Mylan Agrees to Sell Sertaconazole Licensing Rights to Ortho Neutrogena for $14 Million

PITTSBURGH--(BUSINESS WIRE)--Oct. 28, 2003--Mylan Laboratories Inc. (NYSE: MYL) today announced it has signed an agreement for the sale of the U.S. and Canadian rights for Sertaconazole Nitrate 2% Cream (Sertaconazole) to the Ortho Neutrogena Division of Ortho-McNeil Pharmaceutical Inc. (Ortho Neutrogena) for $2 million and a future milestone payment of $12 million. With this new agreement, Mylan is terminating the licensing rights it held to Sertaconazole from Ferrer Internacional S.A.

Mylan received $2 million upon signing the new agreement and will work in tandem with Ortho Neutrogena towards gaining final U.S. Food and Drug Administration (FDA) approval for the product, which was granted approvable status by the FDA in July 2002. Upon final FDA approval, Mylan will receive an additional $12 million, at which time the product would be marketed by Ortho Neutrogena.

"The sale of Sertaconazole to Ortho Neutrogena is another step taken by Mylan to rationalize and position our branded portfolio for the future," stated Robert J. Coury Vice Chairman and CEO. "Going forward, Mylan plans to focus its antifungal marketing efforts on Mentax, which is already well positioned in the Company's product portfolio."

Sertaconazole is an imidazole derivative antifungal that will be indicated for the treatment of Tinea Pedis.

Mylan Laboratories Inc. is a leading pharmaceutical company with four subsidiaries, Mylan Pharmaceuticals Inc., Mylan Technologies Inc., UDL Laboratories Inc. and Bertek Pharmaceuticals Inc. that develop, manufacture and market an extensive line of generic and proprietary products.

For more information about Mylan, visit www.mylan.com.

This press release includes statements that constitute "forward-looking statements," including with regard to the FDA approval of Sertaconazole and the payment to the Company contingent on such approval, and with regard to the Company's branded portfolio including the positioning of Mentax. 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 inability of the Company and Ortho Neutrogena to obtain FDA approval for Sertaconazole; uncertainties regarding market acceptance of, demand for and competition with regard to products in the Company's portfolio, including Mentax; potential product introduction delays, including as a result of the use of legal, regulatory and legislative strategies by the Company's competitors; the Company's exposure to lawsuits and contingencies associated with its business as well as risks inherent in joint ventures and licensing transactions; and the other risks detailed in the Company's periodic filings 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.

CONTACT: For: Mylan Laboratories Inc., Canonsburg, Pa.
Kris King, 724/514-1800

SOURCE: Mylan Laboratories Inc.