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NOVEXEL AND FOREST LABORATORIES ANNOUNCE LICENSE AGREEMENT FOR NXL104, A NOVEL BROAD-SPECTRUM BETA LACTAMASE INHIBITOR

Paris, France, 22 January 2008 -- Novexel, the pharmaceutical company focused on the discovery and development of novel antibacterials and anti-fungals, today announces that it has entered into an agreement with Forest Laboratories Holdings Limited, a wholly owned subsidiary of Forest Laboratories, Inc. (NYSE: FRX), for the development, manufacture and commercialization of Novexel's novel intravenous beta lactamase inhibitor, NXL104 in combination with Forest's ceftaroline. NXL104 is designed to be co-administered with select antibiotics to enhance their spectrum of activity. Under the terms of the license, Forest will receive the exclusive rights to administer NXL104 with ceftaroline as a combination product in North America. Ceftaroline is a novel, bactericidal injectable broad spectrum cephalosporin being developed as a therapeutic agent for the treatment of gram-positive pathogens including methicillin resistant staphylococcus aureus (MRSA), and multi-drug resistant streptococcus pneumoniae (MDRSP), as well as common gram-negative organisms. Ceftaroline is being studied as a monotherapy in Phase III clinical trials for complicated skin and skin structure infections and community acquired pneumonia. Forest intends to initiate Phase I studies of the ceftaroline/NXL104 combination in the next fiscal year. Forest will also receive a first negotiation right in North America to an additional NXL104 combination with ceftazidime, a cephalosporin antibiotic having a different spectrum of activity compared to ceftaroline. This combination is currently being studied in Phase I clinical trials conducted by Novexel.

NXL104 inhibits bacterial enzymes called beta-lactamases that break down beta-lactam antibiotics (in particular Penicillins and Cephalosporins). Beta-lactamase inhibition represents a mechanism for counteracting resistance and enhancing broad-spectrum activity of beta-lactam antibiotics. A composition of matter patent which claims NXL104 would provide protection for the ceftaroline/NXL104 combination product until 2022, subject to possible patent term extension.

Under the terms of the agreement, Forest will pay Novexel an upfront license payment of €75 million. Forest will fund development and commercialization of the ceftaroline/NXL104 combination. Additional milestone payments to Novexel if the combination product is successfully developed could total €75 million. Following the product's regulatory marketing approval, Forest will pay Novexel a low double digit royalty on product sales throughout North America.

Iain Buchanan, Chief Executive Officer of Novexel said "Novexel is very pleased to conclude this transaction with Forest Laboratories which will combine the potent beta lactamase inhibition of NXL104 with the antibacterial spectrum of ceftaroline. We look forward to working with our partner to ensure the successful development of this compelling product. In addition, the significant funding which Novexel will receive under this agreement will enable the company to devote the appropriate resources to the parallel and independent Phase II development of NXL104 in combination with ceftazidime.

Howard Solomon, Chairman and Chief Executive Officer of Forest, said, "We believe this collaboration with Novexel, resulting in combining ceftaroline with NXL104, will significantly



advance the continuous effort to protect patients against infectious pathogens. NXL104 is the latest development against the most widely used defense that these pathogens utilize as the basis for their resistance to antibiotics. By increasing the already significant spectrum of activity of ceftaroline, including MRSA, with the addition of the beta lactamase inhibitor NXL104, we will have achieved the premier, broad-spectrum antibiotic presently available.

We look forward to collaborating with the accomplished scientists at Novexel in the further development of ceftaroline/NXL104 and other advances in the infectious disease area.”

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About Novexel:

Novexel is a pharmaceutical company that researches and develops novel class anti-infectives for the treatment of severe and difficult to treat bacterial and fungal infections. The company has an extensive portfolio of antibacterial and anti-fungal compounds, R&D programs and intellectual property. Novexel's focus is on novel antimicrobial compounds with activity against multi-resistant organisms. Novexel's expertise in Biology, Medicinal Chemistry, Pharmacology, Microbiology and Clinical Development positions the Company at the forefront of the discovery and development of the novel therapies for infectious disease.

At inception, the Paris-based company took possession of an advanced portfolio of anti-infective programs and intellectual property formerly the property of Sanofi-Aventis, and received 40€ million in financing from an international group of leading life science investors led by Atlas Venture and including Sofinnova, 3i, Abingworth and Novo A/S. A second round of financing was completed in January 2007, raising a total of €50 million from lead investor Edmond de Rothschild Investment Partners of Paris, all investors from the first round, and new investors, Goldman Sachs, NeoMed and NIF SMBC (Tokyo).

Novexel's assets include five compounds in formal development: the oral streptogramin anti-bacterial compound, NXL103 (formerly XRP2868), in Phase II; NXL101 (formerly AVE4221), a bacterial topoisomerase inhibitor targeting Gram-positive bacteria, in Phase I; NXL104 (formerly AVE1330A), a wide spectrum β -lactamase inhibitor, in Phase I, the aminocandin anti-fungal, NXL201 (formerly HMR3270), currently undergoing reformulation studies after initiation of Phase I trials, and NXL105 a novel class non- β -Lactam inhibitor of penicillin binding proteins (PBP), in pre-clinical development.

Novexel holds exclusive worldwide development and commercialization rights on all compounds in its pipeline except for NXL104 which is now partnered with Forest in the North American market, and NXL103 (formerly XRP2868), on which Sanofi-Aventis holds an option until the end of Phase IIa.



For more information, please visit www.novexel.com

About Forest Laboratories and Its Products

Forest Laboratories (www.frx.com) is a US-based pharmaceutical company dedicated to identifying, developing and delivering products that make a positive difference in peoples' lives. Forest Laboratories' growing product line includes Lexapro(R) (escitalopram oxalate), an SSRI indicated for adults for the initial and maintenance treatment of major depressive disorder and generalized anxiety disorder; Namenda(R) (memantine HCl), an N-methyl D-aspartate (NMDA)-receptor antagonist indicated for the treatment of moderate to severe Alzheimer's disease; Campral(R)* (acamprosate calcium), indicated in combination with psychosocial support for the maintenance of abstinence from alcohol in patients with alcohol dependence who are abstinent at treatment initiation, and Bystolic(TM) (nebivolol), a beta-adrenergic receptor blocking agent indicated for the treatment of hypertension. In addition to our growing product line, Forest also co-promotes the Daiichi Sankyo, Inc. products Benicar(R)* (olmesartan medoxomil), an angiotensin receptor blocker, Benicar HCT(R)* (olmesartan medoxomil-hydrochlorothiazide), an angiotensin receptor blocker and diuretic combination product, and Azor(TM)* (amlodipine and olmesartan medoxomil) a calcium channel blocker and angiotensin receptor blocker combination product, all indicated for the treatment of hypertension.

*Azor is a trademark of Daiichi Sankyo, Inc.; Benicar and Benicar HCT are registered trademarks of Daiichi Sankyo, Inc.; and Campral is a registered trademark of Merck Sante s.a.s., subsidiary of Merck KGaA, Darmstadt, Germany.