

Code of Business Conduct and Ethics

POLICY

1. Introduction

This Code of Business Conduct and Ethics (the “Code”) embodies the commitment of Forest Laboratories, Inc and its subsidiaries to conduct our business in accordance with all applicable laws, rules, regulations and the highest ethical standards. All employees, officers and directors are expected to adhere to those principles and procedures set forth in this Code that apply to them.

While extensive, this Code is not an exhaustive list of all laws, rules and regulations applicable to the Company. It is your responsibility to consult a supervisor, manager or other appropriate personnel as well as the various guidelines which the Company has prepared with respect to specific laws, rules and regulations applicable to your job responsibilities and function, including the policies and procedures set forth in the Company’s COMPASS Policy Manual.

2. Complying with Law

Ethics and integrity are the foundation of how Forest conducts business and the Company is committed to complying with all applicable laws and regulations, including full compliance with all Federal healthcare programs and FDA requirements and all requirements relating to Promotional and Product Related Functions and Government Contracting and Regulatory Functions. Compliance builds trust with healthcare professionals, patients, regulatory agencies, and the government. All employees, officers and directors of the Company shall respect and comply with all laws, Federal healthcare programs, FDA requirements, this Code and Forest’s own policies and procedures.

3. Insider Trading

Legal compliance shall include, without limitation, compliance with the “insider trading” prohibitions applicable to the Company and its employees, officers and directors. Generally, employees, officers and directors who have access to or knowledge of confidential or non-public material information from or about the Company are not permitted to buy, sell or otherwise trade in the Company’s securities, whether or not they are using or relying upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to trade in the Company’s securities. In addition, the Company has implemented trading restrictions to reduce the risk, or appearance, of insider trading. Company employees, officers and directors are directed to the Company’s Policy Prohibiting Insider Trading if they have questions regarding the applicability of such insider trading prohibitions.

4. Conflicts of Interest

All employees, officers and directors of the Company must be scrupulous in avoiding any conflict of interest with regard to the Company's interests. A "conflict of interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also include, but are not limited to, situations where an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from the Company or a third party. Loans to, or guarantees of obligations of, employees and directors and their respective family members may create conflicts of interest. Federal law prohibits loans to directors and executive officers.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors or committees of the Board. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management. Any employee, officer or director who becomes aware of a conflict or potential conflict must bring it to the attention of a supervisor, manager or other appropriate personnel.

5. Interactions with Healthcare Professionals

The Company is committed to following the highest ethical standards, as well as legal requirements, when interacting with healthcare professionals. The Company's interactions with healthcare professionals are at all times for the purpose of providing the latest, most accurate information available regarding prescription medicines to benefit patients, the public at large and the practice of medicine. In furtherance of this purpose, all employees, officers and directors will conduct such interactions in compliance with all applicable laws, regulations and guidelines, including without limitation, Forest's Policy for Appropriate Interactions with Healthcare Professionals, the guidelines of the American Medical Association and other guidelines which may be announced from time to time by recognized medical and industry organizations.

6. Corporate Opportunity

Employees, officers and directors are prohibited from: (a) taking for themselves personally opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company. Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

7. Confidential Information

Employees, officers and directors of the Company must maintain the confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Company or required by laws, regulations or legal proceedings. Employees, officers and directors should consult a senior executive officer if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed.

8. Fair Dealing

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. None should take the unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

9. Protection and Proper Use of Company Assets

All employees, officers and directors should protect the Company's assets and ensure their safe and efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

10. Prohibition of Fraudulent Conduct and Misappropriation

It is the intent of the Company to promote and provide guidelines for consistent, legal and ethical organizational behavior. Every employee is responsible for the prevention, detection and reporting of fraud, misappropriations and other inappropriate conduct. Broadly, fraud is defined as deceit or breach of confidence perpetrated for profit or to gain some unfair or dishonest advantage. All employees, officers and directors are prohibited from engaging in fraudulent activity, including, without limitation, the intentional false representation, alteration or concealment of facts or information; misappropriation or improper handling or reporting of funds, securities, financial transactions or other assets; accepting anything of material value from contractors, vendors or other persons in connection to the provision of services/materials to the Company; or destruction, removal or inappropriate use of records, equipment or other assets.

If there is any question as to whether an action constitutes fraud, contact Corporate Security for guidance. Any employee who discovers or suspects fraudulent activity is obligated to report it immediately to the Human Resources Compliance Hotline at the phone number listed in the *Reporting Responsibilities & Procedures* section of the COMPASS Policy Manual.

11. Accounting or Auditing Complaints:

The Company's policy is to comply with all applicable financial reporting and accounting laws and regulations. Any employee with a concern or complaint regarding accounting or auditing issues may contact the Audit Committee of the Board of Directors directly. A confidential Audit Committee Hotline has been established and is available to employees 24 hours a day. The phone number for the Audit Committee Hotline is posted on the Company's website.

12. Reporting any Illegal or Unethical Behavior

All Forest employees are expected to report to the appropriate Forest contacts any suspected violations of any law, Federal healthcare program, FDA requirements, this Code or Forest's own policies and procedures. Employees, officers and directors should contact their supervisor or superiors if they are concerned that violations of this Code or other illegal or unethical conduct by employees, officers or directors of the Company have occurred or may occur. If they do not believe it appropriate or are not comfortable approaching their supervisors or superiors about their concerns, then they may contact the Audit Committee of the Board of Directors of the Company, the Human Resources Compliance Hotline or the Promotional and Marketing Practices Compliance Hotline. Please refer to the *Reporting Responsibilities & Procedures* section in the COMPASS Policy Manual for phone numbers and a full description of the hotlines. If concerns or complaints require confidentiality, including maintaining the anonymity of the reporter, then this confidentiality and anonymity will be protected to the extent practicable, subject to applicable law, regulation or legal proceedings.

Failure to comply or failure to report noncompliance with laws, Federal healthcare programs, FDA requirements, this Code or Forest's own policies and procedures could result in disciplinary action up to and including termination and/or potential legal action for both the employee and the Company.

13. Non-Retaliation

Forest is committed to non-retaliation and to maintain, as appropriate, confidentiality and anonymity with respect to disclosures of noncompliance. The Company will not tolerate retaliation of any kind by or on behalf of the Company and its employees, officers and directors against good faith reports of violations of this Code or other illegal or unethical conduct. This includes retaliation for reporting labor, discrimination or safety and health concerns. Employees, officers or directors who have experienced an act of retaliation should contact the Human Resources Compliance Hotline.

14. Public Company Reporting

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt accurate answers to inquiries relating to the Company's public disclosure requirements.

15. Amendment, Modification and Waiver

This Code may be amended, modified or waived only by the Board of Directors and waivers may also be granted by the Company's Nominating and Governance Committee, subject to applicable laws and regulations, including without limitation the disclosure and other provisions of the Securities Exchange Act of 1934, and the rules thereunder and the applicable rules of the New York Stock Exchange.

16. Accountability

Violations of any provision of this Code by an employee, officer or director which have not been the subject of specific waivers by the Board of Directors or the Nominating and Governance Committee shall be deemed serious infractions by such employee, officer or director of his or her duties to the Company and shall result in disciplinary action.

17. Non-compliance

Violations of Forest policies and/or applicable laws, regulations or guidelines may result in disciplinary action up to and including termination or legal action.