

MEDICIS PHARMACEUTICAL CORP

Form S-4/A

November 16, 2005

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As filed with the Securities and Exchange Commission on November 16, 2005

Registration No. 333-129372

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

MEDICIS PHARMACEUTICAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

2834
*(Primary Standard Industrial
Classification Code Number)*

52-1574808
*(I.R.S. Employer
Identification No.)*

**8125 North Hayden Road
Scottsdale, Arizona 85258-2463
(602) 808-8800**
*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

**Mark A. Prygocki, Sr.
Executive Vice President, Chief Financial Officer,
Corporate Secretary and Treasurer
8125 North Hayden Road
Scottsdale, Arizona 85258-2463
(602) 808-8800**
*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copies to:

**Charles K. Ruck, Esq.
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Executive Vice President,
Secretary and
General Counsel
Inamed Corporation
5540 Ekwil Street
Santa Barbara, California 93111-
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**Scott M. Stanton, Esq.
Kenji L. Funahashi, Esq.
Morrison & Foerster LLP
12531 High Bluff Drive, Suite 100
San Diego, California 92130-2040
(858) 720-5100**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

The boards of directors of Medicis Pharmaceutical Corporation and Inamed Corporation have each unanimously approved the merger of Medicis and Inamed. We are proposing the merger because we believe it will benefit the stockholders of each of our respective companies by creating more stockholder value than either company could create individually and allowing stockholders to participate in a larger, more diversified company.

If the proposed merger is completed, Inamed stockholders will receive 1.4205 shares of Medicis common stock and \$30.00 in cash for each share of Inamed common stock they own. As a result, Medicis will issue approximately 52,113,440 million shares of Medicis common stock and pay \$1,100,600,640 billion in cash, based on the number of shares of Inamed common stock outstanding on November 15, 2005. We estimate that immediately after the merger, on a fully-diluted basis, Inamed stockholders will hold approximately 39.4% of the then-outstanding shares of Medicis common stock, based on the number of shares of Medicis common stock and Inamed common stock outstanding on November 4, 2005 and November 15, 2005, respectively. Medicis stockholders will continue to own their existing shares, which will not be affected by the merger. Medicis common stock is traded on the New York Stock Exchange under the trading symbol MRX. On November 15, 2005, Medicis common stock closed at \$26.70 per share as reported on the New York Stock Exchange Composite Transaction Tape.

The merger cannot be completed unless Medicis stockholders approve the issuance of shares of Medicis common stock in the merger and Inamed stockholders adopt the merger agreement and approve the merger. The obligations of Medicis and Inamed to complete the merger are also subject to the satisfaction or waiver of several other conditions, including receiving approval and/or clearance from regulatory agencies, particularly the United States Federal Trade Commission, or FTC. The FTC has issued to both Medicis and Inamed a second request for information with respect to the merger, and the merger cannot be completed until this request has been satisfied. More information about Medicis, Inamed and the proposed merger is contained in this joint proxy statement/prospectus. Medicis stockholders are also being asked to vote upon proposals unrelated to the merger, such as the election of directors and ratification of the selection of independent auditors. **We encourage you to read carefully this joint proxy statement/prospectus before voting, including the section entitled Risk Factors beginning on page 20.**

Based on its review, the Medicis board of directors has determined that the merger agreement and the merger are advisable and fair to and in the best interests of Medicis and its stockholders and has unanimously approved the merger agreement and the issuance of shares of Medicis common stock in the merger. Based on its review, the Inamed board of directors has determined that the merger agreement and the merger are advisable and fair to and in the best interests of Inamed and its stockholders and has unanimously approved the merger agreement and the merger.

The Medicis board of directors unanimously recommends that Medicis stockholders vote FOR the proposal to approve the issuance of shares of Medicis common stock pursuant to the merger agreement. The Inamed board of directors unanimously recommends that Inamed stockholders vote FOR the proposal to adopt the merger agreement and approve the merger.

The proposals are being presented to the respective stockholders of each company at their respective meetings. The dates, times and places of the meetings are as follows:

For Medicis stockholders:
Hyatt Regency Scottsdale Resort and Spa at Gainey Ranch
7500 East Doubletree Ranch Road
Scottsdale, Arizona 85258
December 19, 2005, 4:00 p.m., local time

For Inamed stockholders:
Fess Parker's DoubleTree Resort
633 East Cabrillo Boulevard
Santa Barbara, California 93103
December 19, 2005, 1:00 p.m., local time

Your vote is very important. Whether or not you plan to attend your respective company's respective meeting, please take the time to vote by completing and mailing to us the enclosed proxy card or, if the option is available to you, by granting your proxy electronically over the Internet or by telephone. If your shares are held in street name, you must instruct your broker in order to vote.

As many of you are already aware, on November 14, 2005, Inamed received an unsolicited preliminary non-binding proposal from Allergan, Inc. to acquire Inamed for a per share consideration of \$84 in cash or 0.8498 of a

share of Allergan common stock. The proposal is conditioned on the satisfactory completion of due diligence and the execution of a mutually acceptable definitive agreement. We expect to update you on the Allergan proposal prior to the stockholder meeting if there are any material developments.

Sincerely,

Jonah Shacknai
Chairman of the Board and Chief Executive Officer
Medicis Pharmaceutical Corporation

Nicholas L. Teti
Chairman of the Board, President and
Chief Executive Officer
Inamed Corporation

None of the Securities and Exchange Commission or any state securities regulator has approved or disapproved of these transactions or the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated November 16, 2005, and is being mailed to stockholders of Medicis and Inamed on or about November 17, 2005.

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MEDICIS PHARMACEUTICAL CORPORATION
8125 North Hayden Road
Scottsdale, Arizona 85258
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 19, 2005

To the Stockholders of Medicis Pharmaceutical Corporation:

We will hold an annual meeting of stockholders of Medicis at Hyatt Regency Scottsdale Resort and Spa at Gainey Ranch, 750 East Doubletree Ranch Road, Scottsdale, Arizona, on December 19, 2005, at 4:00 p.m. local time, for the following purposes:

1. To consider and vote upon a proposal to approve the issuance of shares of Medicis Class A common stock pursuant to the Agreement and Plan of Merger, dated as of March 20, 2005, by and among Medicis Pharmaceutical Corporation, Masterpiece Acquisition Corp., a wholly-owned subsidiary of Medicis, and Inamed Corporation.
2. To consider and vote upon a proposal to approve an amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis Class A common stock from 150,000,000 to 300,000,000 and change Medicis name from Medicis Pharmaceutical Corporation to Medicis .
3. To elect three directors to a three-year term expiring at the 2008 annual meeting of stockholders and until their successors are duly elected and qualified or until their earlier resignation or removal.
4. To ratify the selection of Ernst & Young LLP as independent auditors of Medicis for the fiscal year ending June 30, 2006 and any interim periods resulting from a change to Medicis fiscal year-end.
5. To consider and vote upon a proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.
6. To transact any other business as may properly come before the annual meeting or any adjournments or postponements of the annual meeting.

These items of business are described in the attached joint proxy statement/ prospectus. Only Medicis stockholders of record at the close of business on November 4, 2005, the record date for the annual meeting, are entitled to notice of and to vote at the annual meeting and any adjournments or postponements of the annual meeting.

The Medicis board of directors unanimously recommends that you vote FOR the proposal to approve the issuance of shares of Medicis common stock pursuant to the merger agreement, FOR approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis , FOR election of each of the three nominees for director, FOR ratification of the selection of independent auditors and FOR the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.

A list of stockholders eligible to vote at the Medicis annual meeting will be available for inspection at the annual meeting, and at the executive offices of Medicis during regular business hours for a period of no less than ten days prior to the annual meeting.

Your vote is very important. It is important that your shares be represented and voted whether or not you plan to attend the annual meeting in person. You may vote by completing and mailing the enclosed proxy card, or you may grant your proxy electronically via the Internet or by telephone. If your shares are held in street name, which means shares held of record by a broker, bank or other nominee, you should check the voting form used by that firm to

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determine whether you will be able to submit your proxy by telephone or over the Internet. Submitting a proxy over the Internet, by telephone or by mailing the enclosed proxy card will ensure your shares are represented at the annual meeting. Please review the instructions in this joint proxy statement/ prospectus and the enclosed proxy card or the information forwarded by your bank, broker or other holder of record regarding each of these options.

By Order of the Board of Directors,

Mark A. Prygocki, Sr.
Executive Vice President, Chief Financial Officer,
Corporate Secretary and Treasurer
Medicis Pharmaceutical Corporation

November 16, 2005

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INAMED CORPORATION
5540 Ekwill Street
Santa Barbara, California 93111
NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 19, 2005

To the Stockholders of Inamed Corporation:

We will hold a special meeting of stockholders of Inamed at Fess Parker's DoubleTree Resort, 633 East Cabrillo Boulevard, Santa Barbara, California, 93103, on December 19, 2005, at 1:00 p.m. local time, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of March 20, 2005, by and among Medicis Pharmaceutical Corporation, Masterpiece Acquisition Corp., a wholly-owned subsidiary of Medicis, and Inamed Corporation, and approve the merger contemplated by the merger agreement, pursuant to which Inamed would merge with and into Masterpiece Acquisition Corp., and each outstanding share of Inamed common stock would be converted into the right to receive 1.4205 shares of Medicis Class A common stock and \$30.00 in cash.

2. To consider and vote upon a proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

3. To transact any other business as may properly come before the special meeting or any adjournments or postponements of the special meeting.

These items of business are described in the attached joint proxy statement/ prospectus. Only Inamed stockholders of record at the close of business on November 15, 2005, the record date for the special meeting, are entitled to notice of and to vote at the special meeting and any adjournments or postponements of the special meeting.

The Inamed board of directors has approved the merger agreement and the merger and unanimously recommends that you vote FOR the proposal to adopt the merger agreement and approve the merger and FOR the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

A list of stockholders eligible to vote at the Inamed special meeting will be available for inspection at the special meeting and at the executive offices of Inamed during regular business hours for a period of no less than ten days prior to the special meeting.

Your vote is very important. It is important that your shares be represented and voted whether or not you plan to attend the special meeting in person. You may vote by completing and mailing the enclosed proxy card, or you may grant your proxy electronically via the Internet or by telephone. If your shares are held in street name, which means shares held of record by a broker, bank or other nominee, you should check the voting form used by that firm to determine whether you will be able to submit your proxy by telephone or over the Internet. Submitting a proxy over the Internet, by telephone or by mailing the enclosed proxy card will ensure your shares are represented at the special meeting. Please review the instructions in this joint proxy statement/ prospectus and the enclosed proxy card or the information forwarded by your bank, broker or other holder of record regarding each of these options. An abstention or your failure to vote or to instruct your broker to vote if your shares are held in street name will have the same effect as voting against the proposal to adopt the merger agreement and approve the merger.

By Order of the Board of Directors,

Joseph A. Newcomb
Executive Vice President, Secretary and General

Counsel
Inamed Corporation

November 16, 2005

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ADDITIONAL INFORMATION

This joint proxy statement/ prospectus incorporates by reference important business and financial information about Medicis and Inamed from documents that are not included in or delivered with this joint proxy statement/ prospectus. For a more detailed description of the information incorporated by reference into this joint proxy statement/ prospectus and how you may obtain it, see **Additional Information Where You Can Find More Information** on page 187.

You can obtain any of the documents incorporated by reference into this joint proxy statement/ prospectus from Medicis or Inamed, as applicable, or from the Securities and Exchange Commission, which is referred to as the SEC, through the SEC's website at www.sec.gov. Documents incorporated by reference are available from Medicis and Inamed without charge, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference as an exhibit in this joint proxy statement/ prospectus. Medicis stockholders and Inamed stockholders may request copies of such documents in writing or by telephone by contacting the applicable department at:

Medicis Pharmaceutical Corporation
8125 North Hayden Road
Scottsdale, Arizona 85258
Attn: Investor Relations
(602) 808-8800

Inamed Corporation
5540 Ekwil Street
Santa Barbara, California 93111
Attn: Investor Relations
(805) 683-6761

In addition, you may obtain copies of the information relating to Medicis, without charge, by sending an e-mail to investor.relations@medicis.com. You may obtain copies of some of this information by making a request through the Medicis investor relations website at www.medicis.com/company/request.asp.

You may obtain copies of the information relating to Inamed, without charge, by sending an e-mail to investor@inamed.com. You may obtain copies of some of this information by making a request through the Inamed investor relations website at [www.inamed.com/contact/investor relations.cgi](http://www.inamed.com/contact/investor%20relations.cgi).

We are not incorporating the contents of the websites of the SEC, Medicis, Inamed or any other person into this document. We are only providing the information about how you can obtain certain documents that are incorporated by reference into this joint proxy statement/ prospectus at these websites for your convenience.

In order for you to receive timely delivery of the documents in advance of the respective Medicis and Inamed meetings, Medicis or Inamed, as applicable, should receive your request no later than December 12, 2005.

For information about where to obtain copies of documents, see **Additional Information Where You Can Find More Information** on page 187.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The following are some questions that you, as a stockholder of Medicis or Inamed, may have regarding the merger and the other matters being considered at the respective meetings of stockholders of Medicis and Inamed and brief answers to those questions. Medicis and Inamed urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the respective meetings of stockholders. Additional important information is also contained in the annexes to and the documents incorporated by reference in this joint proxy statement/prospectus.

Q: Why are Medicis and Inamed stockholders receiving this joint proxy statement/ prospectus?

A: Medicis and Inamed have agreed to the merger of Medicis and Inamed under the terms of a merger agreement that is described in this joint proxy statement/ prospectus. A copy of the merger agreement is attached to this joint proxy statement/ prospectus as Annex A.

In order to complete the merger, Medicis stockholders must vote to approve the issuance of shares of Medicis common stock in the merger and Inamed stockholders must adopt the merger agreement and approve the merger. Medicis and Inamed will hold separate meetings of their respective stockholders to obtain these approvals.

This joint proxy statement/ prospectus contains important information about the merger, the merger agreement and the meetings of the respective stockholders of Medicis and Inamed, which you should read carefully. The enclosed voting materials allow you to vote your shares without attending your respective company's meeting.

Your vote is very important. We encourage you to vote as soon as possible.

Q: Why are Medicis and Inamed proposing the merger?

A: Medicis and Inamed both believe that the merger will provide substantial strategic and financial benefits to the stockholders of both companies because the merger will allow stockholders of both companies the opportunity to participate in a larger, more diversified company. We both also believe that the combination will create a stronger and more competitive company that is capable of creating more stockholder value than either Medicis or Inamed could on its own. The combined company will be a leading specialty pharmaceutical, aesthetic and obesity intervention products company. To review the reasons for the merger in greater detail, see Recommendation of the Medicis Board of Directors and Its Reasons for the Merger on page 66 and Recommendation of the Inamed Board of Directors and Its Reasons for the Merger on page 69.

Q: What will happen in the merger?

A: Pursuant to the terms of the merger agreement, Inamed will merge with and into Masterpiece Acquisition Corp., a wholly owned subsidiary of Medicis, with Masterpiece Acquisition Corp. surviving and continuing as a wholly owned subsidiary of Medicis.

Q: What consideration will Inamed stockholders receive in the merger?

A: If the merger is completed, Inamed stockholders will have the right to receive 1.4205 shares of Medicis Class A common stock and \$30 in cash for each share of Inamed common stock they own. Inamed stockholders will receive cash for any fractional share of Medicis common stock that they would otherwise be entitled to receive in the merger after aggregating all fractional shares to be received by them.

Q: Should Inamed stockholders send in their Inamed stock certificates now?

A: No. After the merger is completed, you will be sent written instructions for exchanging your share certificates for the merger consideration.

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Q: How will Medicis stockholders be affected by the merger and issuance of Medicis common stock in the merger?

A: After the merger, Medicis stockholders will continue to own their existing shares of Medicis common stock. Accordingly, Medicis stockholders will hold the same number of shares of Medicis common stock that they held immediately prior to the merger. However, because Medicis will be issuing new shares of Medicis common stock to Inamed stockholders in the merger, each outstanding share of Medicis common stock immediately prior to the merger will represent a smaller percentage of the total number of shares of Medicis common stock outstanding after the merger.

Q: When do Medicis and Inamed expect the merger to be completed?

A: Medicis and Inamed are working to complete the merger as quickly as practicable and currently expect the merger to be completed by the end of calendar 2005. However, we cannot predict the exact timing of the completion of the merger because it is subject to regulatory approvals and other conditions. See The Merger Agreement Conditions to Completion of the Merger on page 115. There may be a substantial period of time between the approval of the proposals by stockholders at the respective meetings of Medicis and Inamed stockholders and the effectiveness of the merger.

Q: What are the United States federal income tax consequences of the merger?

A: It is generally expected that for United States federal income tax purposes the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), and the consummation of the merger is conditioned on the receipt by each of Medicis and Inamed of an opinion from its counsel to the effect that the merger will so qualify. Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, then, in general, an Inamed stockholder:

will recognize gain (but not loss) with respect to its Inamed common stock in an amount equal to the lesser of (i) any gain realized with respect to such stock or (ii) the amount of cash received with respect to such stock (other than any cash received instead of a fractional share of Medicis common stock); and

will recognize gain (or loss) to the extent any cash received instead of a fractional share of Medicis common stock exceeds (or is less than) the basis of such fractional share.

No gain or loss will be recognized by Medicis, Inamed or the Medicis stockholders as a result of the merger.

Tax matters are very complicated, and the tax consequences of the merger to an Inamed stockholder will depend on the facts of each stockholder's own situation. For a description of the material federal income tax consequences of the merger, please see the information set forth in The Merger Material United States Federal Income Tax Consequences of the Merger beginning on page 95. Inamed stockholders are also urged to consult their tax advisors for a full understanding of the tax consequences of the merger.

Q: Are Medicis and Inamed stockholders entitled to appraisal rights?

A: Under Delaware law, holders of Inamed common stock have the right to dissent from the merger and obtain payment in cash for the fair value of their shares of common stock, as determined by the Delaware Court of Chancery, rather than the merger consideration. To exercise appraisal rights, Inamed stockholders must strictly follow the procedures prescribed by Delaware law. These procedures are summarized under the section entitled The Merger Appraisal Rights on page 98. In addition, the text of the applicable provision of Delaware law is included as Annex F to this joint proxy statement/prospectus.

Holders of Medicis common stock are not entitled to appraisal rights in connection with the issuance of Medicis common stock in the merger.

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Q: What are Medicis stockholders voting on?

A: Medicis stockholders are voting on a proposal to approve the issuance of shares of Medicis common stock pursuant to the merger agreement. The approval of this proposal by Medicis stockholders is a condition to the effectiveness of the merger.

Medicis stockholders are also voting on (i) a proposal to approve an amendment to Medicis' certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis' name from Medicis Pharmaceutical Corporation to Medicis, (ii) the election of three directors to serve a three-year term expiring at the 2008 annual meeting of stockholders and (iii) the ratification of the selection of Ernst & Young LLP as independent auditors for fiscal 2006. In addition, Medicis stockholders are voting on a proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing. The approval of these proposals is not a condition to the effectiveness of the merger.

Medicis stockholders are voting on each proposal separately. Your vote on one proposal has no bearing on any other proposal, or any other matter that may come before the Medicis annual meeting.

Q: What are Inamed stockholders voting on?

A: Inamed stockholders are voting on a proposal to adopt the merger agreement and approve the merger. The approval of this proposal by Inamed stockholders is a condition to the effectiveness of the merger. Inamed stockholders are also voting on a proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

Inamed stockholders are voting on each proposal separately. Your vote on one proposal has no bearing on the other proposal, or any other matter that may come before the Inamed special meeting.

Q: What vote of Medicis stockholders is required to approve the issuance of shares of Medicis common stock in the merger?

A: Approval of the issuance of shares of Medicis common stock pursuant to the merger agreement requires the affirmative vote of the holders of a majority of shares of Medicis common stock present or represented by proxy and voted on such proposal, provided that the total votes cast on the proposal represents over 50% of the outstanding shares of Medicis common stock entitled to vote on the proposal.

Q: What vote of Medicis stockholders is required to approve the amendment to Medicis' certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis ?

A: Approval of the amendment to Medicis' certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis' name from Medicis Pharmaceutical Corporation to Medicis requires the affirmative vote of the holders of a majority of the outstanding shares of Medicis common stock entitled to vote at the annual meeting.

Q: What vote of Medicis stockholders is required to elect the three nominees for director and ratify the selection of the independent auditors?

A: The three nominees receiving the highest number of votes cast at the annual meeting will be elected to serve for a term of three years or until their successors are duly elected and qualified or until their earlier resignation or removal. The proposal to ratify the appointment of Ernst & Young LLP as Medicis' independent auditors requires an affirmative vote of the holders of a majority of the shares of Medicis common stock represented at the annual

meeting and entitled to vote on the proposal.

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Q: What vote of Inamed stockholders is required to adopt the merger agreement and approve the merger?

A: Approval of the proposal to adopt the merger agreement and approve the merger requires the affirmative vote of the holders of a majority of the outstanding shares of Inamed common stock entitled to vote at the special meeting.

Q: How does the board of directors of Medicis recommend that Medicis stockholders vote?

A: The Medicis board of directors believes that the merger is fair to, and in the best interest of, Medicis and its stockholders and has declared the merger to be advisable to its stockholders, and unanimously recommends that Medicis stockholders vote **FOR** approval of the issuance of shares of Medicis common stock to Inamed stockholders pursuant to the merger agreement. In addition, the Medicis board of directors unanimously recommends that Medicis stockholders vote **FOR** approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis, **FOR** election of each of the three nominees for director, **FOR** ratification of the selection of independent auditors and **FOR** the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.

Q: How does the board of directors of Inamed recommend that Inamed stockholders vote?

A: The Inamed board of directors has determined that the merger agreement and the merger are advisable and fair to and in the best interests of Inamed and its stockholders. Accordingly, the Inamed board of directors has approved the merger agreement and the merger. The Inamed board of directors unanimously recommends that Inamed stockholders vote **FOR** the proposal to adopt the merger agreement and approve the merger and **FOR** the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

Q: What is the Inamed board's view of the Allergan proposal?

A: On November 14, 2005, Inamed received an unsolicited preliminary non-binding proposal from Allergan, Inc. to acquire all outstanding shares of Inamed for a per share consideration of \$84 in cash or 0.8498 of a share of Allergan common stock, at the election of the holder, subject to proration such that the total value of the consideration payable will be \$1.45 billion in cash and 17.9 million shares of Allergan. The proposal stated that it was subject to the satisfactory completion of limited due diligence and the execution of a mutually acceptable definitive agreement. The Inamed board expects to update its stockholders on the Allergan proposal prior to the stockholder meeting if there are any material developments. While the Inamed board continues to recommend the merger with Medicis, the Inamed board determined on November 15, 2005, after conferring with Inamed's legal and financial advisors, that the Allergan proposal is reasonably likely to result in a Company Superior Proposal as the term is used in the merger agreement and directed Inamed's management to evaluate the Allergan proposal.

Q: When and where will the respective meetings of stockholders be held?

A: The Medicis annual meeting will take place at Hyatt Regency Scottsdale Resort and Spa at Gainey Ranch, 7500 East Doubletree Ranch Road, Scottsdale, Arizona, on December 19, 2005, at 4:00 p.m. local time. The Inamed special meeting will take place at Fess Parker's DoubleTree Resort, 633 East Cabrillo Boulevard, Santa Barbara, California, on December 19, 2005, at 1:00 p.m. local time.

Q: Who can attend and vote at the meetings?

A: All Medicis stockholders of record as of the close of business on November 4, 2005, the record date for the Medicis annual meeting, are entitled to receive notice of and to vote at the Medicis annual meeting. All Inamed stockholders of record as of the close of business on November 15, 2005, the record date for the Inamed special meeting, are entitled to receive notice of and to vote at the Inamed special meeting.

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Q: What should Medicis and Inamed stockholders do now in order to vote on the proposals being considered at their company's meeting?

A: Stockholders of record of Medicis as of the record date for the Medicis annual meeting and stockholders of record of Inamed as of the record date of the Inamed special meeting may now vote by proxy by completing, signing, dating and returning the enclosed proxy card in the accompanying pre-addressed postage paid envelope or by submitting a proxy over the Internet or by telephone by following the instructions on the enclosed proxy card. If you hold Medicis shares or Inamed shares in street name, which means your shares are held of record by a broker, bank or nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please refer to the voting instruction card used by your broker, bank or nominee to see if you may submit voting instructions using the Internet or telephone.

Additionally, you may also vote in person by attending your respective company's meeting of stockholders. If you plan to attend your respective company's meeting and wish to vote in person, you will be given a ballot at the meeting. Please note, however, that if your shares are held in street name, and you wish to vote at your respective company's meeting, you must bring a proxy from the record holder of the shares authorizing you to vote at the meeting. Whether or not Medicis stockholders or Inamed stockholders plan to attend the meeting of their respective company, they are encouraged to grant their proxy as described in this joint proxy statement/prospectus.

Q: What will happen if I abstain from voting or fail to vote?

