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FOR IMMEDIATE RELEASE

STIEFEL LABORATORIES AND GRUPO URIACH ENTER LICENSING AGREEMENT FOR INNOVATIVE MOLECULE

Investigational Agent, UR-9825 (albaconazole), a broad-spectrum antifungal, for oral and topical administration in dermatology and other indications

Deal is largest in Stiefel's history, Potential for billion dollars in sales

Coral Gables, FL, U.S.A. and Barcelona, Spain - September 19, 2005 – Stiefel Laboratories, the world's largest privately held company specializing in dermatology and Grupo Uriach, a Spanish pharmaceutical company focused on drug discovery and early drug development, announced today that they have entered into a licensing agreement to develop and market a new chemical entity, UR-9825 (albaconazole), an oral broad spectrum antifungal that has shown a superior clinical profile in Phase II trials.

The agreement has the potential for generating annual product sales in excess of \$1 billion, making it the largest deal in Stiefel's history. Under the agreement, Stiefel Laboratories will have exclusive rights to develop and market UR-9825 worldwide.

Uriach receives an upfront payment, milestone payments and royalties on future worldwide sales. In some European countries Uriach will be co-marketing partner. Finally, Uriach becomes the preferred commercial partner for Stiefel's Spanish affiliate, in the event that Stiefel looks for a Spanish partner to promote any of its products in Spain.

"This is a great step forward for both companies. We appreciate and value our new relationship with Uriach and plan to work with them to make major strides in bringing needed medicines to market," said Charles W. Stiefel, chairman of the board, CEO, and president of Stiefel Laboratories.

The deal also is significant because it signals the success of Stiefel's new emphasis on business development partnerships as one of the company's key strategies for growth.

"Our agreement with Uriach is consistent with our business strategy to maximize utilization of investigational agents in our portfolio as we strengthen and promote our worldwide leadership in dermatology. This is just the first of what promises to be many such partnerships as we build and invest in external relationships. As a preferred partner of choice for global and local agreements, we fully intend to aggressively pursue other partnerships with other excellent companies," said Stiefel.

"In recent years, Uriach developed albaconazole through preclinical and clinical testing, all the way to a Phase II proof-of-concept study. After reaching this clinical milestone, we looked for a partner that could turn this promising molecule into a worldwide commercial success in the broadest possible sense. Stiefel Laboratories is the perfect partner for this product. They have the technical and commercial expertise, and very importantly, a corporate culture that is very similar to ours. After all, both Stiefel and Uriach are private, family-owned pharmaceutical companies," said Enrique Uriach Torelló, CEO of Grupo Uriach.

Albaconazole (UR-9825) is a new chemical entity in the "azole" category discovered at Uriach. It has shown potent activity against a broad range of organisms, including pathogens resistant to other antifungals (such as fluconazole or itraconazole). Albaconazole will be developed as an oral and topical formulation, and will be available to the medical community for a variety of dermatological indications and fungal infections, including vulvovaginal candidiasis. Of vital interest to physicians is that it is also well tolerated and has shown no significant adverse effects.

"Albaconazole shows very favorable physico-chemical characteristics, high potency against a broad range of pathogens including strains resistant to other antifungals and a good safety profile," said Theodore Rosen, M.D.,

Department of Dermatology Professor at Baylor College of Medicine, Houston, Texas. “The positive results of the Phase II program suggest that albaconazole has a real potential for becoming a best-in-class antifungal addressing important unmet medical needs.”

“Because this molecule is so unique and shows such promise in many of the large antifungal markets, the options we can pursue are wide open,” said William Humphries, Stiefel Laboratories’ senior vice president of global marketing. “We are already a trusted leader in dermatology thanks to our best-in-class global acne portfolio. The full development of albaconazole will be another commercial milestone for us, positioning Stiefel with a best-in-class global antifungal portfolio.”

“For Uriach, this agreement opens the possibility for worldwide development and commercialization for albaconazole, something that the company could not realistically do alone. Retaining commercial rights to certain European countries is also consistent with Uriach’s strategy to eventually become a paneuropean company. And becoming Stiefel’s preferred commercial partner in Spain opens the possibility of having access to new products for Uriach’s Spanish sales force to commercialize,” said Ignacio Faus, director of business development at Grupo Uriach.

Stiefel will continue to develop albaconazole through its global research and development infrastructure. “We believe that there is a great potential for a host of UR-9825 applications both inside and outside of dermatology,” said Marco Taglietti, senior vice president of global research and development for Stiefel. “I am confident that our team of scientists at our three research and development facilities in Maidenhead (United Kingdom), Oak Hill (New York), and Sao Paulo (Brazil) will ensure that this molecule is developed to its fullest potential.”

About Stiefel Laboratories, Inc.

Founded in 1847, Stiefel Laboratories is the world’s largest independent pharmaceutical company specializing in dermatology. Its global network is comprised of more than 30 wholly-owned subsidiaries, including manufacturing plants in six countries, R&D facilities on three continents, and products marketed in over 100 countries worldwide. Stiefel supplements its R&D by aggressively seeking relationships with companies around the world.

About Grupo Uriach

Established in 1838, Grupo Uriach is a Spanish pharmaceutical company with a strong commercial presence in Spain and a world-class research and development center that focuses on early stages of drug development, particularly in the area of inflammation.

Note: This press release contains forward-looking statements concerning Stiefel Laboratories, Inc. and Grupo Uriach’s research and development efforts and their product offerings. Any statement describing a goal, expectation, intention or belief of the companies is a forward-looking statement and should be considered an at-risk statement.

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