IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

NOVARTIS PHARMACEUTICALS CORPORATION, NOVARTIS AG, NOVARTIS PHARMA AG, NOVARTIS INTERNATIONAL PHARMACEUTICAL LTD. and LTS LOHMANN THERAPIE-SYSTEME AG,	:	Case No. 1:11-cv-01077-SLR
Plaintiffs,	:	
v.	:	
ACTAVIS SOUTH ATLANTIC LLC and ACTAVIS, INC.,	:	
Defendants.	:	

PLAINTIFFS' REPLY TO DEFENDANTS' COUNTERCLAIMS

Plaintiffs Novartis Pharmaceuticals Corporation, Novartis AG, Novartis Pharma AG, Novartis International Pharmaceutical Ltd. and LTS Lohmann Therapie-Systeme AG (hereinafter collectively "Plaintiffs") reply to the numbered paragraphs of the Counterclaims of Defendants Actavis South Atlantic LLC and Actavis, Inc. (hereinafter collectively either "Defendants" or "Actavis") as follows:

NATURE OF THE ACTION

1. Plaintiffs admit Defendants' purported Counterclaims seek a declaratory judgment of invalidity and non-infringement of the '176, '023 and '031 patents under the patent laws of the United States and the Declaratory Judgment Act. On information and belief, Plaintiffs deny the merits of Defendants' non-infringement Counterclaims. Plaintiffs also deny

the merits of Defendants' invalidity Counterclaims. Plaintiffs deny the remaining allegations of paragraph 1.

PARTIES

2. On information and belief, Plaintiffs admit the allegations of paragraph 2.

3. On information and belief, Plaintiffs admit the allegations of paragraph 3.

4. Plaintiffs admit the allegations of paragraph 4.

5. Plaintiffs admit the allegations of paragraph 5.

6. Plaintiffs admit the allegations of paragraph 6.

7. Plaintiffs admit the allegations of paragraph 7.

8. Plaintiffs admit the allegations of paragraph 8.

JURISDICTION AND VENUE

9. Paragraph 9 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs admit that this Court has jurisdiction over the subject matter concerning Defendants' Counterclaims and this action arises under the patent laws of the United States. Plaintiffs deny the remaining allegations of paragraph 9.

10. Paragraph 10 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs do not contest personal jurisdiction in this judicial District for purposes of this action only. Plaintiffs deny the remaining allegations of paragraph 10.

11. Paragraph 11 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs admit that, for purposes of this action, venue is proper in this District. Plaintiffs deny the remaining allegations of paragraph 11.

COUNT I
Declaratory Relief Regarding Invalidity of the '176 Patent

12. Plaintiffs repeat their responses to paragraphs 1-11 as if fully set forth herein.

13. Plaintiffs deny the allegations of paragraph 13.

COUNT II
Declaratory Relief Regarding Non-Infringement of the '176 Patent

14. Plaintiffs repeat their responses to paragraphs 1-13 as if fully set forth herein.

15. On information and belief, Plaintiffs deny the allegations of paragraph 15.

COUNT III
Declaratory Relief Regarding Invalidity of the '023 Patent

16. Plaintiffs repeat their responses to paragraphs 1-15 as if fully set forth herein.

17. Plaintiffs deny the allegations of paragraph 17.

COUNT IV
Declaratory Relief Regarding Non-Infringement of the '023 Patent

18. Plaintiffs repeat their responses to paragraphs 1-17 as if fully set forth herein.

19. On information and belief, Plaintiffs deny the allegations of paragraph 19.

COUNT V
Declaratory Relief Regarding Invalidity of the '031 Patent

20. Plaintiffs repeat their responses to paragraphs 1-19 as if fully set forth herein.

21. Plaintiffs deny the allegation of paragraph 21.

COUNT VI
Declaratory Relief Regarding Non-Infringement of the '031 Patent

22. Plaintiffs repeat their responses to paragraphs 1-21 as if fully set forth herein.

23. On information and belief, Plaintiffs deny the allegations of paragraph 23.

COUNT VII
Declaratory Relief Regarding Exceptional Case

24. Plaintiffs repeat their responses to paragraphs 1-23 as if fully set forth herein.

25. Plaintiffs deny the allegations of paragraph 25.

PRAYER FOR RELIEF

26. The "WHEREFORE" paragraph following paragraph 25 of the Counterclaims and the twelve lettered paragraphs (a-l) that follow it state Defendants' request for relief, to which no response is required. To the extent that a response is required, Plaintiffs deny the allegations set forth in the "WHEREFORE" paragraph following paragraph 25 of the Counterclaims and the twelve lettered paragraphs (a-l) that follow it and deny that Defendants are entitled to any of the relief requested therein, or to any relief whatsoever.

27. Plaintiffs deny any and all allegations of the Counterclaims not expressly admitted herein.

Dated: December 22, 2011

McCARTER & ENGLISH, LLP

/s/ Daniel M. Silver

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