CLOSER LOOK

MEMORANDUM

Lilly announces plans to invest $6 billion in Alabama manufacturing to support treatments like orforglipron (oral GLP-1 RA) – December 10, 2025

Represents the third of four new facilities included in Lilly's $50 billion US manufacturing site investment announced in February 2025

Lilly announced yesterday plans to invest $6 billion in a new active pharmaceutical ingredient (API) manufacturing facility in Huntsville, Alabama. According to Ms. Kay Ivey, Governor of Alabama, this marks "the largest initial investment" in the state's history. This investment is the third of four new facilities included in Lilly's $50 billion investment in US manufacturing, announced in February 2025. The other sites include Texas (September 2025) and Virginia (September 2025), as well as an expansion of an existing manufacturing site in Puerto Rico (October 2025). We're looking forward to Lilly announcing the final location, presumably by the end of this month.

The site in Alabama will focus on producing small molecule synthetic and peptide medicines, including Lilly's oral GLP-1 RA, orforglipron, for which a global regulatory submission for obesity is expected by the end of this year. Construction is expected to begin in 2026, with completion targeted for 2032, bringing 450 critical roles and 3,000 construction jobs, over the next eight years.

Table of Contents

Production to include orforglipron, which demonstrates up to 11% weight loss and 1.8% A1c reduction in people with obesity and T2D

The Alabama facility is among the many manufacturing sites that will support the production of orforglipron. In comparison to other oral GLP-1 RAs, like Novo Nordisk's Rybelsus (oral semaglutide), orforglipron offers a differentiated profile without food or water restrictions. The medicine does not require refrigeration and has acceptable tolerability.

At ObesityWeek® 2025, full results of the phase 3 ATTAIN-2 trial (n=1,613) of orforglipron in adults with both overweight or obesity and T2D showed promising efficacy. Orforglipron 6 mg, 12 mg, and 36 mg resulted in 5%, 8%, and 11% weight loss, respectively, compared to placebo, which resulted in 2% body weight loss. In addition, A1c reductions for 6 mg, 12 mg, and 36 mg were 1.3%, 1.6%, and 1.8%, respectively (from a baseline mean of 8.1%). Notably, nearly 30% of participants on orforglipron 36 mg achieved A1c <5.7%. The ATTAIN program also includes:

- **ATTAIN-1 (n=3,127)** assessed orforglipron on weight management in adults with obesity or overweight with related conditions but not T2D. In 2Q25, orforglipron achieved up to 12% weight loss in people with obesity, with ~60% achieving ≥10% weight reduction and 40% achieving ≥15%. Full results were presented at EASD 2025.
- **ATTAIN-MAINTAIN (n=300)** is an extension of the SURMOUNT-5 trial. The goal is to test orforglipron as

a potential maintenance therapy for patients who have lost weight on injectable incretin therapies like Zepbound (tirzepatide). The trial is expected to complete in January 2026.

- **ATTAIN-OSA (n=600)** is evaluating orforglipron in people with moderate-to-severe sleep apnea and obesity or overweight. The trial is expected to complete in January 2027.
- **ATTAIN-HYPERTENSION (n=487)** is evaluating orforglipron for managing high blood pressure in adults with overweight or obesity. The trial is expected to complete in September 2027.

Orforglipron has also conferred positive results across the phase 3 ACHIEVE program in 3Q25, including the ACHIEVE-2, ACHIEVE-3, and ACHIEVE-5 trials. Additionally, full results of the ACHIEVE-1 trial were presented at ADA 2025 and simultaneously published in *NEJM*.

