

Capsugel Announces Acquisition of Encap Drug Delivery

Acquisition Expands Capsugel Dosage Form Solutions (DFS) Business Unit's Lipid Expertise and Adds FDA Inspected Commercial Manufacturing Facility

MORRISTOWN, N.J. AND LIVINGSTON, SCOTLAND, March 1, 2013 – Capsugel today announced that it has acquired Encap Drug Delivery. Based in Scotland, Encap's focus on liquid and semi-solid encapsulation-based product development, and clinical and commercial manufacturing for the pharmaceutical industry, complements Capsugel's recently-established Dosage Form Solutions (DFS) business unit which develops and manufactures innovative products for the healthcare industry.

"Encap's capabilities and offerings align seamlessly with our DFS business unit which is focused on lipid-based formulations and targeted release capsules," says Guido Driesen, President & CEO of Capsugel. "This acquisition will accelerate the growth of DFS and further strengthen our leadership position in liquid-filled formulations in hard capsules."

Amit Patel, President of Capsugel DFS, adds, "The combination of DFS and Encap creates greater depth and breadth of our technology platforms, product development capabilities, and manufacturing infrastructure, which will collectively enhance our ability to improve our healthcare customers' products in areas such as bioavailability, stability, dosing and delivery, and overall time-to-market."

Encap operates an FDA and MHRA inspected pharmaceutical product development and manufacturing site, is equipped to handle high potency active ingredients, and has established a clinical fast-track program that can speed the process from lab to clinic. Additionally, Encap's proprietary targeted release technologies (DuoCap™ and ENCODE®) and abuse deterrence technologies (Abusolve®) will add to Capsugel's growing suite of offerings in these areas.

Capsugel DFS's lipid-based technology platform currently includes proprietary Licaps® liquid-filled capsules, softgels, solid-lipid pellets, and a lipid formulation software system aimed at accelerating lipid-based product development for customers. The business unit's emerging targeted release technology platform includes specialized capsules that enable different types and levels of controlled release delivery.

Dr. Stephen Brown, CEO of Encap Drug Delivery, states, "The acquisition by Capsugel will globalize the reach of our products and services. Encap's focus on liquid-filled technologies has allowed us to develop depth in bioavailability enhancement and drug delivery and we are pleased to join Capsugel, the industry leader in hard capsules and lipid-based dosage form development and manufacturing."

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ABOUT CAPSUGEL

Capsugel is a global leader in innovative dosage forms and solutions for the healthcare industry. Offering a comprehensive array of products and services, from hard gelatin, liquid-filled, and vegetarian capsules, to product R&D, proprietary technology platforms, and commercial manufacturing solutions, Capsugel is at the forefront of innovation providing end-to-end support to customers from early formulation to final production. For more information about Capsugel, visit www.capsugel.com.

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