## REVISED PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

# MATRIX LABORATORIES LIMITED

This Revised Public Announcement (the "**Announcement**") is being issued by DSP Merrill Lynch Limited ("**Manager to the Offer**"/"**DSPML**"), on behalf of MP Laboratories (Mauritius) Ltd. (hereinafter referred to as "Acquirer"), and Mylan Laboratories Inc. (hereinafter referred to as "Mylan" / "Person acting in concert"/"PAC") pursuant to Regulation 10 and 12 and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "**SEBI (SAST) Regulations**").

1. This Announcement is in continuation of, and should be read in conjunction with, the public announcement ("PA") dated August 29, 2006, the revised public announcement dated October 20, 2006 and the Letter of Offer that will be despatched to the shareholders of Matrix Laboratories Limited ("Matrix") by November 18, 2006. Terms used but not defined in this Announcement shall have the same meaning as assigned in the PA.
2. Shareholders are requested to note the following amendments with respect to the PA:

a) The original and revised schedule of major activities of the Offer is as under:

| Activity | Original Day & Date | Revised Day & Date |
|---|---|---|
| PA Date | August 29, 2006 (Tuesday) | August 29, 2006 (Tuesday) |
| Specified Date * | September 22, 2006 (Friday) | September 22, 2006 (Friday) |
| Last date for a competitive bid | September 19, 2006 (Tuesday) | September 19, 2006 (Tuesday) |
| Revised PA Date | | November 18, 2006 (Saturday) |
| Date by which Letter of Offer to be dispatched to shareholders | October 7, 2006 (Saturday) | November 18, 2006 (Saturday) |
| Date of opening of the Offer | October 20, 2006 (Friday) | November 22, 2006 (Wednesday) |
| Last date for revising the Offer Price | October 30, 2006 (Monday) | November 30, 2006 (Thursday) |
| Last date for withdrawing acceptance from the Offer | November 3, 2006 (Friday) | December 6, 2006 (Wednesday) |
| Last date of closing of the Offer | November 8, 2006 (Wednesday) | December 11, 2006 (Monday) |
| Last date of communicating rejection/ acceptance and payment of consideration for accepted tenders | November 23, 2006 (Thursday) | December 26, 2006 (Tuesday) |

** Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the Shares of Matrix (except PAC and parties to the SPA referred in paragraph (1) a) of the PA). All owners of Matrix (except PAC, parties to the SPA referred in paragraph (1) a) of the PA and the promoters of Matrix) are eligible to participate in the Offer anytime before the closure of the Offer.*

b) Paragraph IV. h) should be read as follows:

"Total Fully Paid-up Equity Share Capital of Matrix, as on the date of this PA is Rs. 307.61 mm, divided into 153,805,575 fully paid-up shares of Rs. 2/- each. The book value per share as on March 31, 2006 was Rs.56.2. As on the date of this PA, there are 23,500 partly paid-up shares and no outstanding convertible instruments (warrants/FCDs/PCDs, etc.) except for options issued to employees under the two stock option plans- Employee Stock Option Plan 2004 and Employee Stock Option Plan 2006."

c) Paragraph I. b)(iv) should be read as follows:

"Articles of association of the Target Company will be suitably amended after the closing of the SPA pursuant to the SPA, to, among other things, remove provisions relating to the rights of the Selling Shareholders pursuant to certain existing agreements between the Selling Shareholders and the Target Company, which agreements, pursuant to the SPA, are required to be terminated prior to and the termination of which are a condition precedent to the closing of the transactions under the SPA. "

d) Paragraph I should be read to include the following:

"The SPA is in compliance with Regulation 22 (16) of the SEBI (SAST) Regulations."

e) Paragraph II. a) should be read to include the following:

"The Acquirer along with the PAC is making this Offer to the public Shareholders of Matrix ("Shareholders") to acquire up to 30,831,962 fully paid-up voting equity shares of Rs. 2/- each, and up to 4,700 partly paid-up equity shares of Rs. 2/- each, representing in aggregate 20.0% of the fully diluted share capital of Matrix at a price of Rs. 306 (Rupees Three hundred and Six only) per fully paid-up equity share and Rs. 294 (Rupees Two hundred and ninety four only) per partly paid-up equity share ("Offer Price"), payable in cash and subject to the terms and conditions mentioned hereinafter. In terms of Regulation 20(10), the Offer Price of Rs. 294 for every partly paid-up share has been calculated as the difference between the Offer Price per fully paid-up share of Rs. 306 and the calls-in-arrears of Rs.5 per share along with interest of Rs. 7 per share payable on the amount remaining unpaid on such partly paid-up equity shares. The interest payable on such amount remaining unpaid is payable for the period from the date appointed for payment thereof to the time of actual payment, at the rate of 12% per annum, as per the Articles of Association of Matrix."

f) Paragraph IV. h) should be read to include the following:

