



NEWS RELEASE

Watson's GELNIQUE™ (oxybutynin chloride) Gel 10% Approved by FDA for the Treatment of Overactive Bladder

First and Only Topical Gel Provides Ease, Efficacy and Excellent Tolerability

Corona, CA, January 27, 2009 – Watson Pharmaceuticals, Inc. (NYSE: WPI), a leader in generic and specialty branded pharmaceuticals, announced today that the U.S. Food and Drug Administration (FDA) has approved GELNIQUE™ (oxybutynin chloride) Gel 10%, the first and only topical gel for the treatment of overactive bladder (OAB) with symptoms of urge urinary incontinence, urgency, and frequency. The U.S. OAB market currently exceeds \$1.8 billion annually and continues to grow each year.

GELNIQUE will provide OAB patients with an effective and novel alternative to currently available oral treatment options. Because the active ingredient in GELNIQUE is delivered transdermally, it is not metabolized by the liver in the same way as orally administered oxybutynin. This results in a low level of side effects, such as dry mouth and constipation. GELNIQUE will be actively marketed to physicians, and Watson anticipates that the product will be made available to patients in the second quarter of this year.

“Based on the results of a clinical trial, which showed strong efficacy and excellent tolerability, and considering its unique delivery system, we expect that GELNIQUE will be used as a first-line therapy for the treatment of OAB,” said Paul Bisaro, Chief Executive Officer of Watson. He added, “With this approval, which comes on the heels of the FDA approval of RAPAFLO™ (silodosin), a treatment for the signs and symptoms of benign prostatic hyperplasia (BPH), and the acceptance of the NDA for Watson’s six-month formulation of TRELSTAR® for the palliative treatment of advanced prostate cancer, Watson is clearly establishing itself as a major force in Urology.”

About GELNIQUE

GELNIQUE is a quick-drying, clear and colorless, fragrance-free hydroalcoholic gel containing oxybutynin chloride, an antispasmodic agent. Applied once daily to the thigh, abdomen, upper arm or shoulder, a one-gram (approx. 1 mL) dose of 100mg/g GELNIQUE delivers a consistent dose of oxybutynin through the skin over a 24-hour period, providing strong efficacy without sacrificing tolerability.

The approval of GELNIQUE is based on a Phase 3 randomized, double-blind, placebo-controlled, parallel group trial that evaluated a total of 789 patients with signs and symptoms of OAB. Over the 12-week trial, a one-gram, once-daily dose of GELNIQUE was superior to placebo at relieving OAB symptoms, including a reduction in incontinence episodes and urinary frequency, and an increase in urine void volume. The treatment was well tolerated in the study with a low incidence of adverse events and no treatment-related serious adverse events. The most frequently reported treatment-related adverse events (>2% and greater than placebo) were dry mouth (6.9%) and application-site reactions (5.4%).

Additional pharmacology studies showed that showering one hour or later, or the application of sunscreen 30 minutes before or after GELNIQUE application did not significantly alter the absorption of the drug.

For full prescribing information, please visit www.gelnique.com.

About OAB

OAB is characterized by a sudden, uncomfortable need to urinate with or without urge incontinence (urine leakage), and usually includes more frequent urination and nocturia (waking up at least once during the night to urinate). It affects as many as 33 million adults in the U.S. – more than diabetes or asthma.

More than an “inconvenience,” OAB is disabling and associated with a marked decrease in health-related quality of life as well as higher rates of depression. The disease affects both men and women however, women experience more severe symptoms earlier in life.

About Watson Pharmaceuticals, Inc.

Watson Pharmaceuticals, Inc. is a global leader in the development and distribution of pharmaceuticals with a broad portfolio of generic products and a specialized portfolio of branded pharmaceuticals focused on Urology, Gynecology and Nephrology (Medical).

In the U.S., the Watson portfolio includes RAPAFLO™, Oxytrol®; Ferrlecit®, INFeD®, TRELSTAR® LA; and TRELSTAR® Depot. In addition, Watson markets the following brands under co-promotion agreements: AndroGel®, with Solvay Pharmaceuticals, Inc.; Proquin® XR, with Depomed, Inc.; Tri-Luma® Cream, with Galderma Laboratories; and Femring®, with Warner Chilcott Limited. The Watson pipeline portfolio includes a number of products, including a six-month formulation of TRELSTAR®, for the treatment of advanced prostate cancer which is currently under review by the FDA; URACYST®, under development for cystitis; and a novel new oral contraceptive.

For press releases and other company information, visit the Watson website at <http://www.watson.com>.

Forward-Looking Statement

Any statements contained in this press release that refer to future events or other non-historical facts are forward-looking statements that reflect Watson's current perspective of existing trends and information as of the date of this release. Except as expressly required by law, Watson disclaims any intent or obligation to update these forward-looking statements. Actual results may differ materially from Watson's current expectations depending upon a number of factors affecting Watson's business. These factors include, among others, the impact of competitive products and pricing; market acceptance of and continued demand for Watson's products, including GELNIQUE; difficulties or delays in manufacturing; the difficulty of predicting the timing or outcome of FDA or other regulatory agency approvals or actions, if any; patents and other intellectual property rights held by the Company and the ability to successfully enforce such rights against third parties; and other risks and uncertainties detailed in Watson's periodic public filings with the Securities and Exchange Commission, including but not limited to Watson's Annual Report on Form 10-K for the year ended December 31, 2007.

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