

FOR IMMEDIATE RELEASE

Capsugel Expanding Pharmaceutical Product Development and Manufacturing Capabilities at its Edinburgh Facility

Investment accommodates the company's growing pipeline of pharmaceutical customer projects and brings a broader range of technologies closer to its European customers

Morristown, N.J., and Edinburgh, Scotland, July 23, 2015 – Capsugel, a global leader in delivering high-quality, innovative dosage forms and solutions, today announced a major expansion of its facility in Edinburgh, Scotland, to meet rising customer demand for its specialized pharmaceutical product development and commercial manufacturing services. The company will more than double the size of its Edinburgh facility by adding 40,000 square feet of space. The expansion will enable Capsugel's Dosage Form Solutions business unit to both increase its liquid- and semi-solid-fill hard capsule manufacturing capacity for drug products containing high-potency active pharmaceutical ingredients (HPAPIs) and further diversify its technology platforms offered at the facility. These enhanced capabilities will help Capsugel's pharmaceutical customers bring a greater range of new products to market more quickly.

The Edinburgh facility, which Capsugel acquired as part of its purchase of Encap Drug Delivery in March 2013, is amongst the largest in the world for the manufacture of liquid- and semi-solid-filled hard capsule pharmaceutical products. The first phase of the expansion includes new analytical, formulation and quality laboratories designed to address customers' bioavailability, HPAPI and other formulation challenges. The second phase, which is scheduled to begin later in 2015, will significantly expand commercial manufacturing capacity for the site's existing technologies and bring the company's other formulation and development technologies, including spray dried dispersion (SDD), to this location. Similar to Capsugel's SDD center of excellence at its facility in Bend, Ore., the company's SDD offering in Europe will eventually include development through commercial-scale capabilities.

"Pharmaceutical companies increasingly need partners with specialized expertise in addressing their formulation and manufacturing challenges. Capsugel's breadth of technologies enables us, at the earliest stages of product development, to match the best technology to our customer's specific needs, which can accelerate the timeline from discovery to launch," said Amit Patel, President, Capsugel Dosage Form Solutions. "This investment furthers our strategy of taking the specific science and engineering know-how available at our individual locations and making it more accessible to customers throughout our global network."

Over the past two years, the Edinburgh facility has experienced approximately 40 percent growth in its development services business, while also establishing a strong commercial manufacturing pipeline – including eight late-stage projects currently in process. The Edinburgh facility has a longstanding successful regulatory track record, including successful inspections by both the Medicines and Healthcare Products Regulatory Agency (MHRA) and the U.S. Food and Drug Administration (FDA) in 2014. That same year, the site secured two customer project approvals with the MHRA. Earlier this year, the site collaborated with a customer to file a new drug application (NDA) registration with the FDA, and it is expecting multiple new product filings per year for the foreseeable future.

"Our Edinburgh operations have been a key contributor to the growth of Capsugel's Dosage Form Solutions business, and our increased capacity and technical capabilities will enable us to create additional value for customers," said Stephen Brown, PhD, Managing Director, Encap Drug Delivery. "This expansion will further strengthen our ability to collaborate on the design, development and manufacture of high-quality, specialized dosage forms for lipid/liquid-fill solutions and high-potency products, while also broadening our technology toolkit into other areas."

ABOUT CAPSUGEL

Capsugel is a global leader in delivering high-quality, innovative dosage forms and solutions to its customers in the health care industry. The company's Hard Capsule business offers customers the broadest portfolio of gelatin, vegetarian, and other specialized capsule technologies. Capsugel's Dosage Form Solutions (DFS) business utilizes an array of proprietary technologies and specialized manufacturing capabilities to solve customers' most pressing product-development challenges, including bioavailability enhancement, modified release, abuse deterrence, biotherapeutic processing, and inhalation formulation. The company's fast-to-clinic program streamlines product development from pre-formulation through clinical and commercial supply for finished dosage forms. Headquartered

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