"Further, the Acquirer and PAC undertake not to sell, dispose or otherwise encumber any substantial assets of the Target Company, except with the prior approval of the shareholders of the Target Company, in accordance with law."

g) The following additional disclosure may be added to the PA:

"The Offer is for 20% of the diluted share capital of the Target Company and the Acquirer has agreed to acquire 51.5% of the fully diluted paid-up equity share capital as per the terms of the SPA. As such, the public shareholding in the Target Company would not fall below the minimum level required by Clause 40A of the Target Company's Listing Agreement with the stock exchanges on account of this Offer."

h) Paragraph IV should be read to include the following:

"An issue of disclosures in terms of Clause 35 of the Listing Agreement made by India Newbridge Investments Limited, Maxwell (Mauritius) Pte Limited along with persons acting in concert is under examination of SEBI."

i) Paragraph II. e) should be read to include the following:

"The annualized trading turnover during the preceding six months in each of the Stock Exchanges was calculated as per explanation (i) to Regulation 20(5) of SEBI (SAST) Regulations. NSE is the more frequently traded stock exchange."

j) Paragraph VI(a) should be read as follows:

"The transaction and this Offer, along with any obligation in terms of SEBI (SAST) Regulations to make payment for, or purchase the Shares tendered and accepted, is subject to the receipt of approval from Reserve Bank of India ("RBI"), under the Foreign Exchange Management Act, 1999 ("FEMA"). On October 16, 2006 RBI provided such approvals, provided, however, that OCBs may not tender their shares in the Offer. Besides this, as on the date of this PA, to the best of the Acquirer's knowledge, no other statutory approval is required to purchase the Shares tendered pursuant to this Offer. In terms of Regulation 27 of SEBI (SAST) Regulations, the Acquirer will not proceed with the Offer in the event that any statutory approval required for the Offer is not obtained."

k) Paragraph VII. should be read as follows:

"The total fund requirement for the acquisition of up to 30,831,962 fully paid-up equity shares held by shareholders in Matrix at Rs. 306 per share and up to 4,700 partly paid-up equity shares at Rs. 294 per share is Rs. 9,435,962,172 (Rupees nine billion four hundred thirty five million nine hundred and sixty two thousand one hundred seventy two only). As of the date of the PA, the PAC had cash/cash equivalent investments in excess of USD 215.0 million (Rs. 10,021.15 million) with JP Morgan Asset Management, which cash was subsequently transferred to, and is currently with, SEI Investment Management Corporation. The PAC, vide their letter dated August 28, 2006, have undertaken to use the aforesaid cash/cash equivalent and/or replace the aforesaid cash/cash equivalent investments with similar cash/cash equivalent investments with consent of the Manager to the Offer for the purpose of fulfillment of the Acquirer's or the PAC's obligations under Regulation 29 of SEBI (SAST) Regulations. As a firm financial arrangement is in place, the Manager to the Offer is satisfied about the ability of the Acquirer to fulfill its obligations and implement the Offer in accordance with the SEBI (SAST) Regulations.

In accordance with Regulation 28 of the SEBI (SAST) Regulations, the PAC has created an escrow account in the form of a Bank guarantee, valid until July 31, 2007, of an amount of Rs. 1,187,803,841 issued by Citibank N.A., Mumbai (payable in favor of DSPML – the Manager of the Offer), being in excess of the amount required under Regulation 28(2) of the SEBI (SAST) Regulations, i.e., 25% of the maximum consideration payable up to Rs. 1,000 million and 10% of the maximum consideration payable beyond Rs. 1,000 million and the Acquirer has made a cash deposit in a bank account with Citibank N.A., New York for USD 2.3 million (USD two million three hundred thousand only) Rs. 107,203,000 (Rupees one hundred seven million two hundred three thousand only) which is in excess of 1% of the maximum consideration payable in favor of DSPML – the Manager to the Offer. Citibank N.A., Mumbai, is not an associate of or group of the Acquirer or the Target Company. DSPML has been authorized to realize the value of the aforesaid bank account. This amount will be transferred from the aforesaid bank account to a scheduled commercial bank in India after the requisite approval has been obtained from RBI for opening and operating the escrow account in India. On October 16, 2006, RBI approved the opening and operating of the escrow account for the Offer."

l) Paragraph VIII(f) should be read to include the following:

"All owners (registered or unregistered) of Shares of Target Company (except the parties to the SPA referred in I (a) above and except OCBs) are eligible to participate in the Offer anytime before the closure of the Offer."

m) The other terms and conditions of the Offer remain the same.

3. Acquirer and PAC accept responsibility for the information contained in this Announcement. Acquirer and PAC are responsible for the fulfillment of their obligations under the SEBI (SAST) Regulations. Acquirer and PAC shall be jointly and severally responsible for fulfillment of obligations under SEBI (SAST) Regulations.

**This Announcement would also be available on the SEBI's website (www.sebi.gov.in).**

**Issued on behalf of Acquirer by:**

DSP Merrill Lynch

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