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**OPENING REMARKS BY MR S ISWARAN, SENIOR MINISTER
OF STATE FOR TRADE & INDUSTRY AND EDUCATION, AT
THE GROUNDBREAKING CEREMONY FOR LONZA
BIOSCIENCE'S CELL THERAPY FACILITY ON TUESDAY, 8
SEPTEMBER 2009, 1445 HRS, AT 35 TUAS SOUTH AVENUE 6
(TUAS BIOMEDICAL PARK)**

Your Excellency Jörg Al. Reding,
Swiss Ambassador to Singapore,

Mr Stefan Borgas, Chief Executive Officer, Lonza,

Distinguished Guests,

Ladies and Gentlemen,

1 Good afternoon. It gives me great pleasure to join you today for the groundbreaking ceremony of Lonza's cell therapy facility.

2 This plant is Lonza's first cell therapy facility in Asia and the first of its kind in Singapore. We are very proud to be part of this project as cell therapy is widely acknowledged as a key growth driver for the global industry.

Cell Therapy – key growth driver for global industry

3 Cell therapy holds much promise as a cure for chronic ailments such as stroke, diabetes, and heart disease. These diseases have hitherto proven to be impermeable to conventional medical approaches, which traditionally use chemical drugs to manage superficial symptoms. Cell therapy reflects a novel shift to using healthy cells that can stimulate the body's natural healing mechanism. This is believed to be able to address the root cause of many diseases that afflict Singaporeans, Asians and populations worldwide.

4 In the past year, cell therapy has gathered momentum with a landmark event – the first FDA-approved large-scale trial of stem cell therapy completed worldwide enrollment in December 2008. This heralds the establishment of ethical, credible procedures to guide companies’ development of cell therapies in addressing unmet healthcare needs. As part of this effort, we are pleased to be working with Lonza – the leading industry contract manufacturer for globally trusted cellular therapeutics.

Singapore has built up key capabilities for cell therapy

5 Indeed, Singapore’s partnership with Lonza in cell therapy is the result of our long-term growth plans and commitment to be prepared in good time for the future. After identifying cell therapy as a key growth driver, Singapore has built up a foundation for cell therapy research and manufacturing.

6 First, we have put in place a strong scientific base in cell therapy research governed by high ethical standards. World renowned stem cell scientist, Alan Colman, has been doing research in Singapore since 2002. He is now an Assistant Director in A*STAR's Institute of Medical Biology (IMB) and Executive Director of the Singapore Stem Cell Consortium (SSCC). At the Biopolis, researchers from IMB, SSCC and other A*STAR research institutes such as the Bioprocessing Technology Institute and the Genome Institute of Singapore, are working closely with the industry and research institutes worldwide to gather new insights into stem cells and their therapeutic applications. Their research is guided by recommendations from Singapore's Bioethics Advisory Committee, which was established in the year 2000 to examine legal, ethical, and social issues arising from biomedical research. The committee regularly consults experts from the UK and North America to align with international best practices.

7 Second, our people have worked hard to achieve excellence in complex biopharmaceutical manufacturing. Today, this sector hires more than 1,000 highly-skilled employees, many of whom apply skills from process manufacturing plants in related sectors such as the electronics and chemicals sectors. Our competent manpower base has helped global pharmaceutical and biotechnology companies achieve world-class standards. Through the hard work of our people, the manufacturing plants have performed exceedingly well during inspections from global regulatory agencies such as the US Food and Drug Administration and the European Medicines Authority. In fact, our plants often pass these inspections with zero major observations, a highly significant achievement by industry standards.

8 Third, Singapore identifies future trends and invests in the training of our people ahead of time to meet companies' demand for skilled workers in these new growth areas. For example, two years before the first biotech plant was announced in Singapore in 2004, EDB sent 200 Singaporeans overseas to train at world-class biotech plants overseas. A core group came back in time to help Lonza start up Singapore's first biologics plant and today, Singapore has four¹ biotech plants on the ground and two² more coming on-stream, with a total investment commitment of US\$2 billion in just four years.

¹ Lonza 1, Lonza 2, Genentech ECP, GSK Biologicals

² Novartis, Baxter

Long-term partnership to seed new growth areas

9 Singapore's efforts in this field could not have yielded promising results, if we did not have a strategic and far-sighted partner in Lonza. In 2006, Lonza announced its joint venture with Bio*One Capital, a subsidiary of EDB Investments, to set up Singapore's first commercial-scale mammalian cell culture plant. Within the same year, they announced a second joint-venture biologics plant with Bio*One Capital. Today, we are celebrating another first with Lonza's cell therapy plant.

10 Your pioneering investments have seeded a high growth biologics manufacturing sector that provides challenging jobs in managing the latest technologies used to make medicines for the world. By the year 2011, biologics investments in Singapore are projected to employ more than 1,000 people.

Conclusion

11 I would like to thank Lonza for your decision to locate your beach-head investments here, and for continuing to invest and hire even through these difficult economic times. This investment underscores the mutual trust that we have formed as business partners. Your expansion will enhance our strong foundation in cell therapy and strengthen our position as a home-base for companies' pioneering investments in Asia.

12 On the occasion of this groundbreaking ceremony, I congratulate Lonza's management and staff on your foray to break new grounds for cell therapy in Asia. I wish you every success and look forward to a long and close partnership between Lonza and Singapore. Thank you.