A: An abstention, which occurs when a stockholder attends a meeting, either in person or by proxy, but abstains from voting, will have the same effect as voting against the issuance of shares of Medicis common stock under the merger agreement, the approval of the amendment to Medicis' certificate of incorporation, the ratification of the selection of independent auditors and the approval of the adjournment proposal. Because directors are elected by a plurality of votes cast, abstentions will not be counted in determining which nominees received the largest number of votes cast. The failure of a Medicis stockholder to vote or to instruct your broker to vote if your shares are held in street name may have a negative effect on Medicis' ability to obtain the number of votes cast necessary for approval of the issuance of shares of Medicis common stock under the merger agreement in accordance with the listing requirements of the New York Stock Exchange and will have the same effect as voting against the approval of the amendment to Medicis' certificate of incorporation. Because directors are elected by a plurality of votes cast, broker non-votes will not be counted in determining which nominees received the largest number of votes cast. Brokers have discretionary authority to vote on the proposal to ratify the selection of Ernst & Young LLP as Medicis' independent auditors, so broker non-votes are not expected to result from the vote on the ratification proposal.

An abstention or the failure of an Inamed stockholder to vote or to instruct your broker to vote if your shares are held in street name will have the same effect as voting against the proposal to adopt the merger agreement and approve the merger. An abstention will also have the same effect as voting against the approval of the adjournment proposal.

Q: Can I change my vote after I have delivered my proxy?

A: Yes. If you are a holder of record, you can change your vote at any time before your proxy is voted at your company's meeting by:
delivering a signed written notice of revocation to the corporate secretary of your respective company at:

Medicis Pharmaceutical Corporation
8125 North Hayden Road
Scottsdale, Arizona 85258
Attn: Corporate Secretary

Inamed Corporation
5540 Ekwil Street
Santa Barbara, California 93111
Attn: Corporate Secretary

signing and delivering a new, valid proxy bearing a later date; if it is a written proxy, it must be signed and delivered to the attention of your respective company's corporate secretary;

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submitting another proxy by telephone or on the Internet (provided that your latest telephone or Internet voting instructions are followed); or

attending the meeting and voting in person, although your attendance alone will not revoke your proxy.

If your shares are held in street name, you must contact your broker, bank or other nominee to change your vote or to vote in person at the meeting.

Q: What should Medicis stockholders or Inamed stockholders do if they receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. In addition, if you are a stockholder of Medicis and Inamed, you will receive one or more separate proxy cards or voting instruction cards for each company. Please complete, sign, date and return each proxy card and voting instruction card that you receive.

Q: What risks should Medicis and Inamed stockholders consider prior to voting at their respective meetings?

A: Medicis and Inamed stockholders should carefully review the section of this joint proxy statement/prospectus entitled Risk Factors beginning on page 20.

Q: Who can help answer my questions?

A: If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this joint proxy statement/prospectus, the enclosed proxy card or voting instructions, you should contact:
if you are a Medicis stockholder:

8125 North Hayden Road
Scottsdale, Arizona 85258
Attention: Investor Relations
Telephone: (602) 808-3854

or

The Proxy Advisory Group of
Strategic Stock Surveillance, LLC
331 Madison Avenue 4th Floor
New York, New York 10017
Call toll-free (866) 657-8728

if you are an Inamed stockholder:

5540 Ekwil Street
Santa Barbara, California 93111-2936
Attention: Investor Relations
Telephone: (805) 683-6761

or

The Altman Group
1200 Wall Street West, 3rd Floor
Lyndhurst, New Jersey 07071
Call toll-free (800) 814-2879

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SUMMARY

*The following is a summary that highlights information contained in this joint proxy statement/prospectus. This summary may not contain all of the information that may be important to you. For a more complete description of the merger agreement, the merger and the share issuance, we encourage you to read carefully this entire joint proxy statement/prospectus, including the attached annexes. In addition, we encourage you to read the information incorporated by reference into this joint proxy statement/prospectus, which includes important business and financial information about Medicis and Inamed that has been filed with the SEC. You may obtain the information incorporated by reference into this joint proxy statement/prospectus without charge by following the instructions in the section entitled *Additional Information Where You Can Find More Information* beginning on page 187.*

The Companies

Medicis Pharmaceutical Corporation

8125 North Hayden Road
Scottsdale, Arizona 85258
(602) 808-8800

Medicis is a leading independent specialty pharmaceutical company focusing primarily on helping patients attain a healthy and youthful appearance and self-image through the development and marketing of products in the United States for the treatment of dermatologic and aesthetic conditions in the United States and Canada, and podiatric conditions in the United States. Medicis has built its business by executing a four-part growth strategy. This strategy consists of promoting existing core brands, developing new products and important product line extensions, entering into strategic collaborations, and acquiring complementary products, technologies and businesses. Medicis cultivates relationships of trust and confidence with the high prescribing dermatologists and podiatrists and the leading plastic surgeons in the United States.

Medicis offers a broad range of products addressing various conditions including acne, fungal infections, rosacea, hyperpigmentation, photoaging, psoriasis, eczema, skin and skin-structure infections, seborrheic dermatitis and cosmesis (improvement in the texture and appearance of skin).

Medicis has developed and obtained rights to pharmaceutical agents in various stages of development. Medicis has a variety of products under development, ranging from new products to existing product line extensions and reformulations of existing products. Medicis' strategy involves the rapid evaluation and formulation of new therapeutics by obtaining preclinical safety and efficacy data, when possible, followed by rapid safety and efficacy testing in humans. In March 2003, Medicis expanded into the dermal aesthetic market through its acquisition of the exclusive United States and Canadian rights to market, distribute and commercialize the dermal restorative products known as RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™. As a result of its increasing financial strength, Medicis has begun adding long-term projects to its development pipeline. Historically, Medicis has supplemented its research and development efforts by entering into research and development agreements with other pharmaceutical and biotechnology companies.

Medicis was incorporated in July 1987. Medicis' common stock is traded on the New York Stock Exchange under the symbol **MRX**.

Inamed Corporation

5540 Ekwil Street
Santa Barbara, California 93111
(805) 683-6761

Inamed is a global healthcare company that develops, manufactures, and markets a diverse line of products that enhance the quality of people's lives. These products include breast implants for aesthetic augmentation and reconstructive surgery following a mastectomy, a range of dermal products to correct facial wrinkles, the BioEnterics® LAP-BAND® System designed to treat severe and morbid obesity, and the BioEnterics® IntraGastric Balloon (BIB®) system for the treatment of obesity. Inamed's breast aesthetics

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products and facial aesthetics products are marketed under Inamed Aesthetics, and its obesity intervention products are marketed under Inamed Health.

Inamed develops, manufactures and markets a diverse line of breast implants, with a variety of shapes, sizes and textures. Inamed's breast implants consist of a silicone elastomer shell filled with either a saline solution or silicone gel with varying degrees of cohesivity. This shell can consist of either a smooth or textured surface. Inamed markets its breast implants under the trade names McGhan® and CUI® and the trademarks BioCell®, MicroCell®, BioDimensional™, and Inamed®. Inamed's breast implants are available in a large number of variations to meet customers' preferences and needs.

Inamed develops, manufactures and markets dermal filler products designed to improve facial appearance by smoothing wrinkles and scars and enhancing the definition of facial structure. Inamed's primary facial aesthetics products are Zyderm™, Zyplast™, CosmoDerm®, CosmoPlast®, the Hylaform® product range, the Juvéderm™/Hydrafill® product range and Captique™. In July 2002, Inamed acquired the exclusive rights in the United States, Canada and Japan to sell Ipsen Ltd.'s botulinum toxin Type A product, branded as Reloxin® in the United States, for all cosmetic indications. In January 2004, Inamed acquired the exclusive rights to sell Juvéderm® in the United States, Canada, and Australia, and the non-exclusive rights to sell the product under a different name in various other countries.

Inamed also develops, manufactures and markets several devices for the treatment of obesity. Its principal product in this market area, the BioEnterics® LAP-BAND® System, is designed to provide minimally invasive long-term treatment of morbid obesity and is used as an alternative to gastric bypass surgery or stomach stapling. The BioEnterics® LAP-BAND® System is an adjustable silicone elastomer band which is laparoscopically placed around the upper part of the stomach through a small incision, creating a small pouch at the top of the stomach. This slows down the passage of food and makes the patient feel full sooner. Unlike a gastric bypass which is permanent, the BioEnterics® LAP-BAND® System procedure is adjustable and reversible.

McGhan Medical Corporation was incorporated in 1974 and was a manufacturer of silicone products for plastic and reconstructive surgery. In 1977, that business was sold to Minnesota Mining and Manufacturing Company, or 3M. In 1984, a newly formed McGhan Medical Corporation acquired the assets of 3M's silicone implant product line. In 1985, that corporation became a subsidiary of a publicly-held company through a merger with First American Corporation, a Florida corporation. In 1986, First American changed its name to Inamed Corporation. In December 1998, Inamed changed its state of incorporation to Delaware through a reincorporation merger. Inamed's common stock trades on the NASDAQ National Market (NASDAQ) under the symbol IMDC.

The Merger (see page 59)

Medicis and Inamed have agreed to the merger of Medicis and Inamed under the terms of the merger agreement that is described in this joint proxy statement/prospectus. Pursuant to the merger agreement, Inamed will merge with and into Masterpiece Acquisition Corp., a wholly-owned subsidiary of Medicis, with Masterpiece Acquisition Corp. surviving the merger. We have attached the merger agreement as Annex A to this joint proxy statement/prospectus. We encourage you to read carefully the merger agreement in its entirety because it is the legal document that governs the merger.

Merger Consideration

If you are an Inamed stockholder, other than an Inamed stockholder that validly exercises appraisal rights under Delaware law, upon completion of the merger each of your shares of Inamed common stock will be converted into the right to receive 1.4205 shares of Medicis Class A common stock and \$30.00 in cash, subject to such adjustments as may be necessary to preserve the expected United States federal income tax treatment of the merger. We refer to the share and cash consideration to be paid to the Inamed stockholders by Medicis as the merger consideration. Medicis stockholders will continue to own their existing shares which will not be affected by the merger, except that, because Medicis will be issuing new shares of Medicis common stock to Inamed stockholders in the merger, each outstanding share of Medicis common stock

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immediately prior to the merger will represent a smaller percentage of the total number of shares of Medicis common stock outstanding after the merger.

Fractional Shares

Medicis will not issue fractional shares of Medicis common stock in the merger. As a result, an Inamed stockholder will receive cash for any fractional share of Medicis common stock that they would otherwise be entitled to receive in the merger.

For a full description of the treatment of fractional shares, see *The Merger Agreement* *Fractional Shares* on page 114.

Inamed Equity Awards

Upon completion of the merger, all options outstanding under Inamed's Non-Employee Director's Stock Option Plan, 1998 Stock Option Plan, 2003 Outside Director Compensation Plan, 2004 Performance Stock Option Plan, and standalone stock option grants to certain executive officers will be assumed by Medicis and converted into options to purchase shares of Medicis common stock. All options outstanding under Inamed's 1999 Stock Option Plan and 2000 Stock Option Plan will be assumed by Medicis and converted into options to purchase the merger consideration that would have been received if such options had been exercised in full for Inamed common stock immediately prior to the closing of the merger and exchanged for the merger consideration. The conversion ratios and exercise prices will be determined in accordance with the merger agreement. In addition, under the terms of the merger agreement, the vesting requirements applicable to each Inamed stock option that was outstanding on March 20, 2005 and which remains outstanding upon the completion of the merger will automatically lapse and such options will become immediately vested and exercisable in full. In addition, certain of Inamed's outstanding stock options contain provisions which will cause such options to become immediately vested and exercisable in full upon stockholder approval of the merger. Except for certain adjustments to reflect the effects of the transaction or as otherwise described above, each outstanding Inamed stock option will continue to be governed by the terms and conditions of the relevant stock option plan and stock option agreement applicable to such stock option immediately prior to the closing of the merger.

All outstanding rights that Inamed may hold to acquire unvested shares of Inamed common stock approved pursuant to the Inamed 2003 Restricted Stock Plan prior to March 20, 2005 will lapse at the effective time of the merger if the holder of such restricted shares is still employed by Inamed on that date. All rights which Inamed may hold to acquire unvested shares approved after March 20, 2005 will be assigned to Medicis and will thereafter be exercisable upon the same terms and conditions in effect immediately prior to the merger, except for certain adjustments to reflect the effects of the transaction.

All purchase rights issued and outstanding under the Inamed employee stock purchase plan as of the date of Inamed stockholder approval of the merger will be exercised on such date. The employee stock purchase plan will be suspended, and no additional offering periods will commence on or after the date of Inamed stockholder approval of the merger. Inamed has agreed to take all actions necessary to terminate its employee stock purchase plan no later than the effective time of the merger.

For a full description of the treatment of Inamed equity awards, see *The Merger Agreement* *Inamed Equity Awards and Benefit Plans* *Inamed Equity Awards* beginning on page 126.

Recommendations of the Boards of Directors (see pages 66 and 69)

Medicis

The Medicis board of directors believes that the merger is fair to, and in the best interest of, Medicis and its stockholders and has declared the merger to be advisable to its stockholders, and unanimously recommends that Medicis stockholders vote **FOR** approval of the issuance of shares of Medicis common stock to Inamed stockholders pursuant to the merger agreement. In addition, the Medicis board of directors unanimously recommends that Medicis stockholders vote **FOR** approval of the amendment to Medicis' certificate of

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incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis, **FOR** election of each of the three nominees for director, **FOR** ratification of the selection of independent auditors and **FOR** the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.

Inamed

The Inamed board of directors believes that the merger agreement and the merger are advisable and fair to, and in the best interests of, Inamed and its stockholders and has unanimously approved the merger agreement and the merger, and unanimously recommends that Inamed stockholders vote **FOR** adoption of the merger agreement and approval of the merger and **FOR** the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

Shares Entitled to Vote; Vote Required (see pages 50 and 55)***Medicis***

You can vote at the Medicis annual meeting if you owned Medicis common stock at the close of business on November 4, 2005, which is referred to as the Medicis record date. On that date, there were 54,339,052 shares of Medicis common stock outstanding and entitled to vote at the Medicis annual meeting. You may cast one vote for each share of Medicis common stock that you owned on the Medicis record date. In accordance with the listing requirements of the NYSE, stockholder approval of the issuance of shares of Medicis common stock pursuant to the merger agreement requires the affirmative vote of the holders of a majority of shares of Medicis common stock present or represented by proxy and voted on such proposal, provided that the total votes cast on the proposal represent over 50% of the outstanding shares of Medicis common stock entitled to vote on the proposal. In accordance with the requirements of General Corporation Law of the State of Delaware, which is referred to as the DGCL, the approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name requires the affirmative vote of the holders of a majority of the shares of outstanding Medicis common stock entitled to vote at the annual meeting. In accordance with Medicis bylaws, directors are elected by a plurality of votes, which means that the three nominees who receive the largest number of properly cast votes will be elected as directors of Medicis. In accordance with Medicis bylaws, the affirmative vote of the holders of a majority of the outstanding shares of Medicis common stock represented at the annual meeting and entitled to vote on the proposal is required to ratify the selection of Ernst & Young LLP as independent auditors of Medicis. In accordance with Medicis bylaws, the approval of a proposal to adjourn the annual meeting requires the affirmative vote of the holders of a majority of the shares of Medicis common stock represented at the meeting and entitled to vote thereon, whether or not a quorum is present.

Abstentions and broker non-votes, will be counted in determining whether a quorum is present at the Medicis annual meeting. For certain proposals, an abstention, which occurs when a stockholder attends a meeting either in person or by proxy, but abstains from voting, will have the same effect as a vote against the proposals. A broker non-vote occurs when shares are held in street name by a broker or other nominee on behalf of a beneficial owner and the beneficial owner does not instruct the broker or nominee how to vote the shares at the annual meeting for a proposal and the broker or nominee does not have discretionary authority to vote such shares. Brokers do not have discretionary authority to vote on the proposal to approve the issuance of shares of Medicis common stock in the merger. These resulting broker non-votes could have a negative effect on Medicis ability to obtain approval of this proposal because broker non-votes are not considered cast for purposes of determining whether the number of votes cast on the proposal represents over 50% of the outstanding shares. Brokers do have discretionary authority to vote on the proposal to amend Medicis certificate of incorporation, the election of directors, the proposal to ratify the independent auditors and the proposal to adjourn the annual meeting, and therefore broker non-votes should not result from these proposals.

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Inamed

You can vote at the Inamed special meeting if you owned Inamed common stock at the close of business on November 15, 2005, which is referred to as the Inamed record date. On that date, there were 36,686,688 shares of Inamed common stock outstanding and entitled to vote at the Inamed special meeting. You may cast one vote for each share of Inamed common stock that you owned on the Inamed record date. The affirmative vote of the holders of a majority of the outstanding shares of Inamed common stock entitled to vote at the special meeting, in person or by proxy, is required to adopt the merger agreement and approve the merger. The approval of a proposal to adjourn the special meeting requires the affirmative vote of the holders of a majority of the voting shares represented at the meeting and entitled to vote.

Abstentions and broker non-votes will be counted in determining whether a quorum is present at the Inamed special meeting. Abstentions and broker non-votes will have the same effect as a vote against the proposal to adopt the merger agreement and approve the merger. Brokers do have discretionary authority to vote on the proposal to adjourn the special meeting and therefore broker non-votes should not result from this proposal.

Share Ownership of Directors and Executive Officers

At the close of business on the Medicis record date, directors and executive officers of Medicis and their affiliates beneficially owned and were entitled to vote approximately 1,042,595 shares of Medicis common stock, collectively representing approximately 1.9% of the shares of Medicis common stock outstanding on that date.

At the close of business on the Inamed record date, directors and executive officers of Inamed and their affiliates beneficially owned and were entitled to vote approximately 277,154 shares of Inamed common stock, collectively representing less than 1% of the shares of Inamed common stock outstanding on that date.

Opinions of Deutsche Bank, Thomas Weisel Partners and JPMorgan (see pages 74, 80 and 88)

Medicis

On March 20, 2005, Deutsche Bank Securities Inc., or Deutsche Bank, financial advisor to Medicis, delivered to the Medicis board of directors its oral opinion, which was subsequently confirmed in a written opinion dated as of March 20, 2005, that, as of that date, and based upon and subject to the considerations described in its opinion and based upon such other matters as Deutsche Bank considered relevant, the merger consideration to be paid by Medicis pursuant to the merger agreement was fair to Medicis from a financial point of view. The full text of Deutsche Bank's written opinion is attached to this joint proxy statement/ prospectus as Annex B. We encourage you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the review undertaken. Deutsche Bank's opinion does not constitute a recommendation to any stockholder as to any matters relating to the merger. Upon delivery of Deutsche Bank's opinion, Medicis paid Deutsche Bank a fee of \$1 million. Additionally, Medicis has agreed to pay Deutsche Bank a transaction fee of \$15.5 million against which any previous fees paid will be credited, which is contingent upon completion of the merger.

Thomas Weisel Partners LLC delivered its opinion to the Medicis board of directors, which was subsequently confirmed in writing that, as of March 20, 2005, and based upon and subject to the various considerations set forth in its opinion, the consideration to be paid by Medicis in the merger was fair, from a financial point of view, to Medicis. The full text of the Thomas Weisel Partners opinion, which sets forth, among other things, assumptions made, procedures followed, matters considered and limitations on the scope of the review undertaken by Thomas Weisel Partners in rendering its opinion, is attached as Annex C to this joint proxy statement/ prospectus. Medicis stockholders should read the Thomas Weisel Partners opinion carefully and in its entirety. The Thomas Weisel Partners opinion is directed to the Medicis board of directors and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matter relating to the merger. Upon delivery of Thomas Weisel Partners' opinion, Medicis paid Thomas Weisel Partners a fee of \$750,000.

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Inamed

On March 20, 2005, JPMorgan Securities Inc., or JPMorgan, financial advisor to Inamed, delivered to the Inamed board of directors its oral opinion, which was subsequently confirmed by delivery of a written opinion dated March 20, 2005, that, as of that date, and based upon and subject to the factors and assumptions set forth in the opinion, the aggregate merger consideration to be received by the holders of the shares of Inamed common stock pursuant to the merger was fair, from a financial point of view, to such holders. The full text of JPMorgan's written opinion is attached to this joint proxy statement/prospectus as Annex D. We encourage you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the review undertaken. JPMorgan's opinion is directed to the Inamed board of directors and does not constitute a recommendation to any stockholder as to any matters relating to the merger. Upon delivery of JPMorgan's opinion, Inamed paid JPMorgan a fee of \$1.5 million. Additionally, Inamed has agreed to pay JPMorgan a transaction fee equal to 0.5% of the value of the total merger consideration as of the closing of the merger against which the \$1.5 million fee paid upon delivery of the opinion will be credited, and which is contingent upon completion of the merger.

Ownership of Medicis After the Merger

Based on the number of shares of Medicis and Inamed common stock outstanding on their respective record dates, after completion of the merger, Medicis expects to issue approximately 52,113,440 million shares of Medicis common stock. We estimate that immediately after the merger, on a fully diluted basis, Inamed stockholders will hold approximately 39.4% of the shares of Medicis common stock, based on the fully-diluted number of shares of Medicis common stock and Inamed common stock as of the respective record dates.

Interests of Medicis and Inamed's Directors and Executive Officers (see page 102)

In considering the recommendation of the respective board of directors of Medicis and Inamed with respect to the merger, the stockholders of both companies should be aware that some of the executive officers and directors of Medicis and Inamed have interests in the merger that differ from, or are in addition to, the interests of that company's stockholders. The Medicis board of directors and the Inamed board of directors were aware of these interests and considered them, among other matters, when making their respective decisions to approve the merger agreement.

Management of Medicis After the Merger

It is currently expected that each of the current members of the Medicis board of directors will continue to serve on the Medicis board of directors following the closing of the merger. At the effective time of the merger, Mitchell S. Rosenthal, M.D., Nicholas L. Teti, Joy A. Amundson and Terry E. Vandewarker, each of whom is a current member of the Inamed board of directors, will be appointed to the Medicis board of directors. It is anticipated that Dr. Rosenthal will be placed in the director class with a term expiring in 2008, Ms. Amundson and Mr. Vandewarker will be placed in the director class with a term expiring in 2006 and Mr. Teti will be placed in the director class with a term expiring in 2007. Jonah Shacknai will serve as Chairman of the Medicis board of directors, and Mr. Teti will serve as Vice Chairman. It is also currently expected that, at the effective time of the merger, Mr. Vandewarker and Ms. Amundson will be appointed to the audit committee of the Medicis board of directors along with two current members of the Medicis board of directors.

It is currently expected that all of the executive officers of Medicis will remain with Medicis after the merger in their current capacities, including Mr. Shacknai as Chief Executive Officer. The merger agreement provides that Declan Daly, Inamed's Chief Financial Officer, will be employed in a senior accounting position in Medicis' finance department at the effective time of the merger and will report directly to, and have responsibility and authority in Medicis' finance department second only to, Medicis' Chief Financial Officer. In the event that Mr. Daly does not accept such employment upon the effective time of the merger, then Inamed will propose a qualified replacement for designation to the position ascribed for Mr. Daly, and Medicis shall consider such replacement in good faith. If Medicis rejects the proposed replacement, Inamed shall be

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entitled to propose at least two additional candidates for consideration in good faith by Medicis for such position.

Listing of Medicis Common Stock and Delisting of Inamed Common Stock (see pages 98 and 102)

Application will be made to have the shares of Medicis common stock issued in the merger approved for listing on the NYSE, where Medicis common stock currently is traded under the symbol MRX . If the merger is completed, Inamed common stock will no longer be listed on NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act, and Inamed will no longer file periodic reports with the SEC.

Appraisal Rights (see page 98)

Medicis

Under Delaware law, holders of Medicis common stock are not entitled to appraisal rights in connection with the issuance of Medicis common stock in the merger.

Inamed

Holders of Inamed common stock who do not wish to accept the consideration payable pursuant to the merger may seek, under Section 262 of the DGCL, judicial appraisal of the fair value of their shares by the Delaware Court of Chancery. This value could be more than, less than or the same as the merger consideration for the Inamed common stock. Failure to strictly comply with all the procedures required by Section 262 of the DGCL will result in a loss of the right of appraisal.

Merely voting against the merger will not preserve the right of Inamed stockholders of appraisal under Delaware law. Also, because a submitted proxy not marked against or abstain will be voted FOR the proposal to adopt the merger agreement and approve the merger and FOR the proposal to adjourn the Inamed special meeting, if necessary, the submission of a proxy not marked against or abstain will result in the waiver of appraisal rights. Inamed stockholders who hold shares in the name of a broker or other nominee must instruct their nominee to take the steps necessary to enable them to demand appraisal for their shares.

Annex F to this joint proxy statement/ prospectus contains the full text of Section 262 of the DGCL, which relates to the rights of appraisal. We encourage you to read these provisions carefully and in their entirety.

