



NEWS RELEASE

New, Published GELNIQUE Data Show Efficacy, Convenience and Excellent Tolerability

-- First and only topical gel for OAB expected to launch in May --

Corona, CA, March 16, 2009 – New Phase 3 data, published in the April issue of *The Journal of Urology*, show that GELNIQUE™ (oxybutynin chloride) Gel 10%, the first and only topical gel approved for the treatment of overactive bladder (OAB), is effective at improving the symptoms of urge urinary incontinence, urgency and frequency, and is extremely well tolerated in adults.

GELNIQUE is a quick drying, clear and colorless, fragrance-free gel containing oxybutynin hydrochloride developed and marketed by Watson (NYSE: WPI), a leader in generic and specialty branded pharmaceuticals. 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 unique dosing results in a low level of side effects, such as dry mouth and constipation.

"The study data reveal that this innovative gel formulation provides the highly desired combination of efficacy and tolerability when utilized to treat symptoms of overactive bladder," said David R. Staskin, MD, associate professor of urology at Tufts University School of Medicine and Caritas - St. Elizabeth's Medical Center and lead author of the study. "GELNIQUE has the potential to be a very important option for the treatment of patients who suffer from problems with bladder control."

Clinical Data

The double-blind, placebo-controlled study included 789 men and women with urge-predominant urinary incontinence (UI) from 76 clinics across the U.S. Patients reported a mean

5.4 daily UI episodes and a mean daily urinary frequency of 12.2–12.4. The majority of participants were women (89.2 percent).

Patients were randomized to receive either 1 gram of GELNIQUE (n=389) or a matching placebo gel (n=400) once daily for 12 weeks. GELNIQUE delivers a consistent dose of oxybutynin through the skin over a 24-hour period. A 1- gram (approx. 1 mL) daily dose delivers about 4 mg oxybutynin each day. Patients applied GELNIQUE each day to rotating sites on the abdomen, upper arm or shoulder and thigh.

By week 12, the mean number of episodes of urinary incontinence, the study's primary endpoint, decreased significantly ($p < 0.0001$) more in patients treated with GELNIQUE (–3.0/day) than in those given placebo (–2.5/day). Treatment with the oxybutynin topical gel also produced a significantly greater ($p = 0.0017$) decrease in mean urinary frequency as well as a significantly greater ($p = 0.0018$) increase in voided volume (–2.7/day and 21.0 ml, respectively) versus placebo (–2.0/day and 3.8 ml).

Treatment with GELNIQUE was well tolerated with no serious treatment-related adverse events. Overall, nearly 89 percent of patients in both treatment groups completed the double-blind treatment; discontinuation due to drug-related adverse events was uncommon at 1.8 percent in both active treatment and placebo groups. Dry mouth was the most common side effect with GELNIQUE, occurring in about 7 percent of participants, versus about 3 percent in the placebo group.

Few patients in either group experienced application-site skin reactions (5.4 percent with GELNIQUE and 1.0 percent with placebo). Only 3 of 389 patients (0.8 percent) treated with GELNIQUE and 1 of 400 (0.3 percent) given placebo discontinued treatment due to skin reactions. There was no severe erythema observed in the trial.

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 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 GELNIQUE™, 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.; 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, 2008.

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