

PRESS RELEASE

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GlaxoSmithKline to Transfer Oral Care Product Manufacturing to Oak Hill Old Stiefel Site to Remain Open as Centre of Excellence Saving 211 jobs

Oak Hill, Greene County NY - GlaxoSmithKline & the Greene County Industrial Development Agency jointly announced this afternoon a plan to transfer oral care product manufacturing to its Oak Hill, New York facility. The location was previously owned and operated for many years by Stiefel Laboratories and was purchased by GSK in August of 2009.

“This announcement is the accumulation of a total team effort at all levels of government coordinated by the Greene IDA,” explained Greene IDA Chairman Paul Slutzky. “We worked closely with our partners and Walt Palmer, the Senior Director for Supply Chain Operations for Stiefel, A GSK Company, to make the Oak Hill location globally competitive giving us this opportunity to save these local jobs.”

The gradual closing of the Stiefel site was announced on Veteran’s Day this past year with final production anticipated in 2012. This closure plan included the transfer of all current manufacturing of the Oak Hill site’s dermatology products to another GSK site in Mississauga, Canada. This decision presented an opportunity to utilize the existing Oak Hill facility to establish a Centre of Excellence for the supply and manufacture of GSK’s oral care products. This shift in manufacturing strategy now keeps the facility open and presents future growth possibilities. The current job level of approximately 260 and anticipated total elimination of the workforce will now be at 211 once the new manufacturing is in place and until other potential expansion concepts are successful.

Plans to transfer the manufacture of dermatology products out of Oak Hill will continue and be complete by the end of 2011. It is anticipated that the transfer of oral care products from GSK’s Clifton, N.J. plant to Oak Hill will be complete by the end of 2012.

As a result of an outstanding local workforce, state of the art manufacturing facilities, energy efficiency assistance and several targeted financial and regulatory partnerships with various agencies including Empire State Development, Division of Housing and Community Renewal, NYSERDA, DEC and the Greene IDA, the overall competitiveness of the Oak Hill site was achieved. Ultimately this made the site attractive for GSK to decide that the transfer of its current oral care manufacturing, currently being done in Clifton; to Oak Hill was a good business decision.

“I’m pleased GlaxoSmithKline will be transferring operations and keeping its doors open here in New York State. This is a huge win for the Capital Region,” said Empire State Development Chairman and CEO designate Dennis M. Mullen. “Under the leadership of Governor Paterson, Empire State Development was able to partner with several agencies and local organizations to ensure the viability of Greene County’s largest manufacturer and private sector employer. The company’s long-term commitment to the area will not only save critical jobs in the region, but will also provide an

opportunity for future growth at the Oak Hill site in Greene County. As we work towards rebuilding New York, this is exactly the type of investment that will help sustain our local economy and get us on the road to fiscal recovery.”

The NYS Division of Housing and Community Renewal Acting Commissioner Brian Lawlor said, “DHCR is proud to join our partners at the Greene County IDA, the Town of Durham and Empire State Development Corporation in supporting the effort to retain GSK/Stiefel Laboratories and their manufacturing jobs here in New York State. These investments will allow GSK/Stiefel to maintain its place as the largest private sector employer in Greene County and will continue to create local economic opportunities for the working families of this important community.”

GSK/Stiefel’s decision to remain in New York is welcome news for Greene County and the entire region,” said Francis J. Murray, President and CEO of NYSERDA. “Along with our partners in the state and local government, we look forward to working closely with company officials to do everything we can to ensure that it has a long and prosperous future in New York State.”

State Environmental Conservation Commissioner Pete Grannis said, “My department is committed to working with local and company officials to help the manufacturing transition and ensure the optimum operation of critical wastewater facilities. We are happy to be part of the team that proactively came to the table to save these local jobs.”

Wayne Speenburgh, Chairman of the Greene County Legislature added, “Through the hard work of many and the aggressive response of our Greene IDA, the end result of this announced deal is the preservation of 211 jobs in Greene County and the investment of approximately \$56 million into the site by GSK. I and the other members of the Greene County Legislature are thrilled and look forward to a long and prosperous future with our new partners.”

“I congratulate GSK for this important decision that will impact many lives in my local community and thank all those that worked so diligently to enhance Oak Hill as a competitive place for manufacturing, please count on the Town of Durham as one of your many dedicated partners,” emphasized local Greene County Legislator Sean Frey.

Greene County IDA Executive Director Sandy Mathes concluded, “I must single out those that aggressively came to the table in our time of need to focus on making this site in Oak Hill competitive in the global marketplace. This was our single goal for it was the only way to have a constructive discussion with our partners at GSK regarding keeping this essential manufacturing facility operational thus employing local families. Special thanks to Walt Palmer of GSK/Stiefel, Regional Director Peter Wohl of Empire State Development, Deputy Commissioner Joseph Rabito from DHCR, DEC Commissioner Alexander Grannis and Region 4 Director Gene Kelly, Director of External Affairs Tom Lynch of NYSERDA, Deputy Commissioner of Workforce Development Bruce Herman from DOL and the Greene County IDA Board of Directors and for keeping the faith as we all pursued this perceived impossible outcome. The people of Greene County thank you all.”

Attachment: Deal Fact Summary Sheet