Conditions to Completion of the Merger (see page 115)

A number of conditions must be satisfied before the merger will be completed. These include, among others: the approval of the issuance of shares of Medicis common stock in the merger by Medicis stockholders and the adoption of the merger agreement and approval of the merger by Inamed stockholders;

the receipt of all material governmental and regulatory consents, approvals, orders and authorizations required to consummate the merger;

the expiration or termination of the waiting period, or any extension to the waiting period, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to as the HSR Act;

the absence of any judgment, injunction, order or decree of any governmental entity preventing the completion of the merger;

the absence of any litigation by any governmental entity seeking to prohibit the merger or that would otherwise have a material adverse effect on Medicis or Inamed;

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the representations and warranties of each party contained in the merger agreement being true and correct, except to the extent that breaches of such representations and warranties would not result in a material adverse effect on the representing party;

the listing of the shares of Medicis common stock to be issued in the merger on the NYSE;

the absence of events or developments since the date of the merger agreement that would reasonably be expected to have a material adverse effect on either party;

the absence of effective demands for appraisal under the DGCL with respect to 10% or more of the outstanding shares of Inamed common stock;

the delivery of a tax opinion to each of Medicis and Inamed by its respective legal counsel to the effect that for United States federal income tax purposes the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and

the pending SEC investigation of Inamed shall not have prevented Medicis from obtaining financing consistent with the terms of a financing commitment letter obtained by Medicis.

Each of Medicis, Masterpiece Acquisition Corp. and Inamed may waive the conditions to the performance of its respective obligations under the merger agreement and complete the merger even though one or more of these conditions has not been met. However, the tax opinion condition cannot be waived without the receipt of further Medicis stockholder and Inamed stockholder approval. Neither Medicis nor Inamed can give any assurance that all of the conditions to the merger will be either satisfied or waived or that the merger will occur.

Regulatory Approvals (see page 95)

The completion of the merger is subject to compliance with the HSR Act. The notifications required under the HSR Act to the United States Federal Trade Commission, or the FTC, and the Antitrust Division of the United States Department of Justice, or the Antitrust Division, were filed on March 31, 2005 by Medicis and April 5, 2005 by Inamed. On May 5, 2005, Medicis and Inamed received from the FTC requests for additional information and documents with respect to the proposed merger. Each of Medicis and Inamed has certified to the FTC that it has provided substantially all of the information and documents requested by the FTC in connection with the merger. On November 14, 2005, Medicis provided notice to the FTC that it would not close the transaction prior to December 14, 2005, unless the FTC terminated its investigation earlier. At any time before or after completion of the merger, the FTC could take any action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin completion of the merger or seeking divestiture of substantial assets of Medicis or Inamed.

While Medicis and Inamed expect to obtain all required regulatory approvals, we cannot assure you that these regulatory approvals will be obtained or that the receipt of these regulatory approvals will not involve additional conditions, including the requirement to divest products, or make changes to the terms of the merger agreement. These conditions or changes could result in the conditions to the closing of the merger not being satisfied.

Agreement to Obtain Clearance from Regulatory Authorities (see page 125)

Medicis and Inamed have agreed to use their reasonable best efforts to take, or cause to be taken, all actions necessary and proper under applicable law and regulations, including the HSR Act, to consummate the merger as promptly as practicable, but in no event later than December 19, 2005, which date may be extended in certain circumstances described in the merger agreement. However, Medicis is not required to agree to any divestiture, hold separate or licensing of any material assets or otherwise agree to any actions that materially limit its freedom of action with respect to, or its ability to retain, any asset or business of Medicis or Inamed.

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No Solicitation by Medicis or Inamed (see page 117)

The merger agreement contains restrictions on the ability of Medicis and Inamed to solicit or engage in discussions or negotiations with a third party with respect to a proposal to acquire a significant interest of Medicis or Inamed's equity or assets. Notwithstanding these restrictions, the merger agreement provides that under specified circumstances and prior to the applicable approval by their respective stockholders, if Medicis or Inamed receives an unsolicited bona fide written proposal from a third party to acquire a significant interest in it that its board of directors determines in good faith is reasonably likely to lead to a proposal that is superior to the merger, Medicis or Inamed, as applicable, may furnish nonpublic information to that third party and engage in negotiations regarding an acquisition proposal with that third party.

Termination of the Merger Agreement (see page 130)

Medicis and Inamed may mutually agree in writing, at any time before the effective time of the merger, to terminate the merger agreement. Also, either Medicis or Inamed may terminate the merger agreement in a number of circumstances, including if:

the merger is not consummated by December 19, 2005, unless such date is extended to January 31, 2006 on the terms provided in the merger agreement. We refer to this December 19, 2005 date, as it may be extended, as the outside date;

any governmental entity prohibits the merger;

Inamed stockholders fail to adopt the merger agreement and approve the merger at the Inamed special meeting; or

Medicis stockholders fail to approve the issuance of shares of Medicis common stock in the merger at the Medicis annual meeting.

Medicis may terminate the merger agreement if:

Inamed breaches its representations or warranties or fails to perform its covenants in the merger agreement, which breach or failure to perform results in a failure of the related conditions to the completion of the merger being satisfied and cannot be cured before the outside date;

the Inamed board of directors withdraws or adversely modifies its recommendation of the merger agreement;

the Inamed board of directors approves or recommends to Inamed stockholders an acquisition proposal other than the merger agreement;

a tender offer or exchange offer for shares of Inamed common stock is commenced (other than by Medicis) and the Inamed board of directors recommends that the Inamed stockholders tender their shares or the Inamed board of directors fails to timely recommend that the Inamed stockholders reject such an offer; or

for any reason Inamed fails to timely call, hold or convene the stockholders' meeting that is the subject of this joint proxy statement/prospectus.

Inamed may terminate the merger agreement if:

Medicis breaches its representations or warranties or fails to perform its covenants in the merger agreement, which breach or failure to perform results in a failure of the related conditions to the completion of the merger being satisfied and cannot be cured before the outside date;

the Medicis board of directors withdraws or adversely modifies its recommendation of the share issuance;

the Medicis board of directors approves or recommends to Medicis stockholders an acquisition proposal other than the merger agreement;

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a tender offer or exchange offer for shares of Medicis common stock is commenced (other than by Inamed) and the Medicis board of directors recommends that the Medicis stockholders tender their shares or the Medicis board of directors fails to timely recommend that the Medicis stockholders reject such an offer; or

for any reason Medicis fails to timely call, hold or convene the stockholder's meeting that is the subject of this joint proxy statement/ prospectus.

Termination Fees (see page 131)

If the merger agreement is terminated, Inamed, in certain specified circumstances, may be required to pay a termination fee of up to \$90 million to Medicis, and Medicis, in certain specified circumstances, may be required to pay a termination fee of up to \$70 million to Inamed. In addition, under certain circumstances, each party may be required to pay the other an expense fee of \$10 million. As consideration for Inamed's dismissal of pending litigation against Medicis, Medicis has agreed to pay Inamed \$16.5 million if either the \$70 million termination fee or the \$10 million expense fee becomes payable by Medicis or if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting.

Material United States Federal Income Tax Consequences of the Merger (see page 95)

It is generally expected that for United States federal income tax purposes the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. The consummation of the merger is conditioned on the receipt by each of Medicis and Inamed of an opinion from its counsel to the effect that the merger will so qualify. Neither Medicis nor Inamed may waive these conditions to the merger after its respective stockholders have adopted the merger agreement unless further approval from its stockholders is obtained with appropriate disclosure. Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, then, in general, an Inamed stockholder:

will recognize gain (but not loss) with respect to its Inamed common stock in an amount equal to the lesser of (i) any gain realized with respect to such stock or (ii) the amount of cash received with respect to such stock (other than any cash received instead of a fractional share of Medicis common stock); and

will recognize gain (or loss) to the extent any cash received instead of a fractional share of Medicis common stock exceeds (or is less than) the basis of such fractional share.

No gain or loss will be recognized by Medicis, Inamed or the Medicis stockholders as a result of the merger.

Tax matters are very complicated, and the tax consequences of the merger to an Inamed stockholder will depend on the facts of each stockholder's own situation. For a description of the material United States federal income tax consequences of the merger, please see the information set forth in "The Merger - Material United States Federal Income Tax Consequences" beginning on page 95. Inamed stockholders are also urged to consult their tax advisors for a full understanding of the tax consequences of the merger.

Accounting Treatment (see page 98)

Medicis will account for the merger as a business combination under United States generally accepted accounting principles.

Risk Factors (see page 20)

In evaluating the merger, the merger agreement or the issuance of shares of Medicis common stock in the merger, you should carefully read this joint proxy statement/ prospectus and especially consider the factors discussed in the section entitled "Risk Factors" on page 20.

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Dividend Policies

Medicis

The holders of Medicis common stock receive dividends if and when declared by the Medicis board of directors. Since the beginning of fiscal 2004, Medicis has paid quarterly cash dividends aggregating approximately \$11.9 million on its common stock. In addition, on June 15, 2005, Medicis declared a cash dividend of \$0.03 per issued and outstanding share of common stock payable on July 29, 2005 to Medicis stockholders of record at the close of business on July 1, 2005 and on September 14, 2005 Medicis declared a cash dividend of \$0.03 per issued and outstanding share of common stock payable on October 31, 2005 to Medicis stockholders of record at the close of business on October 3, 2005. Prior to these dividends, Medicis had not paid a cash dividend on its common stock. Medicis has not adopted a dividend policy. Medicis has agreed to limit the per-share amount of increases in quarterly dividends it might pay prior to the closing of the merger.

The declaration and payment of dividends is subject to the provisions of the DGCL and will depend upon business conditions, operating results, capital requirements and other factors that the board of directors deems relevant. Medicis can give no assurances that it will continue to pay dividends on the Medicis common stock in the future.

Inamed

The holders of Inamed common stock receive dividends if and when declared by the Inamed board of directors. Inamed has not paid cash dividends for the fiscal years ended December 31, 2004 and 2003 and is precluded by the terms of the merger agreement from paying any dividends during the fiscal year that will end on December 31, 2005.

Material Differences in Rights of Medicis Stockholders and Inamed Stockholders (see page 151)

Inamed stockholders receiving merger consideration will have different rights once they become Medicis stockholders due to differences between the governing documents of Medicis and Inamed. These differences are described in detail under **Comparison of Stockholders Rights and Corporate Governance Matters** beginning on page 151.

Expenses

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this joint proxy statement/ prospectus.

Other Medicis Annual Meeting Proposals (see page 164)

At the Medicis annual meeting, Medicis is also asking its stockholders to:

amend Medicis' certificate of incorporation to increase the number of authorized shares of Medicis Class A common stock from 150,000,000 to 300,000,000 and change Medicis' name from Medicis Pharmaceutical Corporation to Medicis ;

elect three directors to the Medicis board of directors; and

ratify the selection of Ernst & Young LLP as independent auditors of Medicis.

Approval by Medicis stockholders of these other Medicis annual meeting proposals is not a condition to completion of the merger and is not contingent upon approval of the issuance of shares of Medicis common stock in the merger. In addition, the approval of the issuance of the shares of Medicis common stock in the merger is not a condition to approval of the other annual meeting proposals.

Table of Contents**Summary Selected Historical Financial Data**

Medicis and Inamed are providing the following information to aid you in your analysis of the financial aspects of the merger.

Medicis Pharmaceutical Corporation

The selected consolidated financial data below is derived from Medicis' audited consolidated financial statements for each of the five years ended June 30, 2001 through 2005 contained in Medicis' annual reports on Form 10-K for the years ended June 30, 2003, 2004 and 2005 except for the financial data for the three months ended September 30, 2005, which is derived from Medicis' unaudited condensed consolidated financial statements. The information is only a summary and should be read in conjunction with Medicis' consolidated financial statements, accompanying notes and management's discussion and analysis of results of operations and financial condition, all of which can be found in publicly available documents, including those incorporated by reference into this joint proxy statement/ prospectus. See "Additional Information - Where You Can Find More Information" on page 187.

	Three Months Ended September 30, 2005	2005	Fiscal Year Ended June 30,				2001
		2004	2003	2002			
(In millions, except per share amounts)							
Statements of Operations							
Data:							
Net revenues	\$ 83.3	\$ 376.9	\$ 303.7	\$ 247.5	\$ 212.8	\$ 167.8	
Gross profit(1)	71.3	321.5	257.1	209.2	177.0	137.1	
Operating expenses:							
Selling, general and administrative(2)	41.5(a)	135.2(b)	118.3	91.6	77.3	59.5	
Research and development(3)	5.1	65.7(c)	16.4(d)	29.6(e)	15.1(f)	25.5(g)	
In-process research and development					6.2		
Depreciation and amortization	6.3	22.4	16.8	10.1	7.9	8.3	
Total operating expenses	52.9	223.3	151.5	131.3	106.5	93.3	
Operating income	18.4	98.2	105.6	77.9	70.5	43.8	
Other:							
Net interest (expense) income	1.4	0.9	(0.8)	(0.2)	8.5	15.5	
Loss on early extinguishment of debt			(58.7)				
Income tax expense	(7.4)	(34.1)	(15.3)	(26.4)	(29.0)	(18.9)	
Net income	\$ 12.4	\$ 65.0	\$ 30.8	\$ 51.3	\$ 50.0	\$ 40.4	
Basic net income per common share	\$ 0.23	\$ 1.18	\$ 0.55	\$ 0.94	\$ 0.83	\$ 0.67	

Diluted net income per common share	\$	0.20	\$	1.01	\$	0.52	\$	0.84	\$	0.79	\$	0.64
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Cash dividend declared per common share	\$	0.03	\$	0.12	\$	0.10	\$	0.025
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Basic common shares outstanding		54.3		55.2		55.6		54.4		60.5		60.3
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Diluted common shares outstanding		69.9		70.9		72.5		70.2		63.8		63.4
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Balance Sheet Data:

Cash, cash equivalents, restricted cash and short-term investments	\$	628.4	\$	603.6	\$	634.0	\$	552.7	\$	577.6	\$	334.1
Working capital		625.4		600.0		666.7		576.8		611.3		358.5
Total assets		1,054.0		1,043.3		1,078.4		932.8		876.3		550.0
Long-term debt		453.1		453.1		453.1		400.0		400.0		
Stockholders equity		505.7		486.3		555.3		461.1		429.1		503.5

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(1) Amounts exclude amortization of intangible assets related to acquired products	5.6	19.6	14.9	9.2	7.1	7.6
(2) Amounts include share-based compensation expense	7.2	0.5	0.5	0.4	0.5	
(3) Amounts include share-based compensation expense	0.5					

- (a) Includes approximately \$0.7 million of business integration planning costs related to the proposed merger with Inamed.
- (b) Includes approximately \$5.3 million of business integration planning costs related to the proposed merger with Inamed, and approximately \$1.3 million of professional fees related to research and development collaborations with aaiPharma, Ansata and Q-Med AB.
- (c) Includes approximately \$8.3 million paid to aaiPharma related to a research and development collaboration, \$5.0 million paid to Ansata related to an exclusive development and license agreement and \$30.0 million paid to Q-Med AB related to an exclusive license agreement for the development of SubQtm.
- (d) Includes approximately \$2.4 million paid to Dow for a research and development collaboration.
- (e) Includes \$14.2 million paid to Dow for a research and development collaboration and approximately \$6.0 million paid to aaiPharma for a research and development collaboration.
- (f) Includes \$7.7 million paid to aaiPharma for a research and development collaboration.
- (g) Includes \$17.0 million paid to Corixa Corporation for a development, commercialization and licensing agreement.

Table of Contents**Inamed Corporation**

Inamed has derived the following historical information from Inamed audited consolidated financial statements for each of the five years ended December 31, 2000 through 2004 contained in Inamed's annual reports on Form 10-K for the years ended December 31, 2001, 2002, 2003 and 2004, except for the financial data for the nine months ended September 30, 2005, which is derived from Inamed's unaudited condensed consolidated financial statements contained in the Company's quarterly report on Form 10-Q for the period ended September 30, 2005. The information is only a summary and should be read in conjunction with Inamed's consolidated financial statements and accompanying notes, as well as management's discussion and analysis of results of operations and financial condition, all of which can be found in publicly available documents, including those incorporated by reference in this joint proxy statement/prospectus. See [Additional Information - Where You Can Find More Information](#) on page 187.

	Nine Months Ended September 30, 2005	2004	2003	2002	2001	2000
(In millions, except per share amounts)						
Statements of Income Data:						
Net sales	\$ 325.1	\$ 384.4	\$ 332.6	\$ 275.7	\$ 238.1	\$ 240.1
Cost of goods sold	90.3	97.9	92.8	77.6	67.2	66.4
Gross profit	234.8	286.5	239.8	198.1	170.9	173.7
Operating expenses:						
Selling, general and administrative	137.6	179.7	141.8	126.7	96.6	102.3
Research and development	29.9	28.8	21.5	13.6	12.2	9.9
Restructuring charges	(0.7)			5.1	12.0	
Amortization of intangible assets	4.0	5.0	4.0	4.9	11.3	9.3
Total operating expenses	170.8	213.5	167.3	150.3	132.1	121.5
Operating income	64.0	73.0	72.5	47.8	38.8	52.2
Other income (expense):						
Net interest income (expense) and debt costs	1.7	0.5	(9.4)	(11.7)	(11.7)	(10.5)
Foreign currency transaction gains (losses)	(0.3)	0.1	(0.1)	0.3	(0.4)	2.6
Royalty income and other	2.8	4.7	4.2	5.8	5.0	7.0
Total other income (expense), net	4.2	5.3	(5.3)	(5.6)	(7.1)	(0.9)
Income before income tax expense	68.2	78.3	67.2	42.2	31.7	51.3
Income tax expense	19.0	15.2	14.2	9.3	10.7	14.3
Net income	\$ 49.2	\$ 63.1	\$ 53.0	\$ 32.9	\$ 21.0	\$ 37.0

Net income per share of common
stock

Basic	\$ 1.36	\$ 1.77	\$ 1.54	\$ 1.04	\$ 0.69	\$ 1.21
Diluted	\$ 1.34	\$ 1.75	\$ 1.51	\$ 1.00	\$ 0.64	\$ 1.07
Weighted average shares outstanding:						
Basic	36.2	35.6	34.5	31.5	30.3	30.6
Diluted	36.6	36.0	35.2	32.9	32.6	34.5

Balance Sheet Data:

Working capital	\$ 249.5	\$ 198.2	\$ 131.9	\$ 81.4	\$ 63.3	\$ 50.8
Total assets	609.0	570.1	501.0	439.4	400.2	385.9
Total long-term debt and capital leases (incl. current portion)	8.8	22.5	32.5	83.7	121.0	98.6
Stockholders equity	499.5	446.3	351.5	232.7	174.4	167.7

Table of Contents**Selected Unaudited Pro Forma Condensed Combined Financial Data**

The merger transaction will be accounted for using the purchase method of accounting in accordance with accounting principles generally accepted in the United States. The tangible and intangible assets and liabilities assumed of Inamed will be recorded as of the merger transaction date, at their respective fair values, and added to those of Medicis. For a more detailed description of purchase accounting, see The Merger Accounting Treatment on page 98.

We have presented below summary unaudited pro forma combined financial information that reflects the purchase method of accounting and is intended to provide you with a better picture of what our businesses might have looked like had they actually been combined. The combined financial information may have been different had the companies actually been combined. The selected unaudited pro forma combined financial information does not reflect the effect of asset dispositions, if any, or cost savings that may result from the merger. You should not rely on the summary unaudited pro forma combined financial information as being indicative of the historical results that would have occurred had the companies been combined or the future results that may be achieved after the merger.

The following summary unaudited pro forma combined financial information (i) has been derived from, and should be read in conjunction with, the unaudited pro forma condensed combined financial statements and related notes included in this joint proxy statement/ prospectus beginning on page 137 and (ii) should be read in conjunction with the consolidated financial statements of Medicis and Inamed and other information filed by Medicis and Inamed with the SEC and incorporated by reference into this joint proxy statement/ prospectus. See Additional Information Where You Can Find More Information on page 187.

	Three Months Ended September 30, 2005	Year Ended June 30, 2005
(In millions, except per share amounts)		
Statements of Income Data:		
Net revenues	\$ 188.5	\$ 790.7
Operating income	22.6	134.7
Net income	8.6	67.1
Net income per share of common stock:		
Basic	\$ 0.08	\$ 0.63
Diluted	\$ 0.08	\$ 0.60

	At September 30, 2005
(In millions)	
Balance Sheet Data:	
Cash, cash equivalents and short-term investments	\$ 354.6
Working capital	400.0
Total assets	3,243.4
Contingent Convertible Senior Notes	453.1
Long-term debt, including current portion	658.8
Stockholders' equity	1,642.7

Table of Contents**Comparative Per Share Information**

The following table sets forth selected historical per share information of Medicis and Inamed and unaudited pro forma combined per share information after giving effect to the merger between Medicis and Inamed, under the purchase method of accounting, assuming that 1.4205 shares of Medicis common stock had been issued in exchange for each outstanding share of Inamed common stock. You should read this information in conjunction with the selected historical financial information, included elsewhere in this document, and the historical financial statements of Medicis and Inamed and related notes that are incorporated in this joint proxy statement/ prospectus by reference. The unaudited Medicis pro forma combined per share information is derived from, and should be read in conjunction with, the unaudited pro forma condensed combined financial statements and related notes beginning on page 137 of this joint proxy statement/ prospectus. As Medicis and Inamed have different fiscal year ends, Inamed's consolidated financial information for the latest year ended has been recast to Medicis' June 30, 2005 year end by adding subsequent interim periods and deducting comparable preceding periods for pro forma purposes. The historical per share information is derived from audited financial statements of Medicis as of and for the year ended June 30, 2005 and unaudited financial statements of Inamed as of and for the recast twelve months ended June 30, 2005, except for Medicis' financial data for the three months ended September 30, 2005, which is derived from Medicis' unaudited financial statements, and for Inamed's financial data as of and for the three months ended September 30, 2005, which is derived from Inamed's unaudited financial statements. The unaudited pro forma Inamed per share equivalents are calculated by multiplying the unaudited Medicis pro forma combined per share amounts by the exchange ratio of 1.4205.

We present the unaudited pro forma combined per share information for informational purposes only. The pro forma information is not necessarily indicative of what our financial position or results of operations actually would have been had we completed the merger at the dates indicated. In addition, the unaudited pro forma combined per share information does not purport to project the future financial position or operating results of the combined company.

	For the Three Months Ended September 30, 2005	For the Year Ended June 30, 2005
Unaudited Medicis Pro Forma Combined		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.08	\$ 0.63
Diluted	0.08	0.60
Cash dividends	n/a	n/a
Shareholders' equity	15.49	15.31
Medicis Historical		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.23	\$ 1.18
Diluted	0.20	1.01
Cash dividends paid(a)	0.03	0.12
Shareholders' equity	9.30	8.94
Inamed Historical (Recast)		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.41	\$ 1.96

Diluted	0.41	1.93
Cash dividends paid		
Shareholders equity	13.72	13.20

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	For the Three Months Ended September 30, 2005	For the Year Ended June 30, 2005
Unaudited Pro Forma Inamed Equivalents(b)		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.58	\$ 2.78
Diluted	0.58	2.74
Cash dividends paid		
Shareholders' equity	19.49	18.75

- (a) Medicis' current quarterly dividend is \$0.03 (\$0.12 per share annualized) and is subject to future approval and declaration by the Medicis board of directors. Inamed did not declare cash dividend for the three months ended September 30, 2005, or for the year ended June 30, 2005. The dividend policy of the combined company after the merger will be determined by its board of directors following the merger.
- (b) Amounts are calculated by multiplying Inamed historical per share amounts by the exchange ratio in the merger (1.4205 shares of Medicis common stock for each share of Inamed common stock).

Table of Contents**Comparative Per Share Market Price Data**

Medicis common stock trades on the NYSE under the symbol MRX. Inamed common stock trades on NASDAQ under the symbol IMDC. The table below sets forth, for the periods indicated, dividends and the range of high and low per share sales prices for Medicis common stock and Inamed common stock as reported on the NYSE and NASDAQ. All prices in the table below for Medicis common stock reflect the two-for-one stock split effected in the form of a stock dividend that occurred in January 2004. All prices in the table below for Inamed common stock reflect the three-for-two stock split effected in December 2003. For current price information, you should consult publicly available sources. For more information on Medicis and Inamed payment of dividends, see Dividend Policies above on page 11.

