

FOREST LABORATORIES TO ACQUIRE ANTIBIOTIC FIRM CEREXA FOR \$480 MILLION

Cerexa

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December 15, 2006 (FinancialWire) Forest Laboratories Inc. (NYSE: FRX) will pay about \$480 million to acquire privately held Cerexa Inc. to gain rights to several antibiotics, including one nearing late-stage development. Forest will obtain rights to two injectable antibiotics and an option to an early-stage injectable antibiotic. The lead product being acquired is a hospital-based drug, ceftaroline acetate.

Forest Labs expects to incur a one-time after-tax charge of about 96 cents per share upon closing of the deal, which it sees in its fiscal fourth quarter that ends in March. Excluding the charge, Forest reaffirmed its fiscal 2007 forecast of \$2.60 per share to \$2.65 per share.

The company has also agreed to make a future one-time payment of \$100 million if U.S product sales of ceftaroline during any twelve-month period within the first five years following the product launch exceed \$500 million.

Shares of Forest Labs sank 20 cents to close at \$51.10. For up-to-the-minute news, features and links click on <http://www.FinancialWire.net> FinancialWire is an independent, proprietary news service of Investrend Information, a division of Investrend Communications, Inc. It is not a press release service and receives no compensation from any company for its news or opinions. Other divisions of Investrend, however, provide shareholder empowerment platforms such as forums, independent research and webcasting. For more information or to receive the FirstAlert daily summary of news, commentary, research reports, webcasts, events and conference calls, click on <http://www.investrend.com/contact.asp> For a free annual report on a company mentioned in the news, please click on <http://investrend.ar.wilink.com/?level=279> To become an investor monitor of independent research for a company in which you are invested, go to the not-for-profit Shareholders Research Alliance, Inc. website by clicking on <http://www.shareholdersresearch.com/> The FinancialWire NewsFeed is now available in multiple formats to your site or desktop, free. Click on: <http://www.investrend.com/XMLFeeds?level=268> <http://www.financialwire.net>