

Forest Laboratories announces agreement with Rotta Research for License Dexloiglumide

New York, New York, July, 2000 - Forest Laboratories, Inc. (NYSE:FRX), an international Pharmaceutical manufacturer and marketer, today announced that it had entered into an agreement with Rotta Research Laboratorium of Monza, Italy, for the development and marketing in the United States of dexloiglumide for the treatment of patients with constipationprone irritable bowel syndrome (IBS).

IBS is chronic intestinal disorder characterised by recurrent abdominal pain and bloating accompanied by constipation and/or diarrhoea. It is extremely common, occurring in an estimated 30 million people in the U.S. Its cause is unknown but it often develops during periods of stress and anxiety. It can have a major impact on the lifestyles of those suffering from this disorder. Until recently, it was managed by diet, antidiarrheal drugs, laxatives, and antispasmodic drugs to treat the pain. Dexloiglumide is one of a few novel compounds in development for this disorder.

Dexloiglumide is a potent and selective cholecystokinin type A (CCKA) receptor antagonist as demonstrated in vitro and animal studies. Through their action in CCKA receptors in the gastrointestinal system, CCKA antagonists increase gastric emptying and intestinal motility as well as modulating intestinal sensitivity to distension. This mechanism of action differs from that of other compounds recently approved or under review by FDA for the treatment of IBS that act on serotonin receptors in the intestines. In a Phase II study performed in Europe, dexloiglumide showed evidence of improving the symptoms of IBS when constipation was the predominant symptom.

It is planned that dexloiglumide will enter Phase III trials in the U.S. in the first half of 2001.

Howard Solomon, Chairman and Chief Executive Officer of Forest, said: " We believe that dexloiglumide is an useful drug which will be very helpful for many people suffering from irritable bowel syndrome. We are delighted to be entering into this relationship with Rotta Research, which is a highly regarded privately held company which has a history of gastrointestinal disease research programs particularly in the field of CCK antagonists. We expect our relationship with Rotta, which has many of the ingredients of our highly successful collaboration with other mid-sized European companies, to be long term and highly beneficial to both parties, combining Rotta' s proven innovative research and development and marketing expertise with Forest's development, regulatory and marketing skills in the United States."

Except for the historical information contained herein, this release contains forward looking statements that involve a number of risks and uncertainties, including the difficulty of predicting FDA approvals, acceptance and demand for new Pharmaceutical products, the impact of competitive products and pricing, the timely development and launch of new products and the risk factors listed from time in the Company's SEC reports, including the Company's annual Report on Form 10-K for the fiscal year ended March 31, 2000 and the quarterly report on Form 10-Q for the periods ended June 30, 1999 and December 31, 1999.