Medicis Common Stock

	High	Low	Dividends Declared
Fiscal Year 2004			
First quarter	\$ 32.00	\$ 27.27	\$ 0.025
Second quarter	\$ 36.01	\$ 27.81	\$ 0.025
Third quarter	\$ 41.50	\$ 33.86	\$ 0.025
Fourth quarter	\$ 45.26	\$ 38.45	\$ 0.025
Fiscal Year 2005			
First quarter	\$ 40.65	\$ 32.85	\$ 0.03
Second quarter	\$ 41.00	\$ 34.64	\$ 0.03
Third quarter	\$ 37.67	\$ 28.69	\$ 0.03
Fourth quarter	\$ 31.97	\$ 26.80	\$ 0.03
Fiscal Year 2006			
First quarter	\$ 35.45	\$ 31.08	\$ 0.03
Second quarter (through November 15, 2005)	\$ 33.82	\$ 26.30	

Inamed Common Stock

	High	Low	Dividends Declared
Fiscal Year 2003			
First quarter	\$ 24.00	\$ 18.53	
Second quarter	\$ 37.64	\$ 21.91	
Third quarter	\$ 52.45	\$ 35.11	
Fourth quarter	\$ 58.90	\$ 44.27	
Fiscal Year 2004			
First quarter	\$ 53.30	\$ 41.70	
Second quarter	\$ 69.80	\$ 52.25	
Third quarter	\$ 64.20	\$ 45.17	
Fourth quarter	\$ 64.09	\$ 47.24	
Fiscal Year 2005			
First quarter	\$ 72.50	\$ 59.30	
Second quarter	\$ 70.80	\$ 57.75	
Third quarter	\$ 78.74	\$ 65.62	

Fourth quarter (through November 15, 2005)	\$ 83.16	\$ 69.61
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The following table presents:

the last reported sale price of a share of Medicis common stock, as reported on the NYSE;

the last reported sale price of a share of Inamed common stock, as reported on NASDAQ; and

the pro forma equivalent per share value of Inamed common stock based on the exchange ratio (i.e. 1.4205 shares of Medicis common stock for each outstanding share of Inamed common stock), the closing price of Medicis common stock and the cash consideration of \$30 per share;

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in each case, on March 18, 2005, the last full trading day prior to the public announcement of the proposed merger, and on November 15, 2005, the last practicable trading day prior to the date of this joint proxy statement/ prospectus.

Date	Medicis Common Stock	Inamed Common Stock	Equivalent Price per Share
March 18, 2005	\$ 31.68	\$ 66.24	\$ 75.00
November 15, 2005	\$ 26.70	\$ 81.28	\$ 67.93

The market value of the shares of Medicis common stock to be issued in exchange for shares of Inamed common stock upon the completion of the merger will not be known at the time Inamed stockholders vote on the proposal to adopt the merger agreement and approve the merger, or at the time Medicis stockholders vote on the proposal to approve the issuance of shares of Medicis common stock in the merger, because the merger will not be completed by the time of respective stockholder votes.

The above tables show only historical comparisons. Because the market prices of Medicis common stock and Inamed common stock will likely fluctuate prior to the merger, these comparisons may not provide meaningful information to Medicis stockholders in determining whether to approve the issuance of shares of Medicis common stock in the merger or to Inamed stockholders in determining whether to adopt the merger agreement and approve the merger. Medicis and Inamed stockholders are encouraged to obtain current market quotations for Medicis and Inamed common stock and to review carefully the other information contained in this joint proxy statement/ prospectus or incorporated by reference into this joint proxy statement/ prospectus in considering whether to approve the respective proposals before them. See the section entitled **Additional Information Where You Can Find More Information** on page 187.

Table of Contents**RISK FACTORS**

The merger involves risks for Medicis and Inamed stockholders. Inamed stockholders will be choosing to invest in Medicis common stock by voting in favor of the merger and Medicis stockholders will be choosing to permit significant dilution of their percentage ownership in Medicis by voting in favor of the issuance of stock in the merger. In addition to the other information included in this joint proxy statement/prospectus, including the matters addressed in Cautionary Statement Concerning Forward-Looking Statements, you should carefully consider the following risks before deciding whether to vote for adoption of the merger agreement and approval of the merger in the case of Inamed stockholders, or for approval of the issuance of shares of Medicis common stock pursuant to the merger agreement, in the case of Medicis stockholders. In addition, you should read and consider the risks associated with each of the businesses of Medicis and Inamed because these risks will also affect the combined company. These risks can be found below under Risk Factors Risks Related to Medicis and Risk Factors Risks Related to Inamed beginning on pages 26 and 37, respectively, as well as the Medicis Annual Report on Form 10-K for the year ended June 30, 2005 and the Inamed Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference in this joint proxy statement/prospectus. See the section entitled Additional Information Where You Can Find More Information beginning on page 187. Additional risks and uncertainties not presently known to Medicis or Inamed or that are not currently believed to be important also may adversely affect the merger and the combined company after the merger.

Risks Relating to the Merger

Medicis and Inamed may be required to comply with material restrictions or conditions in order to obtain the regulatory approvals to complete the merger, and any delays in obtaining regulatory approvals will delay and may possibly prevent the merger.

The merger is subject to review by the Antitrust Division of the FTC under the HSR Act. Under this statute, Medicis and Inamed are required to make pre-merger notification filings and to await the expiration or early termination of the statutory waiting period prior to completing the merger. The governmental entities from whom approvals are required may attempt to condition their approval of the merger, or of the transfer to Medicis of licenses and other entitlements, on the satisfaction of certain regulatory conditions that may have the effect of imposing additional costs on Medicis or otherwise substantially reducing the benefits to Medicis if the merger is completed. These conditions could include a complete or partial license, divestiture, spin-off or sale of certain assets or businesses, which may be on terms that are not as favorable to Medicis and/or Inamed as may have been attainable absent the merger. Medicis and Inamed are obligated under the merger agreement to take specified actions, subject to certain limitations, including selling or otherwise divesting certain of their properties or assets, in order to obtain the required consents or approvals under the HSR Act and other antitrust regulations. However, Medicis is not required to agree to any divestiture, hold separate or licensing of any material assets or otherwise agree to any actions that materially limit its freedom of action with respect to, or its ability to retain, any assets or business of Medicis or Inamed. On May 5, 2005, Medicis and Inamed received from the FTC requests for additional information and documents with respect to the merger. Each of Medicis and Inamed has certified to the FTC that it has provided substantially all of the information and documents requested by the FTC in connection with the merger. On November 14, 2005, Medicis provided notice to the FTC that it would not close the transaction prior to December 14, 2005, unless the FTC terminated its investigation earlier.

While Medicis and Inamed expect to obtain the required regulatory approvals, Medicis and Inamed cannot be certain that all of the required antitrust approvals will be obtained, nor can they be certain that the approvals will be obtained within the time contemplated by the merger agreement. A delay in obtaining the required approvals will delay and may possibly prevent the completion of the merger. At any time before or after completion of the merger, the FTC could take any action under the antitrust laws as it deems necessary or in the public interest, including seeking to enjoin completion of the merger or seeking divestiture

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of substantial assets of Medicis or Inamed. For a full description of the regulatory approvals required for the merger see *The Merger Regulatory Approvals Required for the Merger* on page 95.

The issuance of shares of Medicis common stock to Inamed stockholders in the merger will substantially reduce the percentage interests of Medicis stockholders.

If the merger is completed, we expect that, based on data as of the Medicis and Inamed record dates, approximately 52,113,440 million shares of Medicis common stock will be issued to Inamed stockholders and, upon exercise of assumed options, up to approximately 1,946,309 million shares will be issued to holders of assumed options. Based on the number of shares of Medicis and Inamed common stock outstanding on the Medicis and Inamed record dates, on a fully-diluted basis, Inamed stockholders before the merger will own, in the aggregate, approximately 39.4% of the outstanding shares of Medicis common stock immediately after the merger. The issuance of Medicis common stock to Inamed stockholders and holders of assumed options will cause a significant reduction in the relative percentage interest of current Medicis stockholders in earnings, voting, liquidation value and book and market value. In addition, under certain circumstances described more fully below, the amount of Medicis common stock issuable for each share of Inamed common stock may be increased, and the amount of cash payable for each share of Inamed common stock may be decreased. In the event of any such adjustment, Inamed stockholders as a whole will hold a larger percentage of the fully diluted Medicis common stock immediately after giving effect to the merger.

The price of Medicis common stock at the time of your vote on the merger might decline prior to the completion of the merger, which would decrease the value of the stock portion of the merger consideration to be received by Inamed stockholders in the merger. Further, at the Inamed special meeting, Inamed stockholders will not know the exact value of Medicis common stock that will be issued in the merger.

The market price of Medicis common stock at the time of completion of the merger may vary significantly from the price on the date of the merger agreement or from the price on the dates of the Medicis and Inamed meetings. Medicis common stock has historically experienced volatility. The closing price of Medicis common stock on the NYSE Composite Transactions Reporting System on March 18, 2005, the last trading day prior to the announcement of the merger, was \$31.68 per share. From March 21, 2005 through November 15, 2005, the trading price of Medicis common stock ranged from a high of \$35.45 per share to a low of \$26.30 per share.

Under the merger agreement, Inamed stockholders will receive, upon completion of the merger, and in addition to the cash consideration, stock consideration equal to 1.4205 shares of Medicis common stock for each share of Inamed common stock they own. As a result, any changes in the value of Medicis common stock will have a corresponding effect on the value of the consideration that Medicis pays to Inamed stockholders in the merger. Neither party, however, has a right to terminate the merger agreement based solely upon changes in the market price of Medicis or Inamed common stock.

Inamed stockholders should be aware:

if the price of Medicis common stock declines after the time of the Inamed special meeting and before the completion of the merger, Inamed stockholders will receive shares of Medicis common stock that have a market value that will be less than the market value of such shares at the time of the Inamed special meeting; or

if the price of Medicis common stock increases after the time of the Inamed special meeting and before the completion of the merger, Inamed stockholders will receive shares of Medicis common stock that have a market value that will be greater than the market value of such shares at the time of the Inamed special meeting.

Medicis and Inamed are working to complete the merger as quickly as possible. However, the time period between the stockholder votes taken at the meetings and the completion of the merger will depend upon a number of factors, including the status of FTC approval and the timing of receipt of financing proceeds, which

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must be obtained prior to the completion of the merger. There is currently no way to predict how long it will take to obtain FTC approval and financing. Because the date when the merger is completed may be later than the date of the meetings, Medicis and Inamed stockholders may not know the exact value of the Medicis common stock that will be issued in the merger at the time they vote on the merger proposals. Moreover, subsequent to the meetings, events, conditions or circumstances could arise that could have a material impact or effect on Medicis, Inamed, the specialty pharmaceutical industry or the medical device industry and that could cause the price of Medicis common stock to fluctuate substantially.

The amount of cash per share that Inamed stockholders receive in the merger may be decreased, and the exchange ratio correspondingly increased, in order to preserve the tax treatment of the merger.

It is currently expected that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, as described under **The Merger – Material United States Federal Income Tax Consequences** below. If the value of the Medicis common stock issuable in the merger, as determined on the effective date of the merger, represents less than 45% of the aggregate of the value of the Medicis common stock issuable and the cash payable in the merger combined (including cash payable to dissenters, if any), the exchange ratio will automatically be increased, and the amount of cash per share correspondingly decreased, in order to achieve this percentage. The actual percentage will depend on the average of the high and low selling prices of Medicis common stock on the NYSE on the date the merger is completed, the number of shares of Inamed common stock then outstanding, and the number of shares for which appraisal rights have been properly demanded under Delaware law. Assuming that no appraisal rights have been properly demanded, if the average of the high and low selling price of Medicis common stock on the NYSE on the date the merger is completed drops to below approximately \$17.28 per share, the cash payable per share in the merger may be adjusted in this way. We encourage you to obtain current market quotations for the Medicis common stock and the Inamed common stock before you vote your shares.

Medicis will have more indebtedness after the merger, which could adversely affect its cash flows and business.

In order to complete the merger, Medicis anticipates arranging for and funding approximately \$650 million of new financing. Proceeds from the financing will be used to fund a portion of the cash consideration to be paid to Inamed stockholders. Medicis' debt outstanding as of June 30, 2005 was approximately \$453 million. As a result of this increase in debt, demands on Medicis' cash resources will increase after the completion of the merger. The increased levels of debt could, among other things:

require Medicis to dedicate a substantial portion of its cash flow from operations to payments on its debt, thereby reducing funds available for working capital, capital expenditures, dividends, acquisitions and other purposes;

increase Medicis' vulnerability to, and limit flexibility in planning for, adverse economic and industry conditions;

adversely affect Medicis' credit rating;

limit Medicis' ability to obtain additional financing to fund future working capital, capital expenditures, additional acquisitions and other general corporate requirements;

create competitive disadvantages compared to other companies with less indebtedness; and

limit Medicis' ability to apply proceeds from an offering or asset sale to purposes other than the repayment of debt.

If Medicis is unable to finance the merger through existing cash balances and financings, the completion of the merger will be jeopardized.

Medicis intends to finance the merger primarily with existing cash balances, cash flow from operations and equity or debt financings. In the event that Medicis is unable to finance the merger, but is still obligated to

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complete the merger, Medicis will have to adopt one or more alternatives, such as selling assets or restructuring debt, which may adversely affect Medicis' business, financial condition and results of operations. Additionally, these sources of funds may not be sufficient to finance the merger, and other financing may not be available on acceptable terms, in a timely manner or at all. If Medicis is unable to secure such additional financing, the completion of the merger will be jeopardized and Medicis could be in breach of the merger agreement.

Medicis and Inamed may not realize all of the anticipated benefits of the merger.

The combined company's ability to realize the anticipated benefits of the merger will depend, in part, on the ability of Medicis to integrate the businesses of Inamed with Medicis. The combination of two independent companies is a complex, costly and time-consuming process. As a result, the combined company will be required to devote significant management attention and resources to integrating the diverse business practices and operations of Medicis and Inamed. This process may disrupt the business of either or both of the companies, and may not result in the full benefits expected by Medicis and Inamed. Neither company has previously completed a merger or acquisition comparable in size or scope to the merger. The failure of the combined company to meet the challenges involved in integrating successfully the operations of Medicis and Inamed or otherwise to realize any of the anticipated benefits of the merger could cause an interruption of, or a loss of momentum in, the activities of the combined company and could seriously harm its results of operations. In addition, the overall integration of the two companies may result in unanticipated problems, expenses, liabilities and diversion of management's attention, and may cause the combined company's stock price to decline. The difficulties of combining the operations of the companies include, among others:

- coordinating sales and marketing, research and development and manufacturing functions;

- unanticipated issues in integrating information, communications and other systems;

- unanticipated incompatibility of purchasing, logistics, marketing and administration methods;

- maintaining employee morale and retaining key employees;

- integrating the business cultures of both companies;

- preserving important strategic and customer relationships;

- consolidating corporate and administrative infrastructures and eliminating duplicative operations;

- the diversion of management's attention from ongoing business concerns; and

- coordinating geographically separate organizations.

In addition, even if the operations of Medicis and Inamed are integrated successfully, the combined company may not realize the full benefits of the merger, including the synergies, cost savings, or sales or growth opportunities that we expect. These benefits may not be achieved within the anticipated time frame, or at all. Further, because the businesses of Medicis and Inamed differ, the results of operations of the combined company and the market price of Medicis common stock may be affected after the merger by factors different from those affecting the shares of Medicis and Inamed currently, and may suffer as a result of the merger. As a result, we cannot assure you that the combination of Inamed with Medicis will result in the realization of the full benefits anticipated from the merger.

To be successful, the combined company must retain and motivate key employees, and failure to do so could seriously harm the combined company.

To be successful, the combined company must retain and motivate executives and other key employees. Employees of Medicis and Inamed may experience uncertainty about their future roles with the combined company until or after strategies for the combined company are announced or executed. These circumstances may adversely affect the combined company's ability to retain key personnel. The combined company also must continue to motivate

employees and keep them focused on the strategies and goals of the combined company, which effort may be adversely affected as a result of the uncertainty and difficulties with integrating Medicis and Inamed. In addition, it is not anticipated that Medicis will extend offers of full time employment to any of Inamed's executive officers, except for Vicente Trelles, Inamed's Vice President and Chief

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Operations Officer and we cannot assure you that any of the current Inamed executives will provide services to the combined company. Accordingly, the roles and responsibilities of these executive officers will need to be filled either by existing or new Medicis officers and employees, which may require the combined company to devote time and resources to identifying, hiring and integrating replacements for the departed executives of Inamed that could otherwise be used to integrate the businesses of Medicis and Inamed.

If the combined company is unable to manage its growth, its business and financial results could suffer.

The combined company's future financial results will depend in part on its ability to profitably manage its core businesses, including any growth that the combined company may be able to achieve. Over the past several years, each of Medicis and Inamed has engaged in the identification of, and competition for, growth and expansion opportunities. In order to achieve those initiatives, the combined company will need to maintain existing customers and attract new customers, recruit, train, retain and effectively manage employees, as well as expand operations, customer support and financial control systems. If the combined company is unable to manage its businesses profitably, including its anticipated portfolio of complementary products in the facial aesthetics, breast aesthetics and therapeutic dermatological markets, as well as its medical device products for the treatment of obesity, any growth that the combined company may be able to achieve, its business and financial results could suffer.

The pro forma financial statements are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the merger.

The pro forma financial statements contained in this joint proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the merger for several reasons. The pro forma financial statements have been derived from the historical financial statements of Medicis and Inamed and certain adjustments and assumptions have been made regarding the combined company after giving effect to the merger. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with complete accuracy. Moreover, the pro forma financial statements do not reflect all costs that are expected to be incurred by the combined company in connection with the merger. For example, the impact of any incremental costs incurred in integrating the two companies is not reflected in the pro forma financial statements. As a result, the actual financial condition and results of operations of the combined company following the merger may not be consistent with, or evident from, these pro forma financial statements.

The assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect the combined company's financial condition or results of operations following the merger. Any potential decline in the combined company's financial condition or results of operations may cause significant variations in the stock price of the combined company. See the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 137.

Some of the conditions to the merger may be waived by Medicis or Inamed without resoliciting stockholder approval of the merger agreement.

Some of the conditions set forth in the merger agreement may be waived by Medicis or Inamed, subject to the agreement of the other party in specific cases, including without limitation, the condition that there be an absence of events or developments since the date of the merger agreement that would reasonably be expected to have a material adverse effect on either party. See "The Merger Agreement - Conditions to Completion of the Merger" on page 115. If any conditions are waived, Medicis and Inamed will evaluate whether amendment of this joint proxy statement/prospectus and resolicitation of proxies is warranted. In the event that the board of directors of Medicis or Inamed determines that resolicitation of stockholders is not warranted, the applicable company will have the discretion to complete the merger without seeking further stockholder approval.

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If the proposed merger is not completed, Medicis and Inamed will have incurred substantial costs that may adversely affect Medicis and Inamed's financial results and operations and the market price of Medicis and Inamed common stock.

Medicis and Inamed have incurred and will incur substantial costs in connection with the proposed merger. These costs are primarily associated with the fees of financial advisors, attorneys, accountants and consultants. In addition, Medicis and Inamed have each diverted significant management resources in an effort to complete the merger and are each subject to restrictions contained in the merger agreement on the conduct of its business. If the merger is not completed, Medicis and Inamed will receive little or no benefit for these costs. If the merger agreement is terminated, Inamed, in certain specified circumstances, may be required to pay a termination fee of up to \$90 million to Medicis, and Medicis, in certain specified circumstances, may be required to pay a termination fee of up to \$70 million to Inamed. In addition, under certain circumstances, one party may be required to pay the other an expense fee of \$10 million. As consideration for Inamed's dismissal of pending litigation against Medicis, Medicis agreed to pay Inamed \$16.5 million if either the \$70 million termination fee or the \$10 million expense fee becomes payable by Medicis or if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting.

In addition, if the merger is not consummated, Medicis and Inamed may experience negative reactions from the financial markets and Medicis and Inamed's collaborative partners, customers and employees. Each of these factors may adversely affect the trading price of Medicis and/or Inamed common stock and Medicis and/or Inamed's financial results and operations.

Provisions of the merger agreement may deter alternative business combinations and could negatively impact the stock prices of Medicis and Inamed if the merger agreement is terminated in certain circumstances.

Restrictions in the merger agreement on solicitation generally prohibit Medicis and Inamed from soliciting any acquisition proposal or offer for a merger or business combination with any other party, including a proposal that might be advantageous to the stockholders of Medicis or Inamed when compared to the terms and conditions of the merger described in this joint proxy statement/ prospectus. If the merger is not completed, either company may not be able to conclude another merger, sale or combination on as favorable terms, in a timely manner, or at all. If the merger agreement is terminated, Inamed, in certain specified circumstances, may be required to pay a termination fee of up to \$90 million to Medicis, and Medicis, in certain specified circumstances, may be required to pay a termination fee of up to \$70 million to Inamed. In addition, under certain circumstances, each party may be required to pay the other an expense fee of \$10 million. As consideration for Inamed's dismissal of pending litigation against Medicis, Medicis agreed to pay Inamed \$16.5 million if either the \$70 million termination fee or the \$10 million expense fee becomes payable by Medicis or if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting. These provisions may deter third parties from proposing or pursuing alternative business combinations that might result in greater value to Medicis or Inamed stockholders than the merger. In the event the merger is terminated by Medicis or Inamed in circumstances that obligate either party to pay the expenses or termination fee to the other party, including where either party terminates the merger agreement because the other party's board of directors withdraws its support of the merger, Medicis and/or Inamed's stock prices may decline.

Directors and executive officers of Medicis and Inamed have interests in the merger that may be different from, or in addition to, the interests of Medicis or Inamed stockholders generally.

When considering the Medicis and Inamed boards of directors' recommendations that Medicis and Inamed stockholders vote in favor of their respective proposals relating to the merger, stockholders should be aware that some executive officers and directors of Medicis and Inamed have interests in the merger that may be different from, or in addition to, the interests of Medicis and Inamed stockholders generally. These interests, as a whole, include cash bonus payments that are contingent upon completion of the merger, enhanced severance payments and benefits under employment agreements and change in control agreements,

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acceleration of vesting of options and restricted stock as a result of the merger (or a subsequent qualifying termination of employment), the potential for positions as officers and directors of the combined company, and the right to continued indemnification and insurance coverage by the combined company for acts or omissions occurring prior to the merger.

As a result of these interests, directors and officers of Inamed could be more likely to vote to adopt the merger agreement and approve the merger than if they did not hold these interests, and may have reasons for doing so that are not the same as the interests of other Inamed stockholders. Additionally, directors and officers of Medicis could be more likely to vote to approve the issuance of shares of Medicis common stock pursuant to the merger agreement than if they did not hold these interests, and may have reasons for doing so that are not the same as the interests of other Medicis stockholders. For a full description of the interests of directors and executive officers of Medicis and Inamed in the merger, see *The Merger* *Interests of Medicis* and *Inamed's Directors and Executive Officers in the Merger* on page 102.

If the combined company is unable to reach an acceptable agreement with Q-Med AB regarding Medicis ability to compete against Q-Med AB in certain international facial aesthetics markets, the results of operations and financial condition of the combined company would suffer materially.

Pursuant to existing agreements with Q-Med AB, Medicis' ability to compete against Q-Med AB outside North America in markets for certain hyaluronic acid-based aesthetic enhancements may be restricted. Concurrent with the execution of the merger agreement, Medicis, Inamed and Q-Med AB entered into a letter agreement, which is described below under *The Merger* *Letter Agreement with Q-Med AB* on page 110. Under the letter agreement, the parties agreed that Medicis and Q-Med AB will work diligently to reach a comprehensive agreement, within six months of the closing of the merger of Medicis and Inamed, regarding certain business opportunities and, if the comprehensive agreement is not executed within six months of the closing of the merger, Medicis will pay a specified royalty on net revenues of products acquired from Inamed as a result of the merger that compete with Q-Med AB products outside Canada and the United States, until the competing products are divested or discontinued. If Medicis is unable to reach an agreement with Q-Med AB regarding these business opportunities in a timely matter, on commercially reasonable terms or at all, the results of operations and financial condition of the combined company would suffer materially.

Risks Relating to Medicis

Medicis derives a majority of its sales from its core products, and any factor adversely affecting sales of these products would harm Medicis' business, financial condition and results of operations.

Medicis believes that the prescription volume of its core prescription products and sales of its dermal aesthetic product, RESTYLANE®, which Medicis began selling in the United States on January 6, 2004, will continue to constitute a significant portion of Medicis' sales for the foreseeable future. Accordingly, any factor adversely affecting Medicis' sales related to these products, individually or collectively, could harm its business, financial condition and results of operations. Many of Medicis' core prescription products, including DYNACIN® and LOPROX®, are subject to generic competition or may be in the near future. On July 18, 2004, Glades announced the launch of myractm (minocycline hydrochloride tablets, USP), as a branded pharmaceutical product. Myractm tablets is a prescription product that competes directly with Medicis' DYNACIN® tablet products. During the third quarter of Medicis' fiscal 2005, myractm began being marketed as a generic product. On August 6, 2004, the FDA approved an ANDA submitted by Altana for its ciclopirox topical suspension, a generic version of Medicis' LOPROX® TS product. On December 29, 2004, the FDA approved an ANDA submitted by Altana for its ciclopirox cream, a generic version of Medicis' LOPROX® cream product. On August 10, 2005, the FDA approved an ANDA submitted by Taro Pharmaceuticals U.S.A. Inc. for its ciclopirox topical suspension, a generic version of Medicis' LOPROX® topical suspension. Each of Medicis' core products could be rendered obsolete or uneconomical by competitive changes, including generic competition.

