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Genzyme Agrees to Sell Pharmaceuticals Business to International Chemical Investors Group

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Genzyme Corporation (Nasdaq: GENZ) announced today that it has entered into a purchase agreement under which an affiliate of International Chemical Investors Group (ICIG) will acquire Genzyme's pharmaceutical intermediates business.

Under the terms of the agreement, ICIG will purchase substantially all of the pharmaceutical intermediates business, excluding the drug delivery technologies portion of the business. ICIG has agreed to offer employment to the unit's approximately 120 employees upon closing, and plans to maintain operations at its primary location, a manufacturing facility in Liestal, Switzerland. The acquired pharmaceutical intermediates business will be renamed Corden Pharma Switzerland LLC and will operate as part of ICIG's pharmaceutical business within the Corden Pharma platform.

The companies' goal is to close the transaction during the first quarter of 2011. Financial terms are not material to Genzyme and were not disclosed.

As part of the agreement, ICIG will enter into a five-year supply contract to provide Genzyme with materials needed for the production of eliglustat tartrate, an investigational treatment for Gaucher disease Type 1 that is currently in phase 3 clinical trials. ICIG will also supply materials needed for the manufacture of other treatments in earlier stages of development, including neo-GAA, currently in preclinical development as a potential next-generation Pompe disease therapy.

Genzyme Pharmaceuticals develops and manufactures chemically synthesized pharmaceutical materials and technologies for the global pharmaceutical industry and focuses on lipids, peptides, carbohydrates, oligonucleotides and custom small molecules.

International Chemical Investors Group is a privately owned industrial holding company focusing on mid-sized chemicals and pharmaceutical businesses. Since inception in 2004, ICIG has acquired 15 businesses, all of which have origins in major global chemical or pharmaceutical corporations and are independently managed. ICIG companies currently employ more than 3,000 people and operate 15 manufacturing facilities in Europe and the United States. Corden Pharma group companies offer contract development and contract manufacturing for advanced pharmaceutical intermediates, APIs and drug product formulations with more than 1,500 individuals supporting their customers with specialized technologies in all international markets.

Genzyme was advised on this transaction by Young & Partners, a chemicals and life sciences investment banking firm headquartered in New York.

The terms achieved with ICIG meet the three foundational goals Genzyme established for divestitures: (1) to recognize the value of employees with appropriate treatment as part of the transaction, (2) to create a future for the businesses in which customers continue to be served well, and (3) to maximize value for Genzyme shareholders.

This divestiture is part of Genzyme's ongoing effort to sharpen its focus on its key businesses.

About Genzyme

One of the world's leading biotechnology companies, Genzyme is dedicated to making a major positive impact on the lives of people with serious diseases. Since 1981, the company has grown from a small start-up to a diversified enterprise with approximately 10,000 employees in locations spanning the globe.

With many established products and services helping patients in 100 countries, Genzyme is a leader in the effort to develop and apply the most advanced technologies in the life sciences. The company's products and services are focused on rare inherited disorders, kidney disease, orthopaedics, cancer, transplant, and immune disease. Genzyme's commitment to innovation continues today with a substantial development program focused on these fields, as well as cardiovascular disease, neurodegenerative diseases, and other areas of unmet medical need.

Genzyme's press releases and other company information are available at www.genzyme.com and by calling Genzyme's investor information line at 1-800-905-4369 within the United States or 1-678-999-4572 outside the United States.