DEBIOPHARM
developing innovative therapeutics

PRESS RELEASE

FOR IMMEDIATE RELEASE

DEBIOPHARM S.A. AND WATSON PHARMACEUTICALS ENTER INTO AN EXCLUSIVE LICENSING AGREEMENT FOR TWO APPROVED UROLOGY PRODUCTS – TRELSTAR® DEPOT AND TRELSTAR® LA

LAUSANNE, SWITZERLAND and CORONA, CA – September 29, 2004 – Debiopharm S.A., the independent drug-development company specializing in oncology, endocrinology, CNS and niche diseases, announced today that it has entered into a licensing agreement with Watson Pharmaceuticals, Inc. (NYSE: WPI), a leading specialty pharmaceutical company, to market TRELSTAR® DEPOT 3.75mg and TRELSTAR® LA 11.25mg (triptorelin pamoate), within the United States (U.S.) and Canada. Debiopharm will supply the TRELSTAR® products exclusively to Watson and will receive an upfront payment from Watson. Additional terms of the agreement were not disclosed.

Debiopharm's TRELSTAR® DEPOT 3.75mg and TRELSTAR® LA 11.25mg products, formulated using Debio® PLGA proprietary technology, are sustained-release one- and three-month intramuscular injectable formulations of triptorelin pamoate, a luteinizing hormone releasing hormone (LHRH) agonist. Both products are approved by the U.S. Food and Drug Administration for the palliative treatment of advanced prostate cancer in the U.S. and by the Canadian Therapeutic Products Directorate for the treatment of advanced prostate cancer and endometriosis in Canada. These products are currently marketed outside the United States as DECAPEPTYL®.

"We are delighted to be collaborating with Watson, a dynamic sales and marketing company," said Rolland-Yves Mauvernay, President and CEO of Debiopharm. "Their focus on urology and the strong relationships they have with key customers perfectly fits the criteria Debio was searching for in a partner for TRELSTAR® and we are confident they will do an excellent job at commercializing TRELSTAR®."

"We are excited about these products from Debiopharm, as they expand our presence in the urology market and leverage our specialty urology sales force's efforts in this area," said Allen Chao, Ph.D., Watson's Chairman and Chief Executive Officer. "Prostate cancer

is the second most commonly diagnosed condition by urologists, so providing a product that addresses urologists' needs for long-term efficacy is a great opportunity for Watson. We look forward to launching these products in the first quarter 2005 and expect them to be neutral to earnings in 2005."

About TRELSTAR®

TRELSTAR® Depot and TRELSTAR® LA (triptorelin pamoate for injectable suspension) are one and three month sustained-release formulations of triptorelin, an analog of luteinizing hormone releasing hormone (LHRH or GnRH) with greater potency than naturally occurring LHRH. The products are approved for the palliative treatment of advanced prostate cancer. In clinical trials, the two most common adverse events were hot flushes and skeletal pain. TRELSTAR® is contraindicated for use in women who are or may become pregnant and should not be administered to patients who are hypersensitive to triptorelin and other components of the product, other LHRH agonists or LHRH. For additional information, please contact Watson Medical Communications at (800) 272-5525.

About Debiopharm

Debiopharm, founded in 1979 in Lausanne, Switzerland, focuses on evaluating compounds with promising *in-vivo* results in animals, to in-license, develop for global registration, and out-license to sales and marketing pharmaceutical partners. Debiopharm's major commercial successes to date are Eloxatin®, one of Sanofi-Synthelabo's leading marketed products, Decapeptyl®, the leading product of Ipsen in Southern Europe, and Trelstar®, with combined sales estimated to be in excess of $1.8bn in 2004.

Debiopharm is one of an established group of three complementary companies, Debiopharm, Debio R.P. and Debioclinic, with a successful track record in developing, registering and out-licensing innovative therapeutics. Debio R.P. is a leader in polymer-based controlled release technologies that allow certain drugs like proteins, peptides and anti-cancers to be delivered in customised, sustained-release formulation. From its FDA-inspected manufacturing facility in Martigny, Switzerland, Debio R.P. also conducts feasibility studies, formulation selection, optimisation, scale-up and cGMP manufacturing from clinical trial supplies to commercial scale. Debioclinic is a contract research organisation, specialised in oncology and dedicated to clinical development, providing regulatory, biometric and clinical support in line with cGCP.
For more information on Debiopharm, please visit our website at www.debio.com

About Watson Pharmaceuticals, Inc.

Watson Pharmaceuticals, Inc., headquartered in Corona, California, is a leading specialty pharmaceutical company that develops, manufactures, markets, sells and distributes

branded and generic pharmaceutical products. Watson pursues a growth strategy combining internal product development, strategic alliances and collaborations and synergistic acquisitions of products and businesses.
For press releases and other company information, visit Watson Pharmaceuticals' Web site at http://www.watsonpharm.com.

Forward-Looking Statement
Statements contained in this press release that refer to future events or other non-historical facts about Watson are forward-looking statements that reflect Watson's current perspective of existing trends and information as of the date of this release. Actual results may differ materially from Watson's current expectations depending upon a number of factors affecting Watson's business. These factors include, among others, market acceptance of and continued demand for Watson's products, including the impact of competitive products and pricing; patents and other intellectual property rights held by competitors and other third parties; the difficulty of predicting the timing or outcome of product development efforts and regulatory agency approvals and actions; successful compliance with governmental regulations; and other risks and uncertainties detailed in Watson's periodic public filings with the Securities and Exchange Commission, including but not limited to Watson's Annual Report on Form 10-K for the year ended December 31, 2003 and its Quarterly Report on Form 10-Q for the quarters ended March 31 and June 30, 2004. Except as expressly required by law, Watson disclaims any intent or obligation to update these forward-looking statements.

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