



Mylan Laboratories Announces Pricing of Senior Convertible Notes and Common Stock

PITTSBURGH, March 2, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Mylan Laboratories Inc. (NYSE: MYL) announced today the pricing of its concurrent public offerings for a total gross proceeds of \$993.6 million (or \$1.1 billion assuming the full exercise of underwriters' over-allotments). The offerings consist of \$550 million aggregate principal amount of senior convertible notes due 2012 and 22.75 million shares of common stock. Mylan has granted the underwriters an option to purchase up to an additional \$50 million aggregate principal amount of notes and up to an additional 3,412,500 shares of common stock, in each case, to cover over-allotments. The shareholders initially anticipated to sell shares of Mylan common stock in the offering have elected not to participate at this time.

The notes are being offered to the public at par and will accrue interest at 1.25% per annum, payable semi-annually in arrears. The notes will be convertible by holders at an initial conversion rate of 44.5931 shares of common stock per \$1,000 principal amount of notes (subject to adjustment in certain circumstances), which represents an initial conversion price of approximately \$22.43 per share. The shares of common stock were priced at \$19.50 per share.

These offerings are being conducted as separate public offerings by means of separate prospectus supplements and are not contingent on each other. Mylan expects to close the transactions on March 7, 2007.

Mylan intends to use the net proceeds of the offerings for general corporate purposes, including the expansion of its global operations. Mylan is continually evaluating, and may pursue, various acquisitions, licensing and other strategic opportunities, including those that may be material to its results of operations and financial position. To reduce potential dilution from the conversion of the notes, Mylan also intends to use a portion of the net proceeds of the offerings, including the over-allotments if exercised, to enter into convertible note hedge and warrant transactions with counterparties which will be affiliates of the underwriters. As part of their hedging activity, these counterparties or their respective affiliates expect to enter into various derivative transactions with respect to Mylan's common stock concurrently with, or shortly after, the pricing of the notes, and expect to enter into and unwind derivative transactions and purchase and sell shares of Mylan's common stock after this period.

The joint book-running managers for the convertible notes and common stock offerings are Merrill Lynch & Co. and J.P. Morgan Securities Inc. Co-managers for the common stock offering include Citigroup, ABN AMRO Rothschild LLC, BNY Capital Markets, Inc., HSBC, Mitsubishi UFJ Securities, NatCity Investments, Inc., PNC Capital Markets LLC, and SunTrust Robinson Humphrey. Co-managers for the notes offering include Citigroup, ABN AMRO Rothschild LLC, BNY Capital Markets, Inc., HSBC, Mitsubishi UFJ Securities, NatCity Investments, Inc., PNC Capital Markets LLC, RBS Greenwich Capital, and SunTrust Robinson Humphrey.

Copies of the preliminary prospectus related to the offerings may be obtained from Merrill Lynch & Co., 4 World Financial Center, New York, NY 10080, Attention: Prospectus Department or from J.P. Morgan, 4 Chase Metrotech Center, CS Level, Brooklyn, NY 11245, Attention: Prospectus Department.

A shelf registration statement related to the securities being offered has been filed with the Securities and Exchange Commission and has become effective. This press release does not and shall not constitute an offer to sell or a solicitation of an offer to buy any of the securities, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

Mylan Laboratories Inc. is a leading pharmaceutical company with three principal subsidiaries, Mylan Pharmaceuticals Inc., Mylan Technologies Inc. and UDL Laboratories Inc., and a controlling interest in Matrix Laboratories Limited, India. Mylan develops, licenses, manufactures, markets and distributes an extensive line of generic and proprietary products.

This press release contains statements that constitute "forward-looking statements", including with regard to the Company's planned securities offerings and the anticipated use of the net proceeds. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Because such statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: the prevailing conditions in the public capital markets; unanticipated events or changes necessitating a decision to use the net proceeds other than as currently planned; significant fluctuations in interest rates or inflation; economic recession; economic, political and market factors affecting trading volumes, securities prices or demand for the Company's stock; and the other risks detailed in the Company's Registration Statement on Form S-3 and in periodic filings filed by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

SOURCE Mylan Laboratories Inc.

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