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**From:** Gossett, Mark </O=ENDO PHARMACEUTICALS INC/OU=ENDO/CN=RECIPIENTS /CN=GOSSET.MARK>  
**To:** Stevenson,George; Wickline, Ron; Stanton,Mark; Neurohr,Chris; Lankau, Peter  
**CC:** Santilli,Nancy  
**Sent:** 9/26/2006 4:23:24 PM  
**Subject:** Re: Opana/Oxy at Walgreens

Team congratulations. Let's close the deal.  
Mark W. Gossett  
SVP Commercial Business  
ENDO Pharmaceuticals

----- Original Message -----

From: Stevenson,George  
To: Gossett, Mark; Wickline, Ron; Stanton,Mark; Neurohr,Chris  
Cc: Santilli,Nancy  
Sent: Tue Sep 26 12:14:58 2006  
Subject: FW: Opana/Oxy at Walgreens

Mark,  
W-G has agreed to our forced distribution on Opana for 1500 stores (vs.. the 3900 requested) with all of the economic incentives articulated last week to them in our written offer in return for the Oxycodone ER volumes shown below which include the additional incremental units and the 80 mg. We should be clear that they pushed hard for only 1000 stores but we (Chris Neurohr) pushed back that 1500 would be the absolute limit if we could get that approved.  
To conclude the deal, please provide your approval so we can move forward with obtaining the Opana PO.

George Stevenson  
Vice President Generic Business  
Endo Pharmaceuticals  
100 Endo Blvd.  
Chadds Ford, PA 19317  
Office: 610.558.9800 Ext. 4017  
Cell: 610.357.9946  
Fax: 484.840.4291  
stevenson.george@endo.com

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From: Stevenson,George  
Sent: Monday, September 25, 2006 6:25 PM  
To: Neurohr,Chris  
Cc: Stanton,Mark; Gossett, Mark; Wickline, Ron  
Subject: RE: Opana/Oxy

Chris,  
To further support W-G we have scraped together some additional quantities that we could provide them on the 10mg, 20mg, and 40mg. In addition we could supply 1200 bottles of the 80mg. Any questions please call.

Walgreens's Oxycodone ER Volumes 10mg 20mg 40mg 80mg  
October Commitment 30,360 52800 40920 0  
Incremental Units - 9/22 50,027 12940 21324 0  
Sub Total - as of 9/22 80,387 65740 62244 0  
Additional Incremental Units - 9/25 2,160 1500 800 1200  
Total Units 82,547 67240 63044 1200

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From: Neurohr,Chris  
Sent: Monday, September 25, 2006 4:33 PM  
To: Stevenson,George  
Subject: FW: Opana/Oxy

fyi

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From: Neurohr,Chris  
Sent: Friday, September 22, 2006 11:42 AM  
To: Jill.Nailor@walgreens.com; Bill.Groth@Walgreens.com; Sheila.Bennett@walgreens.com  
Cc: Stevenson,George; Stanton,Mark  
Subject: Opana/Oxy

Jill,

These are the numbers we will commit to Walgreens for the end of the year on Oxy ER. These committed October numbers are above and beyond any product on order, and your normal order for next week. We used your sales out numbers to calculate the units and added 10%. The committed units should carry Walgreens through the end of the year and beyond. This is based on your volumes and what you show on order: 4,212 units on the 10mg, 7,392 units on the 20mg, and 6,764 units on the 40mg. The October units are in addition to these orders. The incremental units will be used to calculate the total value on the Opana offer. These numbers were derived from your sales out to your stores, and adjusted from our numbers where we used your average monthly purchases from January through August 2006 in our SAP system.

Jill we will accept one PO for the October units if that is how you want to handle it. Please make it a separate PO from your normal order next week.

Endo feels this offer brings significant value to Walgreens in its totality. Please call me with any questions.

10 mg

20 mg

40 mg

October Commitment

30,360

52,800

40,920

Incremental Units

50,027

12,940

21,324

Total

80,387

65,740

62,244

OPANA Promotion / WG Internal Charges / Generic Oxy ER Financial Impact Blend

OPANA Discount 2% Payment terms

Oxy ER Profit Offset

(estimate on generics)

WG Internal Charge-

18% with 16% burn rate

Net Profit to WG

\$840,294

\$865,545.86

\$1,498,112

\$207,727.86

Brand Oxycontin Considerations

Acquisition Cost Difference: \$18,783,623

10 mg Incremental Oxy er Units

Generic Cost

Brand WAC

Generic/Brand Difference

Extended Saving

50,027

\$12.94

\$ 138.31

\$125.37

\$6,271,885

20 mg Incremental Oxy er Units

Generic Cost

Brand WAC

Generic/Brand Difference

12,940

\$21.18

\$264.65

\$ 243.47

\$3,150,502

40 mg Incremental Oxy er Units

Generic Cost

Brand WAC

Generic/Brand Difference

21,324

\$30.59

\$469.59

\$439.00

\$9,361,236

Total Savings

\$ 18,783,623

Regards,

Chris Neurohr

National Account Executive

Endo Pharmaceuticals

724.331.4781

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