



Jazz Pharmaceuticals Announces Settlement of Government Investigation

July 13, 2007

PALO ALTO, Calif., July 13 /PRNewswire-FirstCall/ -- Jazz Pharmaceuticals, Inc. (Nasdaq: JAZZ) today announced a comprehensive settlement agreement with the United States, including the Department of Justice, the United States Attorney's Office, Eastern District of New York, the Office of the Inspector General of the United States Department of Health and Human Services, the United States Office of Personnel Management and the United States Department of TRICARE Management Activity, regarding a previously disclosed investigation relating to the promotion of Xyrem(R) (sodium oxybate). Xyrem is a Schedule III pharmaceutical product approved in the United States for the treatment of cataplexy and excessive daytime sleepiness in patients with narcolepsy.

"We are pleased to have resolved this matter, which arose from the actions of Orphan Medical, a company that Jazz Pharmaceuticals acquired in 2005," said Samuel Saks, M.D., Jazz Pharmaceuticals' Chief Executive Officer. "Our strong commitment to compliance was instrumental in the speedy resolution of this matter."

The comprehensive civil and criminal settlement was approved by the Federal District Court in the Eastern District of New York today. Orphan Medical pled guilty to one count of felony misbranding of a pharmaceutical product. A total of approximately \$20 million in civil and criminal payments will be paid over a period of five years. The settlement includes payment to Medicaid participating states. Payment obligations under the settlement are approximately \$1.0 million in 2007, \$2.0 million in 2008, \$2.5 million in 2009, \$3.0 million in 2010, \$3.0 million in 2011, and \$8.5 million in 2012. The terms of the settlement are consistent with the potential terms described in the prospectus for Jazz Pharmaceuticals' initial public offering, dated May 31, 2007.

Jazz Pharmaceuticals, which has cooperated fully with the United States Attorney's investigation, was not prosecuted, and the settlement does not exclude Jazz Pharmaceuticals from participation in federal health care programs.

Jazz Pharmaceuticals has a continuing commitment to strong ethics and an effective compliance program. Jazz Pharmaceuticals has entered into a five-year corporate integrity agreement with the Office of the Inspector General of the United States Department of Health and Human Services, under which it will continue to carry out programs and measures already in place to ensure compliance with the guidelines of the Office of the Inspector General, the code of the Pharmaceutical Research and Manufacturers of America (PhRMA), and applicable laws and regulations in the promotion of its pharmaceutical products. These programs include comprehensive compliance policies, a compliance committee, a compliance officer, training and monitoring programs, an open door policy and compliance hotline, and a disciplinary process for compliance violations. Jazz Pharmaceuticals' compliance program will be reviewed by an independent review organization.

About Jazz Pharmaceuticals, Inc.

Jazz Pharmaceuticals is a specialty pharmaceutical company focused on identifying, developing and commercializing innovative products to meet unmet medical needs in neurology and psychiatry. For further information see <http://www.JazzPharmaceuticals.com>.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

Certain statements set forth above may constitute forward-looking statements about our business, including, but not limited to, the effects of future compliance requirements under the corporate integrity agreement. These forward-looking statements inherently involve significant risks and uncertainties. For further information with respect to factors that could cause our results to differ materially from expectations, reference is made to the risks outlined under "Risk Factors," including portions of the risk factor related to the investigation that is the subject of this press release, and elsewhere in the Form S-1 Registration Statement dated May 31, 2007 filed by Jazz Pharmaceuticals with the Securities and Exchange Commission. Our actual results may differ materially from our expectations due to these risks and uncertainties. Jazz Pharmaceuticals, Inc. undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events or changes in Jazz Pharmaceuticals' expectations.

SOURCE Jazz Pharmaceuticals, Inc.

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