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Sales related to Medicis' core prescription products and RESTYLANE® could also be adversely affected by other factors, including:

manufacturing or supply interruptions;

the development of new competitive pharmaceuticals and technological advances to treat the conditions addressed by Medicis' core products, including the introduction of new products into the marketplace;

marketing or pricing actions by one or more of Medicis' competitors;

regulatory action by the FDA and other government regulatory agencies;

changes in the prescribing or procedural practices of dermatologists, plastic surgeons and/or podiatrists;

the effect of economic changes in hurricane-affected areas;

changes in the reimbursement or substitution policies of third-party payors or retail pharmacies;

product liability claims;

the outcome of disputes relating to trademarks, patents, license agreements and other rights;

changes in state and federal law that adversely affect Medicis' ability to market its products to dermatologists, plastic surgeons and/or podiatrists; and

restrictions on travel affecting the ability of Medicis' sales force to market to prescribing physicians and plastic surgeons in person.

If Medicis does not comply with applicable regulatory requirements, such violations could result in warning letters, non-approval, suspensions of regulatory approvals, civil penalties and criminal fines, product seizures and recalls, operating restrictions, injunctions and criminal prosecution. The government has notified Medicis that Medicis has been named as a defendant in a qui tam (whistleblower) lawsuit filed under the federal False Claims Act. Medicis is cooperating with the government in its investigation, which relates to Medicis' marketing and promotion of LOPROX® products to pediatricians prior to Medicis' May 2004, disposition of its pediatric sales division.

Medicis' operating results and financial condition may fluctuate.

Medicis' operating results and financial condition may fluctuate from quarter to quarter and year to year for a number of reasons. The following events or occurrences, among others, could cause fluctuations in Medicis' financial performance from period to period:

changes in the amount Medicis spends to develop, acquire or license new products, technologies or businesses;

untimely contingent research and development payments under Medicis' third-party product development agreements;

changes in the amount Medicis spends to promote its products;

delays between Medicis' expenditures to acquire new products, technologies or businesses and the generation of revenues from those acquired products, technologies or businesses;

changes in treatment practices of physicians that currently prescribe Medicis' products;

changes in reimbursement policies of health plans and other similar health insurers, including changes that affect newly developed or newly acquired products;

increases in the cost of raw materials used to manufacture Medicis products;

manufacturing and supply interruptions, including failure to comply with manufacturing specifications;

development of new competitive products by others;

development of new competitive products by others;

the mix of products that Medicis sells during any time period;

lower than expected demand for Medicis products;

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Medicis' responses to price competition;

expenditures as a result of legal actions;

market acceptance of Medicis' products;

the timing and receipt of FDA approvals;

the impairment and write-down of goodwill or other intangible assets;

implementation of new or revised accounting or tax rules or policies;

disposition of core products, technologies and other rights;

termination or expiration of, or the outcome of disputes relating to, trademarks, patents, license agreements and other rights;

increases in insurance rates for general economic and industry conditions, including changes in interest rates affecting returns on cash balances and investments that affect customer demand;

existing products and the cost of insurance for new products;

seasonality of demand for Medicis' products;

Medicis' level of research and development activities;

new accounting standards and/or changes to existing accounting standards that would have a material effect on Medicis' consolidated financial position, results of operations or cash flows;

costs and outcomes of any tax audits or any litigation involving intellectual property, customers or other issues; and

timing of revenue recognition related to licensing agreements and/or strategic collaborations.

As a result, Medicis believes that period-to-period comparisons of its results of operations are not necessarily meaningful and these comparisons should not be relied upon as an indication of future performance. The above factors may cause Medicis' operating results to fluctuate and adversely affect its financial condition and results of operations.

Medicis will be unable to meet its anticipated development and commercialization timelines if clinical trials for its products are unsuccessful or delayed.

The production and marketing of Medicis' products and its ongoing research and development, pre-clinical testing and clinical trial activities are subject to extensive regulation and review by numerous governmental authorities. Before obtaining regulatory approvals for the commercial sale of any products, Medicis and/or its partners must demonstrate through pre-clinical testing and clinical trials that Medicis' products are safe and effective for use in humans. Conducting clinical trials is a lengthy, time-consuming and expensive process. In addition to testing and approval procedures, extensive regulations also govern marketing, manufacturing, distribution, labeling and record-keeping procedures.

Completion of clinical trials may take several years or more. Medicis' commencement and rate of completion of clinical trials may be delayed by many factors, including:

lack of efficacy during the clinical trials;

unforeseen safety issues;

slower than expected patient recruitment; and

government or regulatory delays.

The results from pre-clinical testing and early clinical trials are often not predictive of results obtained in later clinical trials. A number of new products have shown promising results in clinical trials, but subsequently failed to establish sufficient safety and efficacy data to obtain necessary regulatory approvals. Data obtained from pre-clinical and clinical activities are susceptible to varying interpretations, which may delay, limit or prevent regulatory approval. In addition, regulatory delays or rejections may be encountered as a result of many factors, including perceived defects in the design of the clinical trials and changes in regulatory policy during the period of product development. Any delays in, or termination of, Medicis clinical trials could

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materially and adversely affect Medicis' development and commercialization timelines, which could adversely affect its financial condition, results of operations and cash flows.

If Medicis is unable to secure and protect its intellectual property and proprietary rights, or if its intellectual property rights are found to infringe upon the intellectual property rights of other parties, Medicis' business could suffer.

Medicis' success depends in part on its ability to obtain patents or rights to patents, protect trade secrets, operate without infringing upon the proprietary rights of others, and prevent others from infringing on its patents, trademarks, service marks and other intellectual property rights.

Medicis believes that the protection of its trademarks and service marks is an important factor in product recognition and in Medicis' ability to maintain or increase market share. If Medicis does not adequately protect its rights in its various trademarks and service marks from infringement, their value to Medicis could be lost or diminished. If the marks Medicis uses are found to infringe upon the trademark or service mark of another company, Medicis could be forced to stop using those marks and, as a result, Medicis could lose the value of those marks and could be liable for damages caused by an infringement.

The patents and patent applications in which Medicis has an interest may be challenged as to their validity or enforceability. Challenges may result in potentially significant harm to Medicis' business. The cost of responding to these challenges and the inherent costs to defend the validity of Medicis' patents, including the prosecution of infringements and the related litigation, could be substantial. Such litigation also could require a substantial commitment of Medicis' management's time.

Medicis is pursuing several United States patent applications, although Medicis cannot be sure that any of these patents will ever be issued. Medicis has also acquired rights under certain patents and patent applications in connection with its licenses to distribute products and by assignment of rights to patents and patent applications from certain of its consultants and officers. These patents and patent applications may be subject to claims of rights by third parties. If there are conflicting claims to the same patent or patent application, Medicis may not prevail and, even if it does have some rights in a patent or patent application, those rights may not be sufficient for the marketing and distribution of products covered by the patent or patent application.

The ownership of a patent or an interest in a patent does not always provide significant protection. Others may independently develop similar technologies or design around the patented aspects of Medicis' technology. Medicis only conducts patent searches to determine whether its products infringe upon any existing patents when Medicis thinks such searches are appropriate. As a result, the products and technologies Medicis currently markets, and those it may market in the future, may infringe on patents and other rights owned by others. If Medicis is unsuccessful in any challenge to the marketing and sale of its products or technologies, Medicis may be required to license the disputed rights, if the holder of those rights is willing, or to cease marketing the challenged products, or to modify Medicis' products to avoid infringing upon those rights. A claim or finding of infringement regarding one of Medicis' products could harm its business, financial condition and results of operations. The costs of responding to infringement claims could be substantial and could require a substantial commitment of Medicis' management's time. The expiration of patents may expose Medicis' products to additional competition.

Medicis also relies upon trade secrets, unpatented proprietary know-how and continuing technological innovation in developing and manufacturing many of Medicis' core products. It is Medicis' policy to require all of its employees, consultants and advisors to enter into confidentiality agreements prohibiting them from taking or disclosing Medicis' proprietary information and technology. Nevertheless, these agreements may not provide meaningful protection for Medicis' trade secrets and proprietary know-how if they are used or disclosed. Despite all of the precautions Medicis may take, people who are not parties to confidentiality agreements may obtain access to its trade secrets or know-how. In addition, others may independently develop similar or equivalent trade secrets or know-how.

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If Q-Med AB is unable to protect its intellectual property and proprietary rights with respect to Medicis dermal aesthetic enhancement products, Medicis business could suffer.

RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™ currently have patent protection in the United States until 2015, and the exclusivity period of the license granted to Medicis by Q-Med AB ends on the last to occur of the last patent covering the products expiring and the licensed know-how becoming publicly known. If the validity or enforceability of these patents is successfully challenged, the cost to Medicis could be significant and Medicis business may be harmed. For example, if any such challenges are successful, Q-Med AB may be unable to supply products to Medicis. Medicis may be unable to market, distribute and commercialize the products or it may no longer be profitable for it to do so.

Medicis may not be able to collect all scheduled license payments from BioMarin.

As part of Medicis' asset purchase agreement, license agreement and securities purchase agreement with BioMarin Pharmaceutical Inc., BioMarin will make license payments to Medicis of \$2.1 million per quarter for four quarters beginning in July 2005; \$1.75 million per quarter for the subsequent eight quarters beginning in July 2006; and \$1.5 million per quarter for the subsequent four quarters beginning in July 2008. While Medicis did receive all scheduled quarterly license payments during the fiscal year ending June 30, 2005, it cannot give any assurances as to BioMarin's continuing ability to make payments to Medicis. Currently, Medicis' revenue recognition of these payments is on a cash basis.

Medicis depends upon its key personnel and its ability to attract, train, and retain employees.

Medicis' success depends significantly on the continued individual and collective contributions of its senior management team. Medicis has not entered into employment agreements with any of its key managers, with the exception of its Chairman and Chief Executive Officer. The loss of the services of any member of Medicis' senior management or the inability to hire and retain experienced management personnel could adversely affect Medicis' ability to execute its business plan and harm its operating results. In addition, Medicis' future success depends on its ability to hire, train and retain skilled employees. Competition for these employees is intense.

Medicis' continued growth depends upon its ability to develop new products.

Medicis has internally developed potential pharmaceutical compounds and agents. It has also acquired the rights to certain potential compounds and agents in various stages of development. Medicis currently has a variety of new products in various stages of research and development and is working on possible improvements, extensions and reformulations of some existing products. These research and development activities, as well as the clinical testing and regulatory approval process, which must be completed before commercial quantities of these developments can be sold, will require significant commitments of personnel and financial resources. Medicis cannot assure you that it will be able to develop a product or technology in a timely manner, or at all. Delays in the research, development, testing or approval processes will cause a corresponding delay in revenue generation from those products. Regardless of whether they are ever released to the market, the expense of such processes will have already been incurred.

Medicis reevaluates its research and development efforts regularly to assess whether its efforts to develop a particular product or technology are progressing at a rate that justifies Medicis' continued expenditures. On the basis of these reevaluations, Medicis has abandoned in the past, and may abandon in the future, its efforts on a particular product or technology. Products that Medicis researches and develops may not be successfully commercialized. If Medicis fails to take a product or technology from the development stage to market on a timely basis, it may incur significant expenses without a near-term financial return.

Medicis has in the past, and may in the future, supplement its internal research and development by entering into research and development agreements with other pharmaceutical companies. Medicis may, upon entering into such agreements, be required to make significant up-front payments to fund the projects. Medicis cannot be sure, however, that it will be able to locate adequate research partners or that supplemental research will be available on terms acceptable to it in the future. If Medicis is unable to enter into additional research partnership arrangements, it may incur additional costs to continue research and development

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internally or abandon certain projects. Even if Medicis is able to enter into collaborations, it cannot assure you that these arrangements will result in successful product development or commercialization.

In March 2003, Medicis completed its acquisition of the rights to market, distribute and commercialize the dermal filler product lines known as RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™ in the United States and Canada. The products are approved for sale in Canada, and RESTYLANE® was approved for use in the United States on December 12, 2003. Medicis cannot assure you that the FDA will approve PERLANE™ and RESTYLANE FINE LINES™ in a timely fashion, or for the same indications as approved in other countries, or at all.

There is also a risk that Medicis' products may not gain market acceptance among physicians, patients and the medical community generally. The degree of market acceptance of any medical device or other product that Medicis develops will depend on a number of factors, including demonstrated clinical efficacy and safety, cost-effectiveness, potential advantages over alternative products, and Medicis' marketing and distribution capabilities. Physicians will not recommend Medicis' products until clinical data or other factors demonstrate their safety and efficacy compared to other competing products. Even if the clinical safety and efficacy of using Medicis' products is established, physicians may elect to not recommend using them for any number of other reasons, including whether Medicis' products best meet the particular needs of the individual patient.

Medicis may not be able to identify and acquire products, technologies and businesses on acceptable terms, if at all, which may constrain its growth.

Medicis' strategy for continued growth includes the acquisition of products, technologies and businesses. These acquisitions could involve acquiring other pharmaceutical companies' assets, products or technologies. In addition, Medicis may seek to obtain licenses or other rights to develop, manufacture and distribute products. Medicis cannot be certain that it will be able to identify suitable acquisition or licensing candidates or if any will be available on acceptable terms. Other pharmaceutical companies, with greater financial, marketing and sales resources than Medicis, have also tried to grow through similar acquisition and licensing strategies. Because of their greater resources, Medicis' competitors may be able to offer better terms for an acquisition or license than Medicis can offer, or they may be able to demonstrate a greater ability to market licensed products.

Medicis' success depends on its ability to manage its growth.

Medicis recently experienced a period of rapid growth from both acquisitions and internal expansion of its operations. This growth has placed significant demands on Medicis' human and financial resources. Medicis must continue to improve its operational, financial and management information controls and systems and effectively motivate, train and manage its employees to properly manage this growth. Even if these steps are taken, Medicis cannot be sure that its recent acquisitions will be integrated successfully into Medicis' business operations. If Medicis is not able to successfully integrate its acquisitions, it may not obtain the advantages that the acquisitions were intended to create. In addition, if Medicis does not manage this growth effectively, maintain the quality of its products despite the demands on its resources and retain key personnel, Medicis' business could be harmed.

Medicis depends on licenses from others, and any loss of such licenses could harm its business, market share and profitability.

Medicis has acquired the rights to manufacture, use and market certain products, including certain of Medicis' core products. Medicis also expects to continue to obtain licenses for other products and technologies in the future. Medicis license agreements generally require it to develop a market for the licensed products. If Medicis does not develop these markets within specified time frames, the licensors may be entitled to terminate these license agreements.

Medicis may fail to fulfill its obligations under any particular license agreement for various reasons, including insufficient resources to adequately develop and market a product, and lack of market development despite Medicis' diligence and lack of product acceptance. Medicis' failure to fulfill its obligations could result in the loss of its rights under a license agreement.

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Medicis' inability to continue the distribution of any particular licensed product could harm its business, market share and profitability. Also, certain products Medicis licenses are used in connection with other products it owns or licenses. A loss of a license in such circumstances could materially harm Medicis' ability to market and distribute these other products.

Medicis' growth and acquisition strategy depends upon the successful integration of licensed products with its existing products. Therefore, any loss, limitation or flaw in a licensed product could impair Medicis' ability to market and sell its products, delay new product development and introduction, and harm Medicis' reputation. These problems, individually or together, could harm Medicis' business and results of operations.

Medicis depends on a limited number of customers, and if Medicis loses any of them, its business could be harmed.

Medicis' customers include some of the United States' leading wholesale pharmaceutical distributors, such as AmerisourceBergen, Cardinal, McKesson, Quality King, and major drug chains. During fiscal 2005, McKesson and Cardinal accounted for 51.2% and 21.8%, respectively, of Medicis' net revenues. The loss of any of these customers accounts or a material reduction in their purchases could harm Medicis' business, financial condition or results of operations. In addition, Medicis may face pricing pressure from its customers.

The distribution network for pharmaceutical products has, in recent years, been subject to increasing consolidation. As a result, a few large wholesale distributors control a significant share of the market. In addition, the number of independent drug stores and small chains has decreased as retail consolidation has occurred. Further consolidation among, or any financial difficulties of, distributors or retailers could result in the combination or elimination of warehouses which may result in product returns to Medicis, cause a reduction in the inventory levels of distributors and retailers, or otherwise result in reductions in purchases of Medicis' products, any of which could harm its business, financial condition and results of operations.

Medicis relies on others to manufacture its products.

Currently, Medicis outsources its entire product manufacturing needs. Typically, Medicis' manufacturing contracts are short-term. Medicis is dependent upon renewing agreements with its existing manufacturers or finding replacement manufacturers to satisfy its requirements. As a result, Medicis cannot be certain that manufacturing sources will continue to be available or that Medicis can continue to outsource the manufacturing of its products on reasonable or acceptable terms.

The underlying cost to Medicis for manufacturing its products is established in its agreements with these outside manufacturers. Because of the short-term nature of these agreements, Medicis' expenses for manufacturing are not fixed and could change from contract to contract. If the cost of production increases, Medicis' gross margins could be negatively affected.

In addition, Medicis relies on outside manufacturers to provide it with an adequate and reliable supply of its products on a timely basis. Loss of a supplier or any difficulties that arise in the supply chain could significantly affect Medicis' inventories and supply of products available for sale. Medicis does not have alternative sources of supply for all of its products. If a primary supplier of any of Medicis' core products is unable to fulfill Medicis' requirements for any reason, it could reduce Medicis' sales, margins and market share, as well as harm Medicis' overall business and financial results. If Medicis is unable to supply sufficient amounts of Medicis' products on a timely basis, its revenues and market share could decrease and, correspondingly, its profitability could decrease.

Under several exclusive supply agreements, with certain exceptions, Medicis must purchase most of its product supply from specific manufacturers. If any of these exclusive manufacturer or supplier relationships were terminated, Medicis would be forced to find a replacement manufacturer or supplier. The FDA requires that all manufacturers used by pharmaceutical companies comply with the FDA's regulations, including the current Good Manufacturing Practices (cGMP) regulations applicable to manufacturing processes. The cGMP validation of a new facility and the approval of that manufacturer for a new drug product may take a year or more before manufacture can begin at the facility. Delays in obtaining FDA validation of a

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replacement manufacturing facility could cause an interruption in the supply of Medicis' products. Although Medicis has business interruption insurance covering the loss of income for up to 12 months, which may mitigate the harm to it from the interruption of the manufacturing of Medicis' largest selling products caused by certain events, the loss of a manufacturer could still cause a reduction in Medicis' sales, margins and market share, as well as harm its overall business and financial results.

Medicis' reliance on third-party manufacturers and suppliers can be disruptive to its inventory supply.

Medicis and the manufacturers of its products rely on suppliers of raw materials used in the production of Medicis' products. Some of these materials are available from only one source and others may become available from only one source. Any disruption in the supply of raw materials or an increase in the cost of raw materials to Medicis' manufacturers could have a significant effect on their ability to supply Medicis with its products.

Medicis tries to maintain inventory levels that are no greater than necessary to meet its current projections. Any interruption in the supply of finished products could hinder Medicis' ability to timely distribute finished products. If Medicis is unable to obtain adequate product supplies to satisfy its customers' orders, it may lose those orders and its customers may cancel other orders and stock and sell competing products. This, in turn, could cause a loss of Medicis' market share and reduce its revenues.

Medicis could experience difficulties in obtaining supplies of RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™.

The manufacturing process to create bulk non-animal stabilized hyaluronic acid necessary to produce RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™ products is technically complex and requires significant lead-time. Any failure by Medicis to accurately forecast demand for finished product could result in an interruption in the supply of RESTYLANE®, PERLANE™ and RESTYLANE FINE LINES™ products and a resulting decrease in sales of the products.

Medicis depends exclusively on Q-Med AB for Medicis' supply of RESTYLANE®, PERLANE® and RESTYLANE FINE LINES™ products. There are currently no alternative suppliers of these products. Q-Med AB has committed to supply RESTYLANE® to Medicis under a long-term license that is subject to customary conditions and Medicis' delivery of specified milestone payments. Q-Med AB manufactures RESTYLANE®, PERLANE® and RESTYLANE FINE LINES™ at its facility in Uppsala, Sweden. Medicis cannot be certain that Q-Med AB will be able to meet Medicis' current or future supply requirements. Any impairment of Q-Med AB's manufacturing capacities could significantly affect Medicis' inventories and its supply of products available for sale.

Supply interruptions may disrupt Medicis' inventory levels and the availability of its products.

Numerous factors could cause interruptions in the supply of Medicis' finished products, including:
 timing, scheduling and prioritization of production by Medicis' contract manufacturers;

labor interruptions;

changes in Medicis' sources for manufacturing;

the timing and delivery of domestic and international shipments;

Medicis' failure to locate and obtain replacement manufacturers as needed on a timely basis; and

conditions affecting the cost and availability of raw materials.

Medicis estimates customer demand for its prescription products primarily through use of third party syndicated data sources which track prescriptions written by health care providers and dispensed by licensed pharmacies. These data are extrapolations from information provided only by certain pharmacies, and are estimates of historical demand levels. Medicis observes trends from these data, and, coupled with certain proprietary information, prepares demand forecasts that are the basis for purchase orders for finished and

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component inventory from Medicis' third party manufacturers and suppliers. Medicis' forecasts may fail to accurately anticipate ultimate customer demand for products. Overestimates of demand may result in excessive inventory production; underestimates may result in inadequate supply of Medicis' products in channels of distribution.

Medicis sells its products primarily to major wholesalers and retail pharmacy chains. Consistent with pharmaceutical industry patterns, approximately 80% of Medicis' revenues are derived from four major drug wholesale concerns. While Medicis attempts to estimate inventory levels of its products at its major wholesale customers, using historical prescription information and historical purchase patterns, this process is inherently imprecise. Rarely do wholesale customers provide Medicis complete inventory levels at regional distribution centers, or within their national distribution systems. Medicis relies wholly upon its wholesale and drug chain customers to effect the distribution allocation of its products.

Medicis periodically offers promotions to wholesale and chain drugstore customers to encourage dispensing of its products, consistent with prescriptions written by licensed health care providers. Because many of Medicis' products compete in multi-source markets, it is important for Medicis to ensure the licensed health care providers' dispensing instructions are fulfilled with Medicis' branded products and are not substituted with a generic product or another therapeutic alternative product which may be contrary to the licensed health care providers' recommended prescribed Medicis brand. Medicis believes that a critical component of its brand protection program is maintenance of full product availability at drugstore and wholesale customers. Medicis believes such availability reduces the probability of local and regional product substitutions, shortages and backorders, which could result in lost sales. Medicis expects to continue providing favorable terms to wholesale and retail drug chain customers as may be necessary to ensure the fullest possible distribution of its branded products within the pharmaceutical chain of commerce.

Medicis cannot control or influence greatly the purchasing patterns of its wholesale and retail drug chain customers. These are highly sophisticated customers that purchase Medicis' products in a manner consistent with their industry practices and, presumably, based upon their projected demand levels. Purchases by any given customer, during any given period, may be above or below actual prescription volumes of any of Medicis' products during the same period, resulting in fluctuations in product inventory in the distribution channel.

Fluctuations in demand for Medicis' products create inventory maintenance uncertainties.

As a result of customer buying patterns, a substantial portion of Medicis' revenues have been recognized in the last month of each quarter. Medicis schedules its inventory purchases to meet anticipated customer demand. As a result, relatively small delays in the receipt of manufactured products by Medicis could result in revenues being deferred or lost. Medicis' operating expenses are based upon anticipated sales levels, and a high percentage of Medicis' operating expenses are relatively fixed in the short term. Consequently, variations in the timing of revenue recognition could cause significant fluctuations in operating results from period to period and may result in unanticipated periodic earnings shortfalls or losses.

Medicis selectively outsources certain non-sales and non-marketing services, and cannot assure you that it will be able to obtain adequate supplies of such services on acceptable terms.

To enable Medicis to focus on its core marketing and sales activities, Medicis selectively outsources certain non-sales and non-marketing functions, such as laboratory research, manufacturing and warehousing. As Medicis expands its activities in these areas, additional financial resources are expected to be utilized. Medicis typically does not enter into long-term manufacturing contracts with third-party manufacturers. Whether or not such contracts exist, Medicis cannot assure you that it will be able to obtain adequate supplies of such services or products in a timely fashion, on acceptable terms, or at all.

Importation of products from Canada and other countries into the United States may lower the prices Medicis receives for its products.

Medicis' products are subject to competition from lower priced versions of its products and competing products from Canada and other countries where government price controls or other market dynamics result in

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lower prices. The ability of patients and other customers to obtain these lower priced imports has grown significantly as a result of the Internet, an expansion of pharmacies in Canada and elsewhere targeted to American purchasers, the increase in United States-based businesses affiliated with Canadian pharmacies marketing to American purchasers, and other factors. Most of these foreign imports are illegal under current United States law. However, the volume of imports continues to rise due to the limited enforcement resources of the FDA and the United States Customs Service, and there is increased political pressure to permit the imports as a mechanism for expanding access to lower priced medicines.

In December 2003, Congress enacted the Medicare Prescription Drug, Improvement and Modernization Act of 2003. This law contains provisions that may change United States import laws and expand consumers' ability to import lower priced versions of Medicis' and competing products from Canada, where there are government price controls. These changes to United States import laws will not take effect unless and until the Secretary of Health and Human Services certifies that the changes will lead to substantial savings for consumers and will not create a public health safety issue. The former Secretary of Health and Human Services did not make such a certification. However, it is possible that the current Secretary or a subsequent Secretary could make the certification in the future. As directed by Congress, a task force on drug importation recently conducted a comprehensive study regarding the circumstances under which drug importation could be safely conducted and the consequences of importation on the health, medical costs and development of new medicines for United States consumers. The task force issued its report in December 2004, finding that there are significant safety and economic issues that must be addressed before importation of prescription drugs is permitted, and the current Secretary has not yet announced any plans to make the required certification. In addition, federal legislative proposals have been made to implement the changes to the United States import laws without any certification, and to broaden permissible imports in other ways. Even if the changes to the United States import laws do not take effect, and other changes are not enacted, imports from Canada and elsewhere may continue to increase due to market and political forces, and the limited enforcement resources of the FDA, the United States Customs Service and other government agencies.

The importation of foreign products adversely affects Medicis' profitability in the United States. This impact could become more significant in the future, and the impact could be even greater if there is a further change in the law or if state or local governments take further steps to facilitate the importation of products from abroad.

If Medicis becomes subject to product liability claims, its earnings and financial condition could suffer.

Medicis is exposed to risks of product liability claims from allegations that its products resulted in adverse effects to the patient or others. These risks exist even with respect to those products that are approved for commercial sale by the FDA and manufactured in facilities licensed and regulated by the FDA.

In addition to Medicis' desire to reduce the scope of its potential exposure to these types of claims, many of Medicis' customers require it to maintain product liability insurance as a condition of conducting business with Medicis. Medicis currently carries product liability insurance in the amount of \$50 million per claim and \$50 million in the aggregate on a claims-made basis. Nevertheless, this insurance may not be sufficient to cover all claims made against it. Insurance coverage is expensive and may be difficult to obtain. As a result, Medicis cannot be certain that its current coverage will continue to be available in the future on reasonable terms, if at all. If Medicis is liable for any product liability claims in excess of its coverage or outside of its coverage, the cost and expense of such liability could cause Medicis' earnings and financial condition to suffer.

Rising insurance costs could negatively impact profitability.

The cost of insurance, including workers compensation, product liability and general liability insurance, have risen significantly in recent years and may increase in the future. In response, Medicis may increase deductibles and/or decrease certain coverages to mitigate these costs. These increases, and Medicis' increased risk due to increased deductibles and reduced coverages, could have a negative impact on Medicis' results of operations, financial condition and cash flows.

Table of Contents***If Medicis suffers negative publicity concerning the safety of its products, its sales may be harmed and Medicis may be forced to withdraw products.***

Physicians and potential patients may have a number of concerns about the safety of Medicis products, whether or not such concerns have a basis in generally accepted science or peer-reviewed scientific research. Negative publicity, whether accurate or inaccurate, concerning Medicis products could reduce market or governmental acceptance of Medicis products and could result in decreased product demand or product withdrawal. In addition, significant negative publicity could result in an increased number of product liability claims, whether or not these claims are supported by applicable law.

RESTYLANE® is a consumer product; trends may change and applicable laws may affect sales or product margins of RESTYLANE®.

RESTYLANE® is a consumer product. If Medicis fails to anticipate, identify or react to competitive products or if consumer preferences in the cosmetic marketplace shift to other treatments for the treatment of fine lines, wrinkles and deep facial folds, Medicis may experience a decline in demand for RESTYLANE®. In addition, the popular media has at times in the past produced, and may continue in the future to produce, negative reports regarding the efficacy, safety or side effects of facial aesthetic products. Consumer perceptions of RESTYLANE® may be negatively impacted by these reports and other reasons.

Demand for RESTYLANE® may be materially adversely affected by changing economic conditions. Generally, the costs of cosmetic procedures are borne by individuals without reimbursement from their medical insurance providers or government programs. Individuals may be less willing to incur the costs of these procedures in weak or uncertain economic environments, and demand for RESTYLANE® could be adversely affected.

Medicis may not be able to repurchase the Old Notes and New Notes when required.

In June 2002, Medicis sold Contingent Convertible Senior Notes, due in 2032, or the Old Notes, in the amount of \$400 million. In August 2003, Medicis exchanged approximately \$230.8 million in principal of these Old Notes for approximately \$283.9 million of Medicis Contingent Convertible Senior Notes due in 2033, or the New Notes.

On June 4, 2007, 2012 and 2017 and upon the occurrence of a change in control, holders of the remaining Old Notes may require Medicis to offer to repurchase their Old Notes for cash. On June 4, 2008, 2013 and 2018 and upon the occurrence of a change in control, holders of the New Notes may require Medicis to offer to repurchase their New Notes for cash. Medicis may not have sufficient funds at the time of any such events to make the required repurchases.

The source of funds for any repurchase required as a result of any such events will be Medicis available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by a new controlling entity. Medicis cannot assure you, however, that sufficient funds will be available at the time of any such events to make any required repurchases of the Notes tendered. Furthermore, the use of available cash to fund the repurchase of the Old Notes or New Notes may impair Medicis ability to obtain additional financing in the future.

Medicis publicly-filed SEC reports are reviewed by the SEC from time to time and any significant changes required as a result of any such review may result in material liability to Medicis and have a material adverse impact on the trading price of Medicis common stock.

The reports of publicly-traded companies are subject to review by the SEC from time to time for the purpose of assisting companies in complying with applicable disclosure requirements and to enhance the overall effectiveness of companies public filings, and comprehensive reviews of such reports are now required at least every three years under the Sarbanes-Oxley Act of 2002. SEC reviews may be initiated at any time. While Medicis believes that its previously filed SEC reports comply, and Medicis intends that all future reports will comply in all material respects with the published rules and regulations of the SEC, Medicis could

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be required to modify or reformulate information contained in prior filings as a result of an SEC review. Any modification or reformulation of information contained in such reports could be significant and result in material liability to Medicis and have a material adverse impact on the trading price of Medicis' common stock.

Risks Relating to Inamed

If Inamed is unable to avoid significant product liability claims, product recalls, or indemnification claims, Inamed may be forced to pay substantial damage awards, claims, and other expenses that could exceed its accruals and insurance coverage.

Inamed has in the past been, currently is, and may in the future be subject to product liability claims alleging that the use of Inamed's technology or products has resulted in adverse health effects. These claims may be brought even with respect to products that are investigational devices in approved clinical trials or that have received, or in the future may receive, regulatory approval for commercial sale. In particular, the manufacture and sale of breast implant products entails significant risk of product liability claims due to potential allegations of possible disease causation, transmission, complications and other health factors, rupture, deflation or other product failure. Other breast implant manufacturers that suffered such claims in the past have been forced to cease operations or even to declare bankruptcy. Inamed also faces a substantial risk of product liability claims from its obesity intervention products and its facial aesthetics products. In addition to product liability claims, Inamed may in the future need to recall or issue field corrections related to its products due to manufacturing deficiencies, labeling errors, or other safety or regulatory reasons or concerns. Inamed has, from time to time, entered into indemnification agreements with health care practitioners with respect to certain clinical research studies. Pursuant to these agreements, Inamed has agreed to indemnify the health care practitioners from third-party claims (in addition to product liability claims) resulting from or arising out of these studies.

At present, except for some of Inamed's products used in current clinical trials, Inamed has no third-party liability insurance to protect Inamed from the damages and the costs of claims for damages due to the use or recall of its products or indemnification claims. Product liability claims, recall orders or indemnification claims could result in material losses.

In addition, Inamed continues to incur substantial costs and expenses as a result of Inamed's liabilities related to the Trilucent breast implant. Inamed's Trilucent costs and expenses derive in part from the program announced by Inamed on June 6, 2000, and include, among other things, continuing expenses of Inamed's explantation program, regulatory compliance, scientific and other investigative studies, bodily injury and financial loss claims, and related legal and defense costs. While Inamed has insurance for some of these expenses and has also established accruals for them in addition to its insurance program, the combined amount of its insurance and accruals may be insufficient to cover all its future Trilucent-related liabilities. In 2002, Inamed came to final settlements with each of its two insurers for product liability claims arising from the Trilucent implant. Under one settlement with MEDMARC Casualty Insurance Company, MEDMARC paid \$6 million in cash to Inamed in January 2003, \$1.5 million cash to Inamed in May 2003, and, effective November 16, 2002, agreed to make a policy with a limit of \$10 million available to Inamed for defense and indemnification of Trilucent-related bodily injury claims worldwide. The policy does not cover claims filed against Inamed after November 7, 2005. This policy was fully used as of June 30, 2004. Under the second settlement, AISLIC, an AIG company, agreed to make an excess policy with a limit of \$10 million available to Inamed for the indemnification of non-United States Trilucent claims. There was approximately \$2.1 million remaining under this commitment at September 30, 2005 and \$4.2 million remaining at December 31, 2004.

In addition, at September 30, 2005, Inamed had an accrual for future Trilucent claims, costs, and expenses of approximately \$5.7 million and insurance of \$2.1 million, or \$3.6 million, net of insurance. While Inamed currently believes this amount is adequate, it is possible that its future Trilucent-related liabilities could exceed this amount. Further, the existing insurance coverage is subject to a number of conditions. Thus, Inamed's accruals and liability insurance coverage under the foregoing insurance policies may be inadequate

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to cover its future Trilucent-related liabilities, including its Trilucent-related bodily injury claims and other contingent liabilities.

Under the program announced on June 6, 2000, Inamed has, through its AEI Inc. subsidiary, undertaken a comprehensive program of support and assistance for women who received Trilucent breast implants, under which Inamed is covering medical expenses associated with the removal and replacement of those implants for the approximately 8,500 women who received them. To date, Inamed believes that more than 90% of the United Kingdom residents and more than 75% of the women in the rest of the world who had these implants have had them removed. The product was not sold commercially in the United States. Prior to February 15, 2005, an insurance company honored its commitment under an insurance policy to reimburse Inamed for most of the medical expenses incurred in connection with this explantation program. As of February 15, 2005, this policy expired in accordance with its terms. Despite the expiration of this policy, Inamed may continue to pay for the explantations of certain Trilucent recipients, and may do so in the future. Hence, it is possible that Inamed will incur material liabilities for Trilucent-related explantation expenses in the future for which it will not have insurance coverage.

Recipients of the Trilucent implants have also asserted claims and brought legal proceedings against Inamed, AEI (an affiliate of Inamed), other affiliated and unaffiliated entities, and persons alleging bodily injury and financial loss as a result of the implantation and explantation of their Trilucent implants. To date, Inamed has been able to resolve these claims within its accruals and with insurance proceeds. In the United Kingdom and Spain, Inamed has entered into protocols under which women who have had their Trilucent implants removed since June 6, 2000 applied for certain fixed levels of compensation, or may obtain an independent, binding determination of their damages, without proof of defect or legal causation. In the United Kingdom, while Inamed has been successful in settling the vast majority of claims, Inamed has yet to finally adjudicate approximately 70 claims in which women in the United Kingdom are claiming serious medical complications from their Trilucent explantation procedure. In Spain, although approximately 332 women have accepted Inamed's protocol, approximately 62 have commenced individual legal proceedings (approximately 29 of which are still pending) and a Spanish consumer union has commenced a single action in which it alleges that it represents approximately 40 Spanish Trilucent explantees. More than 790 Spanish women were explanted and hence more than 300 have yet to make claims for bodily injury or financial loss (although Inamed has already paid for their explants). The claims of many of these women may now be time-barred under Spanish law. In addition, in the second quarter of 2005, for the first time an appellate court in Spain issued a decision holding that Trilucent Breast Implants were not defective within the meaning of Spanish product liability law and dismissed a EUR 60,000 award issued by the lower court. While this ruling is a positive development for Inamed, and may eliminate or reduce its liability in cases filed in the judicial district (Madrid) in which it was issued, it may not be followed by other Spanish appellate courts or could be modified or be found to be inapplicable to other cases filed in the Madrid district. In the third quarter of 2005, Inamed terminated the voluntary settlement protocols under which Trilucent explantees in the United Kingdom and Spain could obtain compensation without proof of defect or legal causation. Inamed did so because, in the opinion of its counsel, it is unlikely that women who are seeking explanation at this late date could be doing so in reliance on the June 6, 2000 Hazard Notice. However, while Inamed believes that there will be relatively few new Trilucent bodily injury claims in the future, Inamed may in fact receive new Trilucent bodily injury claims and may attempt to settle them rather than litigate them in order to conserve resources.

Inamed is also facing Trilucent-related claims and legal proceedings in Germany, Belgium, Italy and other countries. In Germany, where as many as 1,500 to 2,000 women are believed to have been implanted with Trilucent implants, approximately 950 have been explanted, but only approximately 130 have made claims for bodily injury or financial loss (although Inamed has already paid for their explants). By reason of adverse publicity concerning Trilucent and the announced closure of Inamed's explantation program, Inamed has continued to receive Trilucent-related bodily injury claims in Germany, Belgium, Italy and other European countries.

In addition, under United Kingdom and Spanish law, the release granted to Inamed under its settlement protocol is necessarily provisional, and each participating claimant reserves the right to pursue a future claim should she develop cancer or reproductive abnormalities. On August 4, 2004, the Trilucent Scientific Advisory

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Panel (TSAP) delivered a report to the successor entity to the MDA in the United Kingdom, known as the MHRA. In its report, issued after more than three years of research, the TSAP concluded that there is no scientific evidence that Trilucent implants pose a significant systemic risk to human health but that the removal of the implants on precautionary grounds was and is appropriate. Although Inamed's regulator in the U.K. has determined that no further studies of Trilucent are currently required, Inamed could also be obligated to fund scientific or epidemiologic research, or incur expenses for medical monitoring, that are in excess of the spending levels which are currently forecast. As a result of these and other factors, the total amount of accruals and insurance available to address Inamed's future Trilucent-related liabilities may be insufficient and Inamed may need to make additional provisions for Trilucent-related liabilities in the future.

Inamed is subject to substantial government regulation, which could materially adversely affect its business.

The production and marketing of Inamed's products and its ongoing research and development, pre-clinical testing and clinical trial activities are subject to extensive regulation and review by numerous governmental authorities both in the United States and abroad. Most of the products Inamed develops must undergo rigorous pre-clinical and clinical testing and an extensive regulatory approval process before they can be marketed. This process makes it longer, harder and more costly to bring Inamed's products to market, and Inamed cannot guarantee that any of its products will be approved, or, once approved, not recalled. The pre-marketing approval process and biologic license application process can be particularly expensive, uncertain and lengthy, and a number of products for which FDA approval has been sought by other companies have never been approved for marketing. In addition to testing and approval procedures, extensive regulations also govern marketing, manufacturing, distribution, labeling, and record-keeping procedures. If Inamed does not comply with applicable regulatory requirements, such violations could result in warning letters, non-approval, suspensions of regulatory approvals, civil penalties and criminal fines, product seizures and recalls, operating restrictions, injunctions, and criminal prosecution.

Delays in or rejection of FDA or other government entity approval of Inamed's new products may also adversely affect its business. Such delays or rejection may be encountered due to, among other reasons, government or regulatory delays, lack of efficacy during clinical trials, unforeseen safety issues, slower than expected rate of patient recruitment for clinical trials, inability to follow patients after treatment in clinical trials, inconsistencies between early clinical trial results and results obtained in later clinical trials, varying interpretations of data generated by clinical trials, or changes in regulatory policy during the period of product development in the United States and abroad. In the United States, there has been a continuing trend of more stringent FDA oversight in product clearance and enforcement activities, causing manufacturers to experience longer approval cycles, more uncertainty, greater risk, and higher expenses.

On April 11, 2005, the General and Plastic Surgery Advisory Panel (Panel) of the FDA recommended by a five to four vote the non-approval to the FDA of Inamed's Pre-Market Approval (PMA) application to market responsive silicone gel-filled breast implants in the United States. After consideration of the outcome of the Panel meeting and in consultation with the FDA, Inamed modified its responsive gel PMA by separating data for eight round style investigational devices and the shaped Style 153 investigational devices. This PMA modification also included new 10 to 12 year European data for these styles. Inamed also decided to voluntarily end the availability of the Style 153 as an investigational device in clinical studies. The Style 153 accounted for approximately \$3.4 million (less than 1%) of Inamed's total revenues in 2004.

On September 21, 2005, Inamed announced that it received an "approvable letter" from the FDA for its responsive silicone gel-filled breast implants. The approvable letter stipulates a number of conditions that Inamed must comply with in order to receive FDA approval to market and sell responsive silicone gel-filled breast implants in the U.S. An "approvable letter" is one of several intermediate steps in the FDA review process of new products. If Inamed does not meet the conditions of its "approvable letter", then it may not be permitted to market and sell silicone breast implants in the U.S., which could harm its financial results and prospects. In addition, Inamed's principal competitor in the U.S., Mentor Corporation, announced that it received an "approvable letter" from the FDA for its silicone breast implants on July 28, 2005. If Mentor is approved to market and sell silicone breast implants in the U.S. before Inamed, Mentor's silicone-gel filled

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breast implants would then be the only approved silicone gel-filled breast implants in the U.S. which could provide Mentor with a competitive advantage over Inamed in the U.S. breast implant market, at least in the short term.

Internationally, there is a risk that Inamed may not be successful in meeting applicable quality standards or other certification requirements. Even if regulatory approval of a product is granted, this approval may entail limitations on uses for which the product may be labeled and promoted. It is possible, for example, that Inamed may not receive FDA approval to market its current products for broader or different applications or to market updated products that represent extensions of Inamed's basic technology. In addition, Inamed may not receive FDA export approval to export its products in the future, and countries to which products are to be exported may not approve them for import.

Inamed's manufacturing facilities also are subject to continual governmental review and inspection. The FDA has stated publicly that compliance with manufacturing regulations will be scrutinized more strictly. A governmental authority may challenge Inamed's compliance with applicable federal, state and foreign regulations. In addition, any discovery of previously unknown problems with one of Inamed's products or facilities may result in restrictions on the product or the facility, including withdrawal of the product from the market or other enforcement actions.

From time to time, legislative or regulatory proposals are introduced that could alter the review and approval process relating to Inamed's products. It is possible that the FDA or other governmental authorities will issue additional regulations further restricting the sale of Inamed's present or proposed products. Any change in legislation or regulations that govern the review and approval process relating to Inamed's current and future products could make it more difficult and costly to obtain approval for new products, or to produce, market, and distribute existing products.

There are material risks related to the potential delay or failure to consummate the proposed merger with Medicis.

The proposed merger with Medicis may not be completed on the anticipated timetable, and it is possible that the merger will not be completed at all. The delay or failure to consummate the proposed merger with Medicis could negatively impact Inamed's stock price and future business and operations. If the merger with Medicis is delayed or not consummated for any reason, Inamed may be subject to a number of material risks, including the following:

If the merger agreement is terminated by Medicis under certain circumstances, and Inamed enters into a change of control transaction subsequent to such termination, Inamed may be required to pay to Medicis a termination fee of \$90 million. Inamed may also be required to pay a fee of \$10 million upon its breach of the terms and conditions of the merger agreement. These fees may deter other parties from offering to acquire Inamed, which could interfere with the ability of its stockholders to receive a premium over the value of the merger consideration for their shares of Inamed's stock;

The price of Inamed's common stock may decline, as the current market price of its common stock may reflect an assumption that the proposed merger will be consummated and that its stockholders will become stockholders of Medicis upon closing of the merger;

Inamed must pay certain expenses related to the proposed merger, including substantial financial advisory, legal, accounting and other merger-related fees even if the merger is not consummated, which could affect Inamed's results of operations and cash liquidity, and potentially its stock price;

Significant management and other resources have been diverted to efforts to consummate the proposed merger and, if the merger is not consummated, such efforts will result in little or no benefit to Inamed;

Current and prospective employees may experience uncertainty about their future role with Inamed, which may adversely affect Inamed's ability to attract and retain key management, research and development, sales, manufacturing and other personnel;

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The announcement of the proposed merger may have an adverse effect on Inamed's revenues in the near-term and its market position if Inamed's customers, suppliers, marketing and collaboration partners and other third parties delay, defer or cancel purchases pending resolution of the proposed merger; and

If the merger agreement with Medicis is terminated and the Inamed board of directors decides to seek another merger or business combination, it may not be able to find a partner willing to pay an equivalent price to that which would have been obtained in the proposed merger with Medicis.

In addition, the merger agreement contains a number of conditions which must be satisfied or waived prior to the closing of the merger, including required antitrust approvals, such as the expiration or termination of the waiting period under the HSR Act. On May 5, 2005, Inamed and Medicis received from the FTC requests for additional information and documents with respect to the proposed merger. Each of Medicis and Inamed has certified to the FTC that it has provided substantially all of the information and documents requested by the FTC in connection with the merger. On November 14, 2005, Medicis provided notice to the FTC that it would not close the transaction prior to December 14, 2005, unless the FTC terminated its investigation earlier. At any time before or after completion of the merger, the FTC could take any action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin completion of the merger or seeking divestiture of substantial assets of Inamed or Medicis. There can be no assurance that this merger will receive the required antitrust approvals on a timely basis, if at all, and either Inamed or Medicis may be required to divest certain assets or a portion of its respective operations to obtain the required antitrust approvals. See *The Merger Agreement* on page 112. Additional risks and uncertainties not presently known to Inamed or to Medicis also may adversely affect the merger and the combined company following the merger.

If Inamed suffers negative publicity concerning the safety of its products, Inamed's sales may be harmed and Inamed may be forced to withdraw products.

Physicians and potential and existing patients may have a number of concerns about the safety of Inamed's products, including its breast implants, obesity intervention products and facial dermal fillers, whether such concerns have a basis in generally accepted science or peer-reviewed scientific research or not. Negative publicity—whether accurate or inaccurate—about Inamed's products, based on, for example, news about breast implant litigation or regulatory activities and developments, whether involving Inamed or a competitor, new government regulation, or bovine spongiform encephalopathy (BSE) or Creutzfeldt-Jacob, or mad cow disease, could materially reduce market acceptance of Inamed's products and could result in product withdrawals. In addition, significant negative publicity could result in an increased number of product liability claims, whether or not these claims have a basis in scientific fact.

Inamed's quarterly operating results are subject to substantial fluctuations and any failure to meet financial expectations for any fiscal quarter may disappoint securities analysts and investors and could cause Inamed's stock price to decline.

Inamed's quarterly operating results have fluctuated in the past and may vary significantly in the future due to a combination of factors, many of which are beyond Inamed's control. These factors include:

changes in demand for Inamed's products;

Inamed's ability to meet the demand for its products;

on-going and increased competition;

the number, timing, pricing and significance of new products and product introductions and enhancements by Inamed and its competitors;

regulatory approvals or nonapprovals obtained either by Inamed or a competitor;

Inamed's ability to develop, introduce and market new products and enhanced versions of its existing products on a timely basis;

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changes in pricing policies by Inamed or its competitors;

events related to the proposed merger with Medicis and/or the operating results or stock price of Medicis;

merger-related expenses if the merger with Medicis is not consummated;

the timing of significant orders and shipments;

regulatory approvals or other regulatory action affecting new or existing products;

litigation with respect to product liability, intellectual property, and other claims or product recalls and any insurance covering such claims or recalls; and

general economic factors, such as foreign exchange rates.

As a result, Inamed believes that period-to-period comparisons of its results of operations are not necessarily meaningful and you should not rely upon these comparisons as indications of future performance. These factors may cause Inamed's operating results to be below securities analysts' expectations in some future quarters, which could cause the market price of its stock to decline.

If changes in the economy and consumer spending reduce consumer demand for Inamed's products, Inamed's sales and profitability will suffer.

Breast augmentation and reconstruction, facial dermal fillers, and obesity intervention are elective procedures. Other than United States federally mandated insurance reimbursement for post-mastectomy reconstructive surgery, breast augmentations and other cosmetic procedures are not typically covered by insurance. Adverse changes in the economy may cause consumers to reassess their spending choices and reduce the demand for cosmetic surgery. This shift could have an adverse effect on Inamed's sales and profitability.

Reimbursement for obesity surgery, including use of Inamed's products, is available to various degrees in most of its international markets. In the United States, reimbursements by insurance plans are increasing, but reimbursement is not widely available to all insured patients at this time. Adverse changes in the economy could have an adverse effect on consumer spending and governmental health care resources. This shift could have an adverse effect on the sales and profitability of Inamed's obesity intervention business.

If Inamed is unable to continue to develop and market new products and technologies, Inamed may experience a decrease in demand for its products or its products could become obsolete.

The health care industry is highly competitive and is subject to significant and rapid technological change. Inamed believes that its ability to respond quickly to consumer needs or advances in medical technologies, without compromising product quality, is crucial to its success. Inamed is continually engaged in product development and improvement programs to maintain and improve its competitive position. Inamed cannot, however, guarantee that it will be successful in enhancing existing products or developing new products or technologies that will timely achieve regulatory approval or receive market acceptance.

There is also a risk that Inamed's products may not gain market acceptance among physicians, patients and the medical community generally. The degree of market acceptance of any medical device or other product that Inamed develops will depend on a number of factors, including demonstrated clinical efficacy and safety, cost-effectiveness, potential advantages over alternative products, and Inamed's marketing and distribution capabilities. Physicians will not recommend Inamed's products until clinical data or other factors demonstrate their safety and efficacy compared to other competing products. Even if the clinical safety and efficacy of using Inamed's products is established, physicians may elect not to recommend using them for any number of other reasons, including whether Inamed's products best meet the particular needs of the individual patient.

Inamed's products compete with a number of other products manufactured by major health care companies, and may also compete with new products currently under development by others. If Inamed's new products do not achieve significant market acceptance, or if its current products are not able to continue

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competing successfully in the changing market, Inamed's revenue and earnings may not grow as much as expected or may even decline.

If clinical trials for Inamed's products are unsuccessful or delayed, Inamed will be unable to meet its anticipated development and commercialization timelines, which could cause Inamed's stock price to decline.

Before obtaining regulatory approvals for the commercial sale of any products, Inamed must demonstrate through pre-clinical testing and clinical trials that its products are safe and effective for use in humans. Conducting clinical trials is a lengthy, time-consuming and expensive process.

Completion of clinical trials may take several years or more. Inamed's commencement and rate of completion of clinical trials may be delayed by many factors, including:

lack of efficacy during the clinical trials;

unforeseen safety issues;

slower than expected patient recruitment; and

government or regulatory delays.

The results from pre-clinical testing and early clinical trials are often not predictive of results obtained in later clinical trials. A number of new products have shown promising results in clinical trials, but subsequently failed to establish sufficient safety and efficacy data to obtain necessary regulatory approvals. Data obtained from pre-clinical and clinical activities are susceptible to varying interpretations, and may, after regulatory review, have to be modified, which may delay, limit or prevent regulatory approval. In addition, regulatory delays or rejections may be encountered as a result of many factors, including perceived defects in the design of the clinical trials, the modification of submitted data, and changes in regulatory policy during the period of product development. Any delays in, or termination of, Inamed's clinical trials will materially and adversely affect its development and commercialization timelines, which would cause its stock price to decline.

If Inamed's collaborative partners do not perform, Inamed will be unable to develop and market products as anticipated.

Inamed has entered into collaborative arrangements with third parties to develop and market certain products. Inamed cannot assure you that these collaborations will produce successful products. If Inamed fails to maintain its existing collaborative arrangements or fails to enter into additional collaborative arrangements, the number of products from which Inamed could receive future revenues would decline.

Inamed's dependence on collaborative arrangements with third parties subjects Inamed to a number of risks. These collaborative arrangements may not be on terms favorable to Inamed. Agreements with collaborative partners typically allow partners significant discretion in electing whether or not to pursue any of the planned activities. Inamed cannot control the amount and timing of resources its collaborative partners may devote to products based on the collaboration, and its partners may choose to pursue alternative products. Inamed's partners may not perform their obligations as expected. Business combinations, significant changes in a collaborative partner's business strategy, or its access to financial resources may adversely affect a partner's willingness or ability to complete its obligations under the arrangement. Moreover, Inamed could become involved in disputes with its partners, which could lead to delays or termination of the collaborations and time-consuming and expensive litigation or arbitration. Even if Inamed fulfills its obligations under a collaborative agreement, its partner can terminate the agreement under certain circumstances. If any collaborative partner were to terminate or breach Inamed's agreement with it, or otherwise fail to complete its obligations in a timely manner, its chances of successfully commercializing products would be materially and adversely affected.

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Inamed's failure to attract and retain key managerial, technical, selling and marketing personnel could adversely affect its business.

Inamed's success depends upon its retention of key managerial, technical, selling and marketing personnel. The loss of the services of key personnel might significantly delay or prevent the achievement of Inamed's development and strategic objectives. Inamed does not maintain key person life insurance on any of its employees, and none of its employees is under any obligation to continue providing services to Inamed.

Inamed must continue to attract, train and retain managerial, technical, selling and marketing personnel. Competition for such highly skilled employees in Inamed's industry is high, and Inamed cannot be certain that it will be successful in recruiting or retaining such personnel. Inamed also believes that its success depends to a significant extent on the ability of its key personnel to operate effectively, both individually and as a group. If Inamed is unable to identify, hire and integrate new employees in a timely and cost-effective manner, its operating results may suffer. Except for Vicente Trelles, Inamed's Vice President and Chief Operations Officer, it is not anticipated that Medicis will extend offers of full-time employment to any of Inamed's executive officers in their current capacities, and Inamed cannot make any assurances that any of its current executives will provide services to the combined company. Accordingly, the roles and responsibilities of these executive officers will need to be filled either by existing or new Medicis officers and employees. The combined company may have to devote time and resources that could otherwise be used to integrate the businesses of Medicis and Inamed to identifying, hiring and integrating replacements for departed executives of Inamed.

If Inamed's intellectual property rights do not adequately protect its products or technologies, others could compete against Inamed more directly, which would hurt its profitability.

Inamed's success depends in part on its ability to obtain patents or rights to patents, protect trade secrets, operate without infringing upon the proprietary rights of others, and prevent others from infringing on its patents, trademarks and other intellectual property rights. Inamed will be able to protect its intellectual property from unauthorized use by third parties only to the extent that it is covered by valid and enforceable patents, trademarks and licenses. Patent protection generally involves complex legal and factual questions and, therefore, enforceability of patent rights cannot be predicted with certainty. Patents, if issued, may be challenged, invalidated or circumvented. Thus, any patents that Inamed owns or licenses from others may not provide adequate protection against competitors. In addition, Inamed's pending and future patent applications may fail to result in patents being issued. Also, those patents that are issued may not provide Inamed with adequate proprietary protection or competitive advantages against competitors with similar technologies. Moreover, the laws of certain foreign countries do not protect Inamed's intellectual property rights to the same extent as do the laws of the United States.

In addition to patents and trademarks, Inamed relies on trade secrets and proprietary know-how. Inamed seeks protection of these rights, in part, through confidentiality and proprietary information agreements. These agreements may not provide meaningful protection or adequate remedies for violation of Inamed's rights in the event of unauthorized use or disclosure of confidential and proprietary information. Failure to protect Inamed's proprietary rights could seriously impair its competitive position.

If third parties claim Inamed is infringing their intellectual property rights, Inamed could suffer significant litigation or licensing expenses or be prevented from marketing its products.

Inamed's commercial success depends significantly on its ability to operate without infringing the patents and other proprietary rights of others. However, regardless of Inamed's intent, its technologies may infringe the patents or violate other proprietary rights of third parties. In the event of such infringement or violation, Inamed may face litigation, become subject to damages, and may be prevented from selling existing products and pursuing product development or commercialization. At present, Inamed is a party in one such matter.

Table of Contents***Inamed depends on a sole or limited number of suppliers for certain products and raw materials and certain of its manufacturing processes are only performed at one location worldwide.***

Loss of any supplier or interruption of such manufacturing processes could adversely affect Inamed's ability to manufacture and/or sell many of its products. Inamed currently relies on a single supplier for silicone raw materials used in many of its products. Although Inamed has an agreement with this supplier to transfer the necessary formulations to Inamed in the event that it cannot meet Inamed's requirements, Inamed cannot guarantee that it would be able to produce or obtain a sufficient amount of quality silicone raw materials in a timely manner. Inamed depends on third party manufacturers for silicone molded components and silicone facial implants. Inamed also depends on third party manufacturers for its facial aesthetics product lines with the exclusion of the bovine and human based collagen products. In addition, Inamed currently relies on Immucor, Inc. for the supply of human collagen mesh, used in the production of CosmoDerm® and CosmoPlast®. Additionally, certain of Inamed's manufacturing processes are only performed at one location worldwide.

Inamed's ability to sell bovine collagen-based products could be adversely affected if it experiences problems with the closed herd of domestic cattle from which it derives these products.

Inamed relies on two closed herds of domestic cattle that are kept apart from all other cattle for the production of its bovine collagen-based products. If these herds suffered a significant reduction or became unavailable to Inamed, Inamed would have a limited ability to access a supply of acceptable bovine collagen from a similarly segregated source. A significant reduction in the supply of bovine collagen could have a material adverse effect on Inamed's ability to sell bovine collagen-based products.

Inamed's international business exposes it to a number of risks.

Approximately 40% of Inamed's sales are derived from international operations. Accordingly, any material decrease in foreign sales would have a material adverse effect on Inamed's overall sales and profitability. Most of Inamed's international sales are denominated in United States dollars, Euros, or Japanese Yen. Depreciation or devaluation of the local currencies of countries where Inamed sells its products may result in its products becoming more expensive in local currency terms, thus reducing demand. In addition, Inamed manufactures and assembles all of its breast implant products and obesity intervention products in Ireland and in Costa Rica therefore, a large percentage of Inamed's operating expenses are denominated in currencies other than the United States dollar. Inamed cannot guarantee that it will not experience unfavorable currency fluctuation effects in future periods, which could have an adverse effect on its operating results. Inamed's operations and financial results also may be significantly affected by other international factors, including:

- foreign government regulation of Inamed's products;
- product liability, intellectual property and other claims;
- new export license requirements;
- political or economic instability in Inamed's target markets;
- trade restrictions;
- changes in tax laws and tariffs;
- inadequate protection of intellectual property rights in some countries;
- managing foreign distributors, manufacturers and staffing;
- managing foreign branch offices; and
- competition.

If these risks actually materialize, Inamed's international sales and/or profitability, as well as sales to United States customers who purchase products manufactured abroad, may decrease.

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Healthcare reform legislation could materially adversely affect Inamed's business.

If any national healthcare reform or other legislation or regulations are passed that imposes limits on the number or type of medical procedures that may be performed or that has the effect of restricting a physician's ability to select specific products for use in patient procedures, such changes could have a material adverse effect on the demand for Inamed's products. In the United States, there have been, and Inamed expects that there will continue to be, a number of federal and state legislative and regulatory proposals to implement greater governmental control over the healthcare industry. These proposals create uncertainty as to the future of Inamed's industry and may have a material adverse effect on its ability to raise capital or to form collaborations. In a number of foreign markets, the pricing and profitability of healthcare products are subject to governmental influence or control. In addition, legislation or regulations that impose restrictions on the price that may be charged for healthcare products or medical devices may adversely affect Inamed's sales and profitability.

If Inamed's use of hazardous materials results in contamination or injury, Inamed could suffer significant financial loss.

Inamed's manufacturing and research activities involve the controlled use of hazardous materials. Inamed cannot eliminate the risk of accidental contamination or injury from these materials. In the event of an accident or environmental discharge, Inamed may be held liable for any resulting damages, which may exceed its financial resources.

Inamed's stock price has been volatile and its trading volume has historically been lower than that of many NASDAQ listed stocks.

The trading price of Inamed's common stock has been, and may be, subject to wide fluctuations in response to a number of factors, many of which are beyond its control. These factors include:

quarter-to-quarter variations in Inamed's operating results;

the results of testing, technological innovations, or new commercial products by Inamed or its competitors;

governmental actions, regulations, rules, and orders;

general conditions in the healthcare, medical device, or plastic surgery industries;

changes in earnings estimates by securities analysts;

developments and litigation concerning patents or other intellectual property rights;

litigation or public concern about the safety of Inamed's products; and

resignation of senior officers.

Historically, the daily trading volume of Inamed's common stock has been relatively low compared to that of many other NASDAQ listed stocks. Inamed cannot guarantee that an active public market for its common stock will be sustained or that the average trading volume will remain at present levels or increase. In addition, the stock market in general and the NASDAQ National Market in particular experience significant price and volume fluctuations.

Volatility in the market price for particular companies has often been unrelated or disproportionate to the operating performance of those companies. Broad market factors may seriously harm the market price of Inamed's common stock, regardless of its operating performance. In addition, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. A securities class action suit against Inamed could result in substantial costs, potential liabilities, and the diversion of management's attention and resources.

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Litigation and government investigations may harm Inamed's business or otherwise distract its management.

Substantial, complex or extended litigation and government investigations could cause Inamed to incur large expenditures and distract Inamed's management. For example, lawsuits by employees, stockholders, customers, or competitors could be very costly and substantially disrupt Inamed's business. Disputes from time to time with such companies or individuals are not uncommon, and Inamed cannot assure you that it will always be able to resolve such disputes out of court or on terms favorable to it.

Inamed's publicly-filed SEC reports are reviewed by the SEC from time to time and any significant changes required as a result of any such review may result in material liability to Inamed and have a material adverse impact on the trading price of Inamed's common stock.

The reports of publicly-traded companies are subject to review by the SEC from time to time for the purpose of assisting companies in complying with applicable disclosure requirements and to enhance the overall effectiveness of companies' public filings, and comprehensive reviews of such reports are now required at least every three years under the Sarbanes-Oxley Act of 2002. SEC reviews may be initiated at any time. While Inamed believes that its previously filed SEC reports comply, and Inamed intends that all future reports will comply in all material respects with the published rules and regulations of the SEC, Inamed could be required to modify or reformulate information contained in prior filings as a result of an SEC review. Any modification or reformulation of information contained in such reports could be significant and result in material liability to Inamed and have a material adverse impact on the trading price of Inamed's common stock.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus contain forward-looking statements within the meaning of the Securities Litigation Reform Act. All statements included in this joint proxy statement/prospectus that address activities, events or developments that Medicis and Inamed expect, believe or anticipate will or may occur in the future are forward-looking statements, including the expected benefits of the merger of the two companies, the financial performance of the combined company, the year in which the transaction is expected to be accretive, and the anticipated closing of the merger. These statements are based on certain assumptions made by Medicis and Inamed based on their experience and perception of historical trends, current conditions, expected future developments and other factors they believe are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Medicis and Inamed. Any such projections or statements include the current views of Medicis and Inamed with respect to future events and financial performance. No assurances can be given, however, that these activities, events or developments will occur or that such results will be achieved. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Medicis and Inamed. There are a number of important factors that could cause actual results to differ materially from those projected, including, without limitation:

the anticipated size of the markets for the companies' products;

the timing and success of new product development by Medicis, Inamed or third parties;

the availability of product supply;

changes in prescription levels, aesthetic procedures and the effect of economic changes in hurricane-affected areas;

the receipt of required regulatory approvals for the transaction (including the approval of antitrust authorities necessary to complete the merger);

the ability to realize the anticipated synergies and benefits of the merger;

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the ability to timely and cost-effectively integrate Medicis and Inamed's operations;

access to available and feasible financing (including financing for the merger) on a timely basis;

the risks and uncertainties normally incident to the pharmaceutical and medical device industries, including product liability claims and FDA approvals;

the introduction of federal and/or state regulations relating to Medicis or Inamed's business;

dependence on sales of key products;

the ability to successfully market both new and existing products;

the uncertainty of future financial results and fluctuations in operating results;

dependence on Medicis' strategy, including the uncertainty of license payments and/or other payments due from third parties;

competitive product introductions, including generic product introductions;

the risks of pending or future litigation or government investigations, including Inamed's current SEC investigation and the government inquiry into Medicis' marketing and promotion of LOPROX® to pediatricians; and

risks described from time to time in Medicis' and Inamed's SEC filings, including their Annual Reports on Form 10-K for the year ended June 30, 2005 and December 31, 2004, respectively, and Inamed's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this joint proxy statement/prospectus or, in the case of documents incorporated by reference, as of the date of those documents. Medicis and Inamed disclaim any intent or obligation to update any forward-looking statements contained herein.

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THE MEDICIS ANNUAL MEETING

General

This joint proxy statement/ prospectus is being provided to Medicis stockholders as part of a solicitation of proxies by the Medicis board of directors for use at an annual meeting of Medicis stockholders. This joint proxy statement/ prospectus provides Medicis stockholders with the information they need to know to be able to vote or instruct their vote to be cast at the annual meeting of Medicis stockholders.

Date, Time, Place and Purpose of the Medicis Annual Meeting

The annual meeting of Medicis stockholders will be held on December 19, 2005, at 4:00 p.m., local time, at Hyatt Regency Scottsdale Resort and Spa at Gainey Ranch, 7500 East Doubletree Ranch Road, Scottsdale, Arizona.

The Medicis annual meeting is being held for the following purposes:

to consider and vote upon a proposal to approve the issuance of shares of Medicis common stock pursuant to the Agreement and Plan of Merger, dated as of March 20, 2005, by and among Medicis Pharmaceutical Corporation, Masterpiece Acquisition Corp., a wholly owned subsidiary of Medicis, and Inamed Corporation;

to consider and vote upon a proposal to approve an amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis Class A common stock from 150,000,000 to 300,000,000 and change Medicis name from Medicis Pharmaceutical Corporation to Medicis ;

to elect three directors to a three-year term expiring at the 2008 annual meeting of stockholders and until their successors are duly elected and qualified or until their earlier resignation or removal;

to ratify the selection of Ernst & Young LLP as independent auditors of Medicis for the fiscal year ending June 30, 2006 and any interim periods resulting from a change to Medicis fiscal year-end;

to consider and vote upon a proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing; and

to transact any other business as may properly come before the annual meeting or any adjournments or postponements of the annual meeting.

Recommendation of the Medicis Board of Directors

Proposal 1

The Medicis board of directors has unanimously approved the merger agreement and unanimously recommends that Medicis stockholders vote **FOR** approval of the issuance of shares of Medicis common stock to Inamed stockholders pursuant to the merger agreement. See *The Merger Recommendation of the Medicis Board of Directors and Its Reasons for the Merger* on page 66.

Proposal 2

The Medicis board of directors has unanimously approved a resolution, subject to stockholder approval, to amend Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and to change Medicis name and unanimously recommends that Medicis stockholders vote **FOR** approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis .

If this proposal is approved by Medicis stockholders, the authorized number of shares of Medicis Class A common stock will increase from 150,000,000 to 300,000,000 and Medicis name will change from Medicis

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Pharmaceutical Corporation to Medicis . After completion of the merger, the number of shares of Medicis common stock issued and outstanding is expected to be approximately 106,452,492 million. Medicis intends to file the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name immediately prior to the completion of the merger. The form of the certificate of amendment to Medicis certificate of incorporation is attached as Annex E to this joint proxy statement/ prospectus. Medicis reserves the right to abandon or modify, upon approval of the Medicis board of directors, the proposed amendment to Medicis certificate of incorporation, in whole or in part, at any time prior to the filing of the amendment with the Secretary of State of the State of Delaware, including after approval of the stockholders has been obtained. Medicis does not intend to file the amendment with the Secretary of State of Delaware if the merger is abandoned for any reason.

The Medicis board of directors believes it is desirable to authorize additional shares of common stock so that there will be sufficient shares available for issuance for purposes that the Medicis board of directors may later determine to be in the best interests of Medicis and its stockholders. Such purposes could include the offer of shares for cash, acquisitions, financings, mergers, stock splits, stock dividends, employee benefit programs and other general corporate purposes. No further action or authorization by Medicis stockholders would be necessary prior to the issuance of additional shares of common stock, unless required by applicable law or regulation.

Proposal 3

The Medicis board of directors unanimously recommends that Medicis stockholders vote **FOR** the election of each of the three nominees for director.

Proposal 4

The Medicis board of directors unanimously recommends that Medicis stockholders vote **FOR** the ratification of the appointment of Ernst & Young LLP as independent auditors.

Proposal 5

The Medicis board of directors unanimously recommends that Medicis stockholders vote **FOR** approval of the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.

Medicis stockholders are voting on each proposal separately. The vote of a Medicis stockholder on one proposal has no bearing on the other proposal, or on any other matter that may come before the Medicis annual meeting.

Record Date; Outstanding Shares; Shares Entitled to Vote

Only holders of record of Medicis common stock at the close of business on the record date, November 4, 2005, are entitled to notice of and to vote at the Medicis annual meeting. As of the Medicis record date, there were 54,339,052 shares of Medicis common stock outstanding and entitled to vote at the annual meeting, held by approximately 225 holders of record. Each holder of Medicis common stock is entitled to one vote for each share of Medicis common stock owned as of the Medicis record date.

A list of Medicis stockholders entitled to vote at the annual meeting will be available for review at the annual meeting and at the executive offices of Medicis during regular business hours for a period of ten days before the annual meeting.

Quorum and Vote Required

A quorum of stockholders is necessary to hold a valid annual meeting. The required quorum for the transaction of business at the special meeting is a majority of the outstanding shares of Medicis common stock entitled to vote and present, whether in person or by proxy, at the Medicis annual meeting. All shares of Medicis common stock represented at the Medicis annual meeting, including abstentions and broker non-

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votes, which are described below, will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum. Broker non-votes are shares held by a broker or other nominee that are represented at the meeting, but with respect to which such broker or nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the broker does not have discretionary voting power on such proposal.

Proposal 1

In accordance with NYSE listing requirements, the approval by Medicis stockholders of the issuance of shares of Medicis common stock pursuant to the merger agreement requires the approval of a majority of the votes cast on such proposal, provided that the total votes cast on the proposal represents over 50% of the outstanding shares of Medicis common stock entitled to vote on the proposal. Votes for, votes against and abstentions count as votes cast, while broker non-votes do not count as votes cast. All outstanding shares of Medicis common stock, including broker non-votes, count as shares entitled to vote. Thus the total sum of votes for, plus votes against, plus abstentions, which is referred to as the NYSE Votes Cast, must be greater than 50% of the total outstanding shares of Medicis common stock. Once satisfied, the number of votes for the proposal must be greater than 50% of the NYSE Votes Cast.

Proposal 2

In accordance with the requirements of the DGCL, the approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and to change Medicis name requires the affirmative vote of the holders of a majority of the shares of outstanding Medicis common stock entitled to vote on the proposal.

Proposal 3

Directors are elected by a plurality of the votes, which means that the three nominees who receive the largest number of properly cast votes will be elected as directors of Medicis.

Proposal 4

The affirmative vote of the holders of a majority of the outstanding shares of Medicis common stock represented at the annual meeting and entitled to vote on the proposal is required to ratify the selection of Ernst & Young LLP as independent auditors of Medicis.

Proposal 5

In accordance with the DGCL and Medicis bylaws, approval of the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies requires the affirmative vote of a majority of the shares of Medicis common stock represented at the meeting and entitled to vote thereon.

Voting by Medicis Directors and Executive Officers

As of the Medicis record date for the annual meeting, the directors and executive officers of Medicis as a group owned and were entitled to vote approximately 1,042,595 shares of Medicis common stock, or approximately 1.9% of the outstanding shares of Medicis on that date.

Voting; Proxies; Revocation

You may vote by proxy or in person at the Medicis annual meeting. Votes cast by proxy or in person at the Medicis annual meeting will be tabulated and certified by the inspector of elections appointed for the Medicis annual meeting.

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Voting in Person

If you plan to attend the Medicis annual meeting and wish to vote in person, you will be given a ballot at the annual meeting. Please note, however, that if your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, and you wish to vote at the Medicis annual meeting, you must bring to the annual meeting a proxy from the record holder of the shares authorizing you to vote at the Medicis annual meeting.

Voting by Proxy

Your vote is very important. Accordingly, please complete, sign and return the enclosed proxy card whether or not you plan to attend the Medicis annual meeting in person. You should vote your proxy even if you plan to attend the Medicis annual meeting. You can always change your vote at the annual meeting. Voting instructions are included on your proxy card. If you properly give your proxy and submit it to Medicis in time to vote, one of the individuals named as your proxy will vote your shares as you have directed. A proxy card is enclosed for your use.

The method of voting by proxy differs for shares held as a record holder and shares held in street name. If you hold your shares of Medicis common stock as a record holder, you may vote by completing, dating and signing the enclosed proxy card and promptly returning it in the enclosed, pre-addressed, postage-paid envelope or otherwise mailing it to Medicis, or by submitting a proxy over the Internet or by telephone by following the instructions on the enclosed proxy card. If you hold your shares of Medicis common stock in street name, which means your shares are held of record by a broker, bank or nominee, you will receive instructions from your broker, bank or other nominee that you must follow in order to vote your shares. Your broker, bank or nominee may allow you to deliver your voting instructions over the Internet or by telephone. Please see the voting instructions from your broker, bank or nominee that accompany this joint proxy statement/prospectus.

All properly signed proxies that are received prior to the annual meeting and that are not revoked will be voted at the annual meeting according to the instructions indicated on the proxies or, if no direction is indicated, they will be voted **FOR** approval of the issuance of shares of Medicis common stock pursuant to the merger agreement, **FOR** approval of the amendment to Medicis certificate of incorporation to increase the number of authorized shares of Medicis common stock and change Medicis name from Medicis Pharmaceutical Corporation to Medicis , **FOR** election of each of the three nominees for director, **FOR** ratification of the selection of independent auditors and **FOR** approval of the proposal to adjourn the Medicis annual meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Medicis annual meeting in favor of the foregoing.

Revocation of Proxy

You may revoke your proxy at any time before your proxy is voted at the Medicis annual meeting by taking any of the following actions:

delivering to the corporate secretary of Medicis a signed written notice of revocation, bearing a date later than the date of the proxy, stating that the proxy is revoked;

signing and delivering a new proxy, relating to the same shares and bearing a later date;

submitting another proxy by telephone or on the Internet (your latest telephone or Internet voting instructions are followed); or

attending the Medicis annual meeting and voting in person, although attendance at the annual meeting will not, by itself, revoke a proxy.

If your shares are held in street name, you may change your vote by submitting new voting instructions to your broker, bank or other nominee. You must contact your broker, bank or other nominee to find out how to do so.

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Written notices of revocation and other communications with respect to the revocation of Medicis proxies should be addressed to:

Medicis Pharmaceutical Corporation
8125 North Hayden Road
Scottsdale, Arizona 85258
Attn: Corporate Secretary

Abstentions and Broker Non-Votes

Under the listing requirements of the NYSE, brokers who hold shares of Medicis common stock in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters which the NYSE determines to be non-routine, such as approval of the issuance of shares of Medicis common stock pursuant to the merger agreement, without specific instructions from the beneficial owner. These non-voted shares are referred to as broker non-votes. If your broker holds your Medicis common stock in street name, your broker will vote your shares only if you provide instructions on how to vote by filling out the voter instruction form sent to you by your broker with this joint proxy statement/ prospectus.

For Proposal 1, abstentions will have the same effect as voting against approval of the issuance of shares of Medicis common stock pursuant to the merger agreement. It is expected that brokers and other nominees will not have discretionary voting authority on this proposal and thus broker non-votes will result from this proposal, and broker non-votes could have a negative effect on Medicis ability to obtain the necessary number of NYSE Votes Cast.

For Proposal 2, abstentions will have the same effect as voting against approval of the amendment to Medicis certificate of incorporation to increase the authorized number of shares of Medicis common stock and to change Medicis name. Broker non-votes are not expected to result from the vote on Proposal 2.

For Proposal 3, because directors are elected by a plurality of the votes cast, abstentions will not be counted in determining which nominees received the largest number of votes cast. Broker non-votes are not expected to result from the vote on Proposal 3.

For Proposal 4, abstentions will have the same effect as voting against the ratification of the selection of Ernst & Young LLP as independent auditors of Medicis. Broker non-votes are not expected to result from the vote on Proposal 4.

For Proposal 5, abstentions will have the same effect as voting against approval of the adjournment. Broker non-votes are not expected to result from the vote on Proposal 5.

Proxy Solicitation

The Medicis board of directors is soliciting proxies for the Medicis annual meeting from Medicis stockholders. Medicis will bear the entire cost of soliciting proxies from Medicis stockholders, except that Medicis and Inamed have each agreed to share equally all expenses incurred in connection with the filing with the SEC of the registration statement of which this joint proxy statement/ prospectus forms a part, and the printing and mailing of this joint proxy statement/ prospectus and related proxy materials. In addition to the solicitation of proxies by mail, Medicis will request that brokers, banks and other nominees send proxies and proxy materials to the beneficial owners of Medicis common stock held by them and secure their voting instructions. Medicis will reimburse those record holders for their reasonable expenses. Medicis has engaged The Proxy Advisory Group of Strategic Stock Surveillance, LLC, to assist in the solicitation of proxies and provide related advice and informational support, for a services fee and the reimbursement of customary disbursements, which are not expected to exceed \$15,000 in the aggregate. Medicis also may use several of its regular employees, who will not be specially compensated, to solicit proxies from Medicis stockholders, either personally or by telephone, Internet, telegram, facsimile or special delivery letter.

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Other Business; Adjournments

As of the date of this joint proxy statement/ prospectus, Medicis does not expect that any matter other than the proposals presented in this joint proxy statement/ prospectus will be brought before the Medicis annual meeting. However, if other matters incident to the conduct of the annual meeting are properly presented at the annual meeting or any adjournment or postponement of the annual meeting, the persons named as proxies will vote in accordance with their best judgment with respect to those matters.

An adjournment may be made from time to time in accordance with the adjournment proposal in this joint proxy statement/ prospectus, and in such other circumstances, by the affirmative vote of a majority of the shares of Medicis common stock represented at the meeting and entitled to vote thereon, whether or not a quorum exists, without further notice other than by an announcement made at the annual meeting.

Assistance

If you need assistance in completing your proxy card or have questions regarding the Medicis annual meeting, please contact Medicis Investor Relations at (602) 808-3854 or investor.relations@medicis.com or write to Medicis Pharmaceutical Corporation, 8125 North Hayden Road, Scottsdale, Arizona 85258, Attn: Investor Relations.

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THE INAMED SPECIAL MEETING

General

This joint proxy statement/ prospectus is being provided to Inamed stockholders as part of a solicitation of proxies by the Inamed board of directors for use at a special meeting of Inamed stockholders. This joint proxy statement/ prospectus provides Inamed stockholders with the information they need to know to be able to vote or instruct their vote to be cast at the Inamed special meeting.

Date, Time, Place and Purpose of the Inamed Special Meeting

The special meeting of Inamed stockholders will be held at Fess Parker's DoubleTree Resort, 633 East Cabrillo Boulevard, Santa Barbara, California, 93103 on December 19, 2005 at 1:00 p.m., local time, for the following purposes:

to consider and vote upon a proposal to adopt the merger agreement and approve the merger pursuant to the Agreement and Plan of Merger, dated as of March 20, 2005, by and among Medicis Pharmaceutical Corporation, Masterpiece Acquisition Corp., a wholly owned subsidiary of Medicis, and Inamed Corporation;

to consider and vote upon a proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing; and

to transact such other business as may properly come before the special meeting or any adjournments or postponements of the special meeting.

Recommendation of the Inamed Board of Directors

For reasons described in this joint proxy statement/ prospectus, the Inamed board of directors has unanimously approved the merger and merger agreement and believes that the merger is in the best interests of Inamed and its stockholders. The Inamed board of directors unanimously recommends that Inamed stockholders vote **FOR** approval of the merger and adoption of the merger agreement. See "The Merger" Recommendation of the Inamed Board of Directors and Its Reasons for the Merger on page 69.

In addition, the Inamed board of directors unanimously recommends that Inamed stockholders vote **FOR** approval of the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

Record Date; Outstanding Shares; Shares Entitled to Vote

Only holders of record of Inamed common stock at the close of business on the record date, November 15, 2005, are entitled to notice of and to vote at the Inamed special meeting. As of the record date, there were 36,664,963 shares of Inamed common stock issued and outstanding and entitled to vote at the special meeting, held by approximately 322 holders of record. Each share of Inamed common stock entitles its holder to cast one vote on each matter submitted to a vote at the Inamed special meeting.

A complete list of Inamed stockholders entitled to vote at the special meeting will be available for inspection at Inamed's principal offices located at 5540 Ekwil Street, Suite D, Santa Barbara, California 93111 during regular business hours for a period of no less than ten days before the special meeting.

Quorum and Vote Required

A majority of the shares of Inamed common stock issued and outstanding and entitled to vote as of the record date must be represented, in person or by proxy, at the Inamed special meeting to constitute a quorum. A quorum must be present before a vote can be taken on the adoption of the merger agreement and the approval of the merger or any other matter except adjournment of the meeting due to the absence of a

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quorum. Abstentions and broker non-votes, which are described below, will be counted for purposes of determining the presence of a quorum at the Inamed special meeting. If a quorum is not present, Inamed expects that the special meeting will be adjourned or postponed to solicit additional proxies. At any subsequent reconvening of the special meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent meeting.

For the merger agreement to be adopted and the merger approved, at least a majority of the votes that holders of the outstanding shares of Inamed common stock are entitled to cast at the Inamed special meeting must be voted in favor of adoption of the merger agreement and approval of the merger.

Approval of the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies requires the affirmative vote of a majority of the shares represented at the meeting and entitled to vote thereon.

Voting by Inamed s Directors and Executive Officers

As of the Inamed record date for the special meeting, Inamed executive officers and directors as a group owned and were entitled to vote approximately 277,154 shares of Inamed, or less than 1% of the outstanding shares of Inamed stock as of that date.

Voting; Proxies; Revocation

You may vote by proxy or in person at the special meeting. This joint proxy statement/ prospectus is being furnished to Inamed stockholders in connection with the solicitation of proxies by the Inamed board of directors for use at the special meeting of Inamed stockholders. It is accompanied by a form of proxy. Votes cast by proxy and in person at the special meeting will be tabulated and certified by the inspector of elections appointed for the Inamed special meeting. All shares of Inamed common stock represented by properly executed proxies that Inamed receives before or at the special meeting will, unless the proxies are revoked, be voted in accordance with the instructions indicated thereon.

Voting in Person

If you plan to attend the Inamed special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, and you wish to vote at the Inamed special meeting, you must bring to the special meeting a proxy from the record holder of the shares authorizing you to vote at the Inamed special meeting.

Voting by Proxy

Your vote is very important. Accordingly, please complete, sign and return the enclosed proxy card whether or not you plan to attend the Inamed special meeting in person. You should vote your proxy even if you plan to attend the Inamed special meeting. You can always change your vote at the special meeting. Voting instructions are included on your proxy card. If you properly give your proxy and submit it to Inamed in time to vote, one of the individuals named as your proxy will vote your shares as you have directed. A proxy card is enclosed for your use.

The method of voting by proxy differs for shares held as a record holder and shares held in street name. If you hold your shares of Inamed common stock as a record holder, you may vote by completing, dating and signing the enclosed proxy card and promptly returning it in the enclosed, pre-addressed, postage-paid envelope or otherwise mailing it to Inamed, or by submitting a proxy over the Internet or by telephone by following the instructions on the enclosed proxy card. If you hold your shares of Inamed common stock in street name you will receive instructions from your broker, bank or other nominee that you must follow in order to vote your shares. Your broker, bank or nominee may allow you to deliver your voting instructions over

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the Internet or by telephone. Please see the voting instructions from your broker, bank or nominee that accompany this joint proxy statement/prospectus.

All properly signed proxies that are received prior to the special meeting and that are not revoked will be voted at the special meeting according to the instructions indicated on the proxies or, if no direction is indicated, they will be voted **FOR** the proposal to adopt the merger agreement and approve the merger and **FOR** the proposal to adjourn the Inamed special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Inamed special meeting in favor of the foregoing.

Revocation of Proxies

An Inamed stockholder who submits a proxy and later changes his or her mind as to his or her vote, or decides to attend the meeting in person, may revoke his or her proxy at any time before the vote at the Inamed special meeting by:

delivering to the corporate secretary of Inamed a signed written notice of revocation, bearing a date later than the date of the proxy, stating that the proxy is revoked;

signing and delivering a new proxy, relating to the same shares and bearing a later date;

submitting another proxy by telephone or on the Internet (your latest telephone or Internet voting instructions are followed); or

attending the Inamed special meeting and voting in person, although attendance at the special meeting will not, by itself, revoke a proxy.

If your shares are held in street name, you may change your vote by submitting new voting instructions to your broker or other nominee. You must contact your broker or other nominee to find out how to do so.

Written notices of revocation and other communications with respect to the revocation of Inamed proxies should be addressed to:

Inamed Corporation
5540 Ekwill Street
Santa Barbara, California 93111
Attn: Corporate Secretary

Abstentions; Broker Non-Votes

If any Inamed stockholder submits a proxy that indicates an abstention from voting in all matters, that stockholder's shares will be counted as present in determining the existence of a quorum at the Inamed special meeting, but the shares will not be voted on any matter at the meeting.

Shares represented by proxies that reflect a broker non-vote will be counted as present and entitled to vote for purposes of determining whether a quorum is present at the meeting. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting authority or has not received instructions from the beneficial owners of the shares. Brokers and other nominees will not have discretionary voting authority on the proposal to adopt the merger agreement and approve the merger. Because adoption of the merger agreement and approval of the merger requires the affirmative vote of over 50% of the outstanding shares, abstaining, not voting on the proposal, or failing to instruct your broker on how to vote shares of Inamed common stock held for you by your broker will have the same effect as a vote against the adoption of the merger agreement and the approval of the merger. For the adjournment proposal, abstentions will have the same effect as voting against approval of the adjournment. Broker non-votes are not expected to result from the vote on the adjournment proposal.

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Proxy Solicitation

Inamed will bear the entire cost of soliciting proxies for the Inamed special meeting from Inamed stockholders, except that Medicis and Inamed have each agreed to share equally all expenses incurred in connection with the preparing, printing and filing with the SEC of the registration statement of which this joint proxy statement/prospectus forms a part. In addition to the solicitation of proxies by mail, Inamed will request that brokers and other nominees send proxies and proxy materials to the beneficial owners of Inamed common stock held by them and secure their voting instructions. Inamed will reimburse those record holders, if they so request, for their reasonable expenses in so doing. Directors, officers and employees of Inamed, who will not be specially compensated, may solicit proxies from Inamed stockholders. Inamed has also made arrangements with The Altman Group to assist it in soliciting proxies, and has agreed to pay a fee not to exceed \$15,000 for its services, plus reimbursement for reasonable out of pocket expenses incurred in connection with the proxy solicitation.

Other Business; Adjournments

As of the date of this joint proxy statement/prospectus, Inamed does not expect that any matter other than the proposals presented in this joint proxy statement/prospectus will be brought before the Inamed special meeting. However, if other matters incident to the conduct of the special meeting are properly presented at the special meeting or any adjournment or postponement of the special meeting, the persons named as proxies will vote in accordance with their best judgment with respect to those matters.

An adjournment may be made from time to time in accordance with the adjournment proposal in this joint proxy statement/prospectus, and in such other circumstances, by the affirmative vote of a majority of the shares represented at the meeting and entitled to vote thereon, whether or not a quorum exists, without further notice other than by an announcement made at the special meeting.

Assistance

If you need assistance in completing your proxy card or have questions regarding the Inamed special meeting, please contact Inamed's Secretary at (805) 683-6761 or write to Inamed Corporation, 5540 Ekwil Street, Santa Barbara, California 93111, Attn: Secretary, or contact The Altman Group at (800) 814-2879 or write to The Altman Group, 1200 Wall Street West, Third Floor, Lyndhurst, New Jersey 07071.

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THE MERGER

The following is a description of material aspects of the merger. While we believe that the following description covers the material terms of the merger, the description may not contain all of the information that is important to you. We encourage you to read carefully this entire joint proxy statement/prospectus, including the merger agreement attached to this joint proxy statement/prospectus as Annex A, for a more complete understanding of the merger.

General

Each of the Medicis and Inamed board of directors has unanimously approved the merger agreement and the merger. At the effective time of the merger, Inamed will be merged with and into Masterpiece Acquisition Corp., the separate corporate existence of Inamed will cease, and Masterpiece Acquisition Corp. will survive as the surviving entity. Inamed stockholders will be entitled to receive 1.4205 shares of Medicis Class A common stock and \$30 in cash for each share of Inamed common stock that they own, upon the terms and subject to adjustment as provided in the merger agreement and further described below under **The Merger Agreement** **Merger Consideration**.

Background of the Merger

The management of each of Medicis and Inamed continually reviews its company's respective position in light of the changing competitive environment of the pharmaceutical and medical device industries with the objective of determining what strategic alternatives are available to enhance stockholder value. While each company believes that it has positive future prospects on a stand-alone basis, from time to time the management of each of Medicis and Inamed has had conversations with other companies to explore opportunities to improve the position of Medicis and Inamed, respectively, including potential acquisitions or dispositions of assets, licenses, joint ventures or other strategic transactions.

Consistent with Medicis' and Inamed's respective business plans to make strategic acquisitions or licenses of products and technologies to create a more diversified product portfolio and revenue base, management of Medicis and Inamed have periodically discussed on an informal basis over the past two years the possibility of combining the companies. These discussions generally focused on the broad conceptual aspects of a potential business combination.

In mid-2004, the Inamed board of directors instructed Nicholas Teti, Inamed's Chairman and Chief Executive Officer, to conduct an evaluation of strategic alternatives for Inamed, including (i) a status quo scenario whereby Inamed would continue to grow and innovate in its current areas of strategic focus, (ii) pursuing strategic acquisitions of complementary businesses and technologies and (iii) the possible merger with another company. In connection with the evaluation of these and other options and discussions of possible strategic transactions with other companies, Inamed management initiated discussions with outside financial advisors to assist in the analysis of potential strategic alternatives.

On October 10, 2004, while attending a conference of the American Society of Plastic Surgeons, Mr. Teti and Jonah Shacknai, Medicis' Chairman and Chief Executive Officer, mutually agreed to meet and discuss a potential strategic relationship between Medicis and Inamed.

On October 28 and 29, 2004, the Inamed board of directors held a meeting in Montecito, California, during which Inamed management presented an analysis of the various strategic alternatives available to Inamed, including a possible strategic partnership or business combination with Medicis. Part of the presentation included analysis by investment banking firms, including JPMorgan, of potential acquisition candidates and merger candidates. The board determined that a transaction with Medicis or continuing on a stand-alone basis were both viable alternatives for maximizing stockholder value in the long term. As a result, the board authorized Mr. Teti to engage JPMorgan to act as Inamed's financial advisor with respect to a possible transaction with Medicis and to take other appropriate steps to investigate the feasibility and advisability of such a transaction with Medicis and other strategic alternatives.

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In connection with its initial discussions with Inamed, Medicis began consulting with financial and legal advisors about issues relating to a possible transaction with Inamed. On November 11, 2004, Medicis retained Deutsche Bank as its financial advisor with respect to a possible business combination of Medicis and Inamed.

In order to further explore a transaction and in contemplation of the possible exchange of material non-public information between the parties, Medicis and Inamed entered into a confidentiality agreement dated November 17, 2004. On November 17, 2004, Inamed executed an engagement letter with JPMorgan to serve as Inamed's financial advisor with respect to a possible business combination of Medicis and Inamed.

On November 29 and 30, 2004, the Medicis board of directors held a meeting at which they discussed, among other things, the business and operations of Inamed and a possible business combination with Inamed.

On December 3, 2004, management teams of Medicis and Inamed exchanged certain limited nonpublic financial information regarding their respective operations. On December 8, 2004, management of Medicis and Inamed met to discuss a potential strategic business combination, and exchanged additional financial information. Inamed representatives communicated to Medicis that Inamed would require a preliminary indication of value and transaction structure prior to providing additional information and communicated a preference for a meaningful portion of the consideration to be comprised of cash. Subsequently, Inamed representatives informed Medicis that the deal terms must reflect an understanding that neither party could terminate the merger agreement due to the outcome of the FDA's decision on Inamed's PMA for silicone breast implants.

On December 10, 2004, Inamed received an initial indication from Medicis of a range of exchange ratios based on then-current prices, which included an assumption that a material portion of the merger consideration would consist of cash. On December 13, 2004, a representative of JPMorgan contacted a representative of Deutsche Bank to indicate that Inamed believed that, based on the trading prices of the common stock of Medicis and Inamed at that time, Medicis' proposed premium and portion of the consideration payable in cash were significantly too low. Notwithstanding this position, Inamed management concluded that the range of values, taken together with the potential strategic value of the proposed combination, was of sufficient interest to merit further consideration.

On December 13, 2004, the Medicis board of directors held a telephonic board meeting to discuss a potential strategic business combination with Inamed. During the meeting, consistent with the prior direction of the board of directors, Medicis management advised the board of directors that the company had selected financial, legal and other advisors to assist with the review and negotiation of the potential transaction.

Between December 13, 2004 and February 23, 2005, management of Medicis and Inamed and their advisors had numerous conversations and meetings relating to the terms of the potential strategic business combination, including, among other things, the strategic advantages of such a transaction, the relative value and contribution of each company in such a transaction, the structure of a potential transaction, the terms of the merger agreement and the composition of the board of directors and management of the combined company.

On December 14, 2004, Medicis retained Latham & Watkins LLP as its legal advisor with respect to a potential business combination of Medicis and Inamed.

On December 17, 2004, Medicis delivered a letter to Inamed requesting access to certain business, financial and legal information. Inamed management requested access to the same information from Medicis.

On December 20, 2004, the Inamed board of directors held a telephonic board meeting to discuss a potential strategic business combination with Medicis. At the meeting, among other things:

Representatives of Morrison & Foerster LLP discussed the board of directors' fiduciary obligations when considering a potential transaction with Medicis;

Representatives of JPMorgan discussed the current status of negotiations of the financial terms of the business combination and other strategic alternatives;

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Inamed's management and advisors reviewed with the board of directors the status of the negotiations with Medicis; and

Inamed's board of directors authorized Inamed's management to pursue further discussions with Medicis.

On December 22, 2004, Medicis management and their advisors met with Inamed management and their advisors in Los Angeles to conduct a preliminary due diligence review of Inamed, including regulatory, legal, manufacturing, research and development, sales and marketing, finance, corporate governance and similar matters. During these meetings, members of Inamed's management made presentations regarding aspects of Inamed's businesses, operations and financial condition, and Mr. Shacknai and Mr. Teti met for dinner to further discuss the potential business combination.

Beginning January 3, 2005, Medicis made available to Inamed's representatives a data room containing legal, financial, regulatory, tax, environmental, employee benefits and other due diligence materials, and Inamed made available to Medicis an electronic data room containing legal, financial, regulatory, manufacturing, tax, environmental, employee benefits and other due diligence materials relating to Inamed. The parties and their advisors reviewed these materials, engaged in extensive due diligence meetings and exchanged additional due diligence materials.

On January 4, 2005, management and representatives of Medicis met in Scottsdale, Arizona with management and representatives of Inamed, including Mr. Teti and two other members of the Inamed board of directors, to conduct preliminary due diligence review of Medicis, including regulatory, legal, research and development, sales and marketing, finance, corporate governance and similar matters. During these meetings, Medicis management made presentations regarding aspects of Medicis' businesses, operations and financial condition.

On January 6, 2005, the Inamed board of directors held a board meeting during which, among other things, Inamed's management discussed the January 4, 2005 meeting with Medicis management, the status of Inamed's ongoing due diligence review of Medicis, the effect of changes since December 10, 2004 to the trading prices of the common stock of Medicis and Inamed on the determination of the merger consideration, and the status of negotiations between the parties.

On January 12, 2005, the Medicis board of directors held a telephonic board meeting during which, among other things, management made a presentation regarding the status of Medicis' due diligence review of Inamed and discussions between the parties.

On January 21 and 26, 2005, the Inamed board of directors held telephonic board meetings during which, among other things, Inamed's management reported on the status of the ongoing due diligence process and recent discussions between Inamed and Medicis on the key terms of the proposed business combination. The board of directors also discussed, in consultation with JPMorgan, the valuation of each of Inamed and Medicis in the context of the possible business combination and options regarding the consideration Inamed stockholders would receive in the proposed transaction.

In early February 2005, Medicis initiated discussions with Deutsche Bank and one of its affiliates regarding financing commitments for the transaction. On February 11, 2005, Deutsche Bank's legal advisors for the financing delivered draft financing commitment documents to Medicis. Between February 11, 2005 and March 20, 2005, Deutsche Bank, Medicis and their advisors had numerous discussions and negotiations regarding the terms and conditions of the financing commitment documents.

During the period between February 2, 2005 and February 7, 2005, Medicis and Inamed negotiated the implied value of each Inamed share in the proposed merger and the cash portion of the merger consideration. Despite the lack of agreement regarding significant terms of a possible transaction, on February 7, 2005, Medicis' legal counsel delivered to Inamed a proposed form of merger agreement to facilitate the discussion of various ancillary terms of a possible transaction.

From February 7, 2005 onwards, representatives and legal and financial advisors of Medicis and Inamed engaged in extensive negotiations regarding the draft merger agreement and various other legal and regulatory

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issues. The parties also continued with due diligence during this period through in-person and telephonic meetings and through the exchange of documents both electronically and by mail.

On February 8, 2005, the Inamed board of directors held a telephonic board meeting to discuss the potential merger between Inamed and Medicis. At the meeting, among other things:

Inamed management and advisors reviewed key terms of Medicis' proposed form of merger agreement distributed on February 7, 2005, including, among other things, the size of the breakup fee, the treatment of employee options, the operating covenants and the conditions to closing;

Inamed management advised the board of directors of its belief that, subject to Medicis' completion of satisfactory due diligence and the negotiation of several significant terms (including the composition of the board of directors and management of the combined company and material terms of the merger agreement), Medicis management would present a proposal to the Medicis board of directors that the consideration to be received by the Inamed stockholders in the merger would be a combination of cash and stock with value equivalent to an implied price of \$75 per share, with the exchange ratio to be fixed prior to execution of a definitive merger agreement, inclusive of approximately \$30 per share to be paid in cash; management highlighted for the board that the exchange ratio supporting this value was materially more favorable than the exchange ratio previously discussed, but had not been approved by the Medicis board of directors;

Inamed's management and advisors updated the board of directors on the results of Inamed's ongoing due diligence review of Medicis;

Representatives of Morrison & Foerster LLP discussed the board of directors' fiduciary obligations when considering a potential transaction with Medicis;

Representatives of JPMorgan discussed the status of negotiation of the financial terms of the potential transaction, provided an analysis of the proposed transaction terms and provided certain financial analyses of Inamed, Medicis and