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Effective May 31, 2007, Amneal Pharmaceuticals, a privately held, Paterson, NJ based developer and manufacturer of generic pharmaceutical products, announces the acquisition of Akyma Pharmaceuticals, a Glasgow, KY based generic pharmaceuticals sales and distribution company. The combination of these two emerging companies creates a full service, end to end supply chain offering, from API sourcing through manufacturing and distribution, securing control of pricing, ensuring product flow and expanding a strong development pipeline.

Amneal is a five year old manufacturer and developer of generic Rx products that has evolved from OTC contract manufacturing to generic Rx manufacturing. Amneal has a highly experienced and talented R&D team with an exemplary record of consistent regulatory success and a leading edge relationship with the FDA. Amneal was one of the first few generic manufacturing companies to file an ANDA via the eCTD/QBR format which became optional in January of this year and becomes mandatory as of January 2008.

To date, Amneal has received five ANDA approvals, expects an additional 7 approvals by the end of 2007 and several more to be approved in 2008. In addition, Amneal anticipates filing 11 ANDA applications this year and a similar number during 2008. Currently under construction is a 48,000 square foot R&D facility in Ahmadabad, Gujarat, India that will enable Amneal to develop products in multiple dosage forms. Amneal anticipates filing 20-30 ANDA applications per year from this facility once the building is completed and the team is fully staffed. Amneal is also aggressively pursuing several ANDA acquisition opportunities, in-licensing agreements and product partnerships to fortify the product offering and development pipeline.

Vertical integration is enabled through several API tie-ups that have been structured as either exclusive supply agreements, preferred pricing arrangements and/or custom manufactured API. Select API will be manufactured by Amneal, though negotiating strong agreements for API sourcing and pricing advantage will provide the leverage necessary to aggressively secure positions in the marketplace.

Akyma provides the critical backend sales and operations organization and performance needed to provide customers the ability to procure generic Rx products directly from the manufacturer and offer access to the strong development pipeline. Akyma, operating as a wholly-owned subsidiary of Amneal, will continue operations in Glasgow and business will proceed as usual. To provide exceptional service levels and outstanding customer service, Akyma is technologically advanced throughout. From complete EDI interaction to distribution operations technology that provides comprehensive bar code tracking of all orders as well as the platform to enable ePedigree tracking when required by regulatory agencies, critical account and order information is readily available.

This enables immediate response to customer inquiries. From a customer interaction perspective and regulatory standpoint, the information flow and processes will continue as currently in place.

As is normal when two companies come together, all areas of the business will be evaluated to determine value creation opportunities, enhancements to the customer value proposition as well as improved process efficiencies and effectiveness. Any customer impact changes will be clearly communicated in advance of implementation.

In addition to continuing the Akyma label, in the near term the company is planning to launch the Amneal Pharmaceuticals label. Having both labels provides Amneal strategic options to more aggressively grow the product portfolio. Well ahead of that timing, details will be shared with all current and potential customers to ensure a smooth roll out and added value to the marketplace.

Amneal's headquarters will remain in Paterson, NJ and the data and process flow between Paterson and Glasgow will be refined to operate as a seamless organization. At the forefront of our focus will be maximum value creation and improved efficiency to fuel an aggressive and strategic growth strategy for Amneal Pharmaceuticals.

If you have any questions, please contact us. We want to explain the answers and ensure you have a clear understanding of the incredible value created by combining these two companies and the positive impact it will bring to our relationship.