



FOR IMMEDIATE RELEASE

PERRIGO CLOSES ACQUISITION OF PADDOCK LABS

ALLEGAN, Mich. – July 26, 2011 – Perrigo Company (Nasdaq: PRGO;TASE) today announced that it has closed the acquisition of Paddock Laboratories, Inc. (“Paddock”), a privately-held, Minneapolis-based pharmaceutical manufacturer of generic Rx pharmaceuticals and OTC specialty products for approximately \$540 million in cash.

Perrigo Chairman and CEO Joseph C. Papa stated, “We are very pleased to welcome the Paddock team to the Perrigo family. This acquisition is another important step forward in executing Perrigo’s strategy to expand our specialty portfolio of generic Rx products. It adds incremental scale, as well as excellent development and manufacturing capabilities across a spectrum of niche dosage forms. It solidifies Perrigo’s leading position in the extended topical space and strengthens our ability to offer new products into the market. Paddock has a proven record for quality manufacturing with great customer service.”

As previously highlighted, Perrigo expects to receive a significant tax benefit generated from the acquisition of Paddock’s assets. The net present value of the tax benefit is estimated to be \$95 million. Inclusive of the tax benefit, the total consideration for the acquisition is approximately \$445 million.

As a result of the closing of the acquisition, Watson Pharmaceuticals, Inc. (NYSE: WPI) will acquire a portfolio of generic pharmaceutical products from Perrigo that are being divested as a result of the FTC review. The total revenues from marketed products represent less than 0.2% of the combined entities’ total FY11 revenues, and none of the revenues from the divested pipeline product were included in Perrigo’s projections for the next few fiscal years. Terms were not disclosed.

Perrigo Company is a leading global healthcare supplier that develops, manufactures and distributes OTC and generic prescription (Rx) pharmaceuticals, infant formulas, nutritional products, active pharmaceutical ingredients (API) and pharmaceutical and medical diagnostic products. The Company is the world’s largest store brand manufacturer of OTC pharmaceutical products and infant formulas. The Company’s primary markets and locations of manufacturing and logistics operations are the United States, Israel, Mexico, the United Kingdom and Australia. Visit Perrigo on the Internet (<http://www.perrigo.com>).

Note: Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended,

and are subject to the safe harbor created thereby. These statements relate to future events or the Company's future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company or its industry to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential" or other comparable terminology. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company's control. These and other important factors, including those discussed under "Risk Factors" in the Company's Form 10-K for the year ended June 26, 2010, as well as the Company's subsequent filings with the Securities and Exchange Commission, may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this press release are made only as of the date hereof, and unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Arthur J. Shannon, Vice President, Investor Relations and Communication
(269)686-1709
E-mail: ajshannon@perrigo.com

Bradley Joseph, Investor Relations and Communication
(269)686-3373
E-mail: bradley.joseph@perrigo.com