicate led by UBS and BofA Merrill Lynch. Further details on the rights offering are expected to be communicated on or around 25 April 2017.

The Board of Directors further proposes the reintroduction of authorized capital in the amount of CHF 7,500,000. It used the previously authorized capital to partially finance the acquisition of Capsugel S.A. by issuing 5,000,000 shares out of authorized capital on 2 February 2017 in an accelerated bookbuilding. To maintain flexibility, the Board of Directors proposes to reintroduce an authorized capital at the same conditions as the previous one with a higher number of shares taking into account the increased share capital. The Board of Directors expects that the amount of CHF 7,500,000 will be below 10% of the share capital after consummation of the ordinary capital increase.

The Board of Directors also proposes an increase of the existing conditional capital from currently CHF 5,029,860 to CHF 7,500,000. The Board of Directors expects that this amount will be below 10% of the share capital after consummation of the ordinary capital increase. The Board of Directors shall be entitled to issue shares under the authorized and conditional share capital cumulatively only in an overall maximum aggregate nominal amount of CHF 7,500,000 (also expected to be below 10% of the share capital after the ordinary capital increase).



Further motions include the election of the members of the Nomination and Compensation Committee and the Compensation of the Board of Directors and the Executive Committee.

All details on the motions can be found in the invitation to the Annual General Meeting.

Online Annual Report

This year Lonza switched from a printed to an Online Annual Report. The online report and the downloadable PDF can be accessed through the following website: <http://annualreport.lonza.com/2016>.

The online report is separated in four sections: Company Overview, Financial Overview including financial statements and notes, Remuneration Report and Corporate Governance Report.

By eliminating the formal printing of thousands of reports, Lonza aims to reduce its impact on the environment. The switch to online and PDF versions will also save money required for printing and mailing.

About Lonza

Lonza is one of the world's leading and most-trusted suppliers to the pharmaceutical, biotech and specialty ingredients markets. It harnesses science and technology to create products that support safer and healthier living and that enhance the overall quality of life.

Not only is Lonza a custom manufacturer and developer, the company also offers services and products ranging from active pharmaceutical ingredients to drinking water sanitizers, from nutritional and personal care ingredients to agricultural products, and from industrial preservatives to microbial control solutions that combat dangerous viruses, bacteria and other pathogens.

Founded in 1897 in the Swiss Alps, Lonza today is a well-respected global company with approximately 40 major manufacturing and R&D facilities and more than 10,000 full-time employees worldwide. The company generated sales of CHF 4.13 billion in 2016 and is organized into two market-focused segments: Pharma&Biotech and Specialty Ingredients. Further information can be found at www.lonza.com.

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