- **ACHIEVE-1 (n=559)** compared orforglipron to AstraZeneca's SGLT-2 inhibitor (dapagliflozin) in adults with T2D with inadequate glycemic management using metformin. In the trial, orforglipron demonstrated an A1c reduction of 1.3%-1.6% from a baseline of 8.0%, for the efficacy estimand.
- **ACHIEVE-2 (n=962)** compared once-daily orforglipron (3 mg, 12 mg, and 36 mg) to a maximum dose of dapagliflozin (10 mg) in adults with inadequately managed T2D on metformin. Orforglipron achieved the primary endpoint, demonstrating a superior A1c reduction from 1.3% to 1.7% across doses, compared to 0.8% with dapagliflozin (from a baseline A1c of 8.1%).
- **ACHIEVE-3 (n=1,698)** compared orforglipron (12 mg and 36 mg) to oral semaglutide (7 mg and 14 mg) on glycemic reduction and weight loss. Orforglipron demonstrated a 74% relative improvement in weight loss for patients taking orforglipron (9.2%) compared to oral semaglutide (5.3%) from a baseline A1c of 8.3%.
- **ACHIEVE-5(n=751)** was a phase 3 add-on trial for adults with inadequately managed T2D on titrated insulin glargine, with or without metformin and/or SGLT-2 inhibitors. Orforglipron was tested at the three doses (3 mg, 12 mg, and 36 mg) against placebo. Orforglipron achieved A1c reduction from 1.5% to 1.9% across doses, compared to 0.8% on placebo (from a baseline A1c of 8.5%).

The ACHIEVE-4 trial (n=2,749) is the last remaining trial in the ACHIEVE program awaiting results. Upcoming results are expected to lead to a regulatory submission of orforglipron for T2D by 1H26.

Huntsville, AL site marks the third of four new sites as part of Lilly's $50 billion investment in US manufacturing

According to Lilly, Huntsville, Alabama was specifically selected for its bioscience ecosystem and workforce potential, and the company plans to integrate advanced digital automation, AI, and sustainable manufacturing practices to achieve carbon neutrality. The company estimates each dollar invested will generate up to four dollars in local economic activity, further boosting Alabama's bioscience sector.

The Huntsville site represents the third of four new sites that Lilly has announced this year, part of the company's $50 billion investment in US manufacturing announced in February 2025. The other sites include a $6.5 billion investment in Houston, Texas, and a $5 billion investment in Goochland County, Virginia, both of which were announced in September 2025. The site in Texas will focus on manufacturing orforglipron, along with other small molecule therapeutics, while the Virginia site will manufacture cancer treatments, notably antibody-drug conjugates, and is being investigated for the treatment of autoimmune diseases. Lilly also announced a $1.2 billion investment in Puerto Rico in October 2025 to support the production of orforglipron, alongside other therapies in neuroscience, oncology, immunology, and cardiometabolic health. Nevertheless, the destination of Lilly's remaining $30 million remains undisclosed.

Table 1: Select recent expansions of Lilly's manufacturing sites (2019-2025)

Date	Details
November 2025	In November 2025, Lilly announced a $3 billion investment in a new manufacturing facility in Katwijk, the Netherlands. The new site will expand the company's capacity to produce oral therapies, including its first small molecule oral GLP-1 RA, orforglipron.

September 2025	In September 2025, Lilly announced a $6.5 billion investment in a new active pharmaceutical product (API) manufacturing facility in Houston, Texas. The facility will support production for the company's pipeline of small-molecule therapeutics, including orforglipron, the first once-daily oral GLP-1 RA.
September 2025	In September 2025, Lilly announced a $5 billion investment in a new manufacturing facility in Goochland County, Virginia, representing the first US site that integrates APIs and drug production. The facility will support its antibody-drug conjugate platform and monoclonal antibody portfolio for cancer and autoimmune diseases.
December 2024	In December 2024, Lilly announced a $3 billion expansion of a manufacturing facility in Kenosha County, Wisconsin, acquired in April 2024. This brings Lilly's total investment in Wisconsin alone to $4 billion, a largest manufacturing investment to date to expand outside of Indiana, where the company is headquartered. The three-story, 84,000 square foot, facility will focus on manufacturing injectable medicines, assembling devices, and packaging medicines across multiple therapeutic areas.
October 2024	In October 2024, the UK government announced that Lilly will invest £279 million ($364 million) in the country's life sciences sector to promote innovations and "tackle significant health challenges." Lilly will launch its first European Lilly Gateway Lab in the UK to support early-stage biotech companies via lab spaces, mentorship, and potential financial support. This partnership aims to accelerate therapeutic innovations for obesity, which costs the NHS over £11 billion ($14 billion) annually.
October 2024	In October 2024, Lilly announced that it has invested $4.5 billion to establish the Lilly Medicine Foundry in Lebanon, Indiana, to expand capacity for drug manufacturing and development. Located in Indiana's LEAP Research and Innovation District, this new facility will help Lilly combine both research and manufacturing, helping scale up treatment production for clinical trials.
September 2024	In September 2024, Lilly announced a $1 billion investment to expand its manufacturing site in Limerick, Ireland, and an $800 million investment in its new facility expansion in Kinsale, Ireland. This announcement contributes to Lilly's total investment of $20 billion in manufacturing facilities in the US and Europe since 2020.The investment in Limerick follows an initial plan from January 2022. This facility will support the production of biologically active ingredients, including Lilly's newly approved Alzheimer's drug, starting in 2026 – it remains unclear if the site will produce treatments for obesity or diabetes.
June 2024	In June 2024, Lilly announced that it has invested an additional $5 billion - plus in its manufacturing site in Lebanon, Indiana, more than doubling its total investment in Indiana from $3.7 billion announced in April 2023 to $9 billion. This expansion is expected to enable a massive increase in the production of active pharmaceutical ingredients (API) for Zepbound (tirzepatide for obesity) and Mounjaro (tirzepatide for T2D). As we understand it, this is the largest manufacturing investment in Lilly's history and in API manufacturing. This increased investment will further expand Lilly's manufacturing network amidst global shortages of the company's GLP-1 RA medications expected through 2Q24.
May 2024	In May 2024, Lilly announced that it has invested an additional $5 billion - plus in its manufacturing site in Lebanon, Indiana, more than doubling its total investment in Indiana from $3.7 billion announced in April 2023 to $9 billion. This expansion is expected to enable a massive increase in the production of active pharmaceutical ingredients (API) for Zepbound (tirzepatide for obesity) and Mounjaro (tirzepatide for T2D). As we understand it, this is the largest manufacturing investment in Lilly's history and in API manufacturing.
April 2024	In April 2024, Lilly announced the acquisition of an FDA-approved facility in Pleasant Prairie, Wisconsin from Nexus Pharmaceuticals, a sterile manufacturer. According to Nexus' website, the facility is three stories, 84,000 square feet, and is equipped with high-tech analytical, environmental, and microbial testing for establishing generic pharmaceutical manufacturing in the US. This acquisition will further expand Lilly's global injectable product manufacturing network amidst global shortages of the company's medications through 2Q24. Lilly expects production at this facility to begin at the end of 2025.
April 2023	In April 2023, Lilly announced that it will increase its investment in manufacturing sites at the LEAP Innovation Park in Boone County, Indiana, committing an additional $1.6 billion, bringing the total commitment at the site up to $3.7 billion and $6.4 billion to US-based sites in the last three years. Lilly also announced a sizeable pledge – $15 million over five years – to the Ivy Tech Foundation that will

	fund up to 1,000 scholarships at Ivy Tech Community College in Indianapolis, Indiana. The investments speak to Lilly's commitment to the surrounding Indiana community and will help bolster long term growth, both in terms of increased manufacturing for Lilly's rapidly expanding portfolio and creating a more diverse future workforce.
January 2020	In January 2020, Lilly announced plans to invest $470 million in a new Durham, North Carolina manufacturing plant for injectable products and delivery devices. In partnership with NC state government and under the Job Development Investment Grant (JDIG), the facility will create ~460 highly-skilled positions. Roles include scientists, engineers, quality professionals, and manufacturing operations.
November 2019	In November 2019, Lilly announced plans to invest $400 million into its manufacturing facilities at the Lilly Technology Center campus in Indianapolis, IN. The additional capital is intended to increase existing insulin production capacity, as well as provide funding for future medicines in Lilly's pipeline. Approximately 100 new, highly-skilled jobs will also be created, mainly technicians, scientists, and engineers, according to Lilly's press release. In particular, upgrades to the active ingredient, syringe filling, and device assembly and packaging technology were identified.

Close Concerns' Questions

1. Why is the Huntsville facility's construction timeline extending until 2032, and how does this compare to the timeline of the other two announced sites, which do not have estimated completion dates?
2. Given Lilly's emphasis on embedding advanced digital automation, AI, and carbon-neutral practices, how will the Huntsville site serve as a model for future pharmaceutical manufacturing? What measurable sustainability benchmarks has Lilly set?
3. With orforglipron expected for global regulatory submission by the end of 2025, how will Lilly align manufacturing preparation with the regulatory timeline?

--by Kayla Mathieu, Esther Min, Monica Oxenreiter, and Kelly Close