

## PRESS RELEASE

**FOR IMMEDIATE RELEASE****Capsugel to Acquire Xcelience and Powdersize**

- *Xcelience provides the company with specialized clinical trial manufacturing and supply capabilities for a broad range of solid dosage forms*
- *Powdersize brings micronization capabilities that augment Capsugel's formulation design services and premier bioavailability enhancement technology platform*

**Morristown, N.J., Tampa, Fla., and Quakertown, Pa., December 14, 2015** – Capsugel, Xcelience and Powdersize announced today that the three companies have entered into a definitive agreement under which Capsugel will acquire both Xcelience and Powdersize. The transaction, which is subject to regulatory approval, will further enhance Capsugel's position as a leading provider of innovative dosage forms and solutions to healthcare customers around the world.

"The additions of Xcelience and Powdersize accelerate Capsugel's strategy to expand our service offerings through continued investments in new capabilities and technologies," said Guido Driesen, President and CEO of Capsugel. "The expertise and high levels of service that we gain in this transaction will make us an even stronger, more-differentiated partner as we collaborate with pharmaceutical companies to bring better medicines to patients."

Xcelience's and Powdersize's key capabilities augment Capsugel's model of advancing customer products through an integrated approach to the design, development and manufacture of dosage forms. As a result of this transaction, Capsugel will add:

- premier clinical development, manufacturing, packaging, labeling and distribution services;
- specialized commercial manufacturing capabilities and a pipeline of customer product programs that complement Capsugel's existing pipeline of early- and late-stage customer projects in such areas as specialty therapeutics and orphan disease;
- additional infrastructure for the handling of highly potent and controlled substances, complementing Capsugel's existing specialized handling capabilities at its pharmaceutical dosage-form sites in the U.S., France, and the UK;
- micro-dosing capabilities for powder-in-capsule evaluations, as well as micronization capabilities for addressing dissolution or stability challenges, that augment the company's speed-to-clinic solutions; and
- particle-engineering expertise that complements the company's overall formulation capabilities, most notably its wide range of bioavailability enhancement offerings.

"We are ready to take Xcelience to the next level, and Capsugel's global scale, commitment to science and engineering, and technology breadth and depth make it the right partner to get us there," said Derek Hennecke, President and CEO of Xcelience. "Our collective customers will have access to a robust suite of design and development capabilities, as well as best-in-class clinical supply solutions and commercial manufacturing of innovative dosage forms."

"We are thrilled to join forces with Capsugel," says Wayne Sigler, CEO of Powdersize. "Our capabilities in particle-size reduction are a natural fit with Capsugel's bioavailability enhancement suite of technologies and services. Our clients will benefit from the capabilities that the combined entity can now offer."

Upon completion of the transaction, both Xcelience and Powdersize will be integrated with Capsugel's Dosage Form Solutions business unit, which has built a premier offering in bioavailability enhancement, a complete range of modified release solutions and a growing suite of applications in other areas, including bio-therapeutics, inhalation and pediatric formulations.

## PRESS RELEASE

Terms of the transaction were not disclosed. Fairmount Partners advised Xcelience and Powdersize on the transaction.

**ABOUT XCELIENCE**

Xcelience Suite Science - Xcelience offers a suite of services enabling clients to partner with a single CDMO for all of their global clinical outsourcing needs. Services include preformulation, micronization, analytical services, formulation development, cGMP manufacturing, small-scale commercial manufacturing, and global clinical supplies packaging and logistics. Xcelience takes pride in delivering the highest standards in science and service with an emphasis on quality, cost and speed. For more information, visit Xcelience's website at [www.xcelience.com](http://www.xcelience.com).

**ABOUT POWDERSIZE**

Powdersize is a customer service-driven contract manufacturer, providing expertise in particle-size reduction and particle-size control technologies intended for powders used within the pharmaceutical, medical and food marketplaces. With two decades of manufacturing experience, Powdersize can develop a robust process at any scale of development, including R&D, pilot scale or commercial scale. The company combines extensive experience and its unique ability to design custom jet milling systems appropriate for the client's need. The company is one of the leading contract manufacturers offering milling and micronization services in the United States. For more information, visit Powdersize's website at [www.powdersize.com](http://www.powdersize.com).

**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 in Morristown, N.J., Capsugel serves more than 4,000 customers in more than 100 countries. For additional information, visit [www.capsugel.com](http://www.capsugel.com).

###

For media inquiries, please contact:

Frank Briamonte  
[frank.briamonte@capsugel.com](mailto:frank.briamonte@capsugel.com)  
862-242-1652