

FOR IMMEDIATE RELEASE

GSK RE-ENGINEERS R&D IN LAVAL WITH NEW CENTRE OF EXCELLENCE

Laval PQ, February 5, 2015 – In a proposed partnership with Neomed, GSK is re-engineering its research and development facility in Laval to create a unique *Biological Products and Vaccine Centre of Excellence*.

“Patients and healthcare professionals expect pharmaceutical companies to continue finding new and better treatments, while addressing the complexity and exploding costs of discovering new molecules,” said Paul Lirette, President, GSK Canada Pharmaceuticals. “To meet this challenge, we are reconfiguring our vaccines research infrastructure in Laval and worldwide.”

Under plans shared with GSK employees today, GSK is partnering with NEOMED, one of Quebec’s research champions, to assure the ability to continue discovery in Quebec. GSK expects to contribute \$47 million over the next five years to support NEOMED in the creation of the *Biological Products and Vaccine Centre of Excellence*.

It is expected that of GSK Laval’s 122 permanent employees, approximately half will be transferred to the new Centre of Excellence. For those facing job loss, the transition is expected to be complete by late 2015.

“I regret the employee impact this decision is having, but I am very proud that, by partnering with NEOMED, GSK is helping Quebec to maintain and build expertise in pharmaceutical research in vaccines and biologic products.” Lirette said. “All of the affected employees will be treated with respect, dignity and care.”

“We have worked hard in Quebec to put infrastructure in place to seize opportunities stemming from global changes in pharma research models,” said NEOMED President and CEO Max Fehlmann. “GSK is acting responsibly by ensuring the continued presence of crucial research expertise in Quebec, and NEOMED will be able to build on what GSK developed for the last nine years in Laval.”

“We must look externally, as other companies have, to develop collaborative partnerships,” Lirette said. “We cannot expect success from maintaining the model that has been in place for 50 years.”

GSK is expected to support the Centre of Excellence through:

- GSK and NEOMED will each invest \$10 million to fund up to five product research and development (R&D) projects transferred from GSK. This collaboration model enables the discovery of the next generation of advanced medicines for patients and healthcare workers.
- Paying the entire cost for leasing the facility for-five years, representing an investment of \$10 million;
- Buying clinical testing services from the Contract Research Institute (CRO) which will be part of the Centre of Excellence, for at least three years representing an additional investment of \$27 million

The significant changes in Laval are based on a comprehensive evaluation of overall activities. The work began in the summer of 2014 and the Company considered many reasonable alternatives and, for many reasons, concluded that maintaining the status quo in Laval was not possible.

ABOUT GSK

GSK is one of the world's leading research-based pharmaceutical and healthcare companies and is committed to improving the quality of human life by enabling people to do more, feel better and live longer.

ABOUT NEOMED and the NEOMED Institute

NEOMED is a not-for-profit organization whose mission is to foster the development of promising therapeutic approaches emerging from academia and biotechnology companies. Created in 2012, NEOMED supports the development of projects

up to the stage of human proof of concept. NEOMED operates within the NEOMED Institute, a high-tech research and development facility located in the Technoparc Montréal's Saint-Laurent Campus. NEOMED Institute acts as an open-access drug discovery hub, housing commercial companies and offering a unique environment to nurture collaboration, innovation, and creativity. For more information, please visit our website: www.neomed.ca.

NEOMED is jointly funded by the pharmaceutical industry, the *Ministère de l'Économie, de l'Innovation et des Exportations du Québec*, and the Networks of Centres of Excellence (NCE) of Canada.

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