

Wockhardt acquires Morton Grove in the US

Boost To US Revenue Through Expanded Product Portfolio

Mumbai, October 24, 2007

Pharmaceutical and Biotechnology major Wockhardt Limited today announced the acquisition of Morton Grove Pharmaceuticals Inc., a leading liquid generic and speciality dermatology company in the US having a sales revenue of US\$ 52 million.

“Morton Grove is strategic to Wockhardt. It provides entry into the US generic market with a portfolio of 31 products, 13 of which occupy the No. 1 market position. All others are in the Top 3. This represents a clear demonstrable strength in sales and marketing,” said Wockhardt Chairman Habil Khorakiwala. “Wockhardt now has a strong position in the liquid market in USA and UK,” added Wockhardt Chairman.

Morton Grove is a leading liquid generic and speciality dermatology company in the US with revenues of \$ 52 million. Approximately one third of its revenues come from the branded Lindane range of dermatological products.

This acquisition will boost Wockhardt’s US revenue by providing a complete range of dosage forms right from tablets, capsules, liquids to injectibles. Overall the product range would swell to around 54 products for the US market, of which 23 products are currently being marketed by Wockhardt USA Inc.

Morton Grove Pharmaceuticals is Wockhardt’s third international acquisition in the space of last 12 months, having acquired in October 2006 - Pinewood, the largest generic company in Ireland and the largest supplier of liquid generic products in the UK and in May 2007 - Negma, the fourth largest independent pharmaceutical company in France. These acquisitions in Europe propelled Wockhardt into becoming the largest Indian pharmaceutical company in Europe.

Wockhardt has consistently demonstrated value-creation in all its acquisitions. To fast track the same, Wockhardt has recently appointed an external consultant to integrate its various European acquisitions and drive a pan-European strategy.

Shearman & Sterling, LLP acted as Wockhardt's external legal counsel; ABN AMRO Incorporated represented Morton Grove Pharmaceuticals in the transaction and Kirkland & Ellis LLP acted as Morton Grove's legal counsel.

Wockhardt Limited is a global pharmaceutical and biotechnology major with an innovative research and development programme. Wockhardt has global footprints including UK, France, Germany, Ireland and USA. Wockhardt employs 5500 people worldwide belonging to 14 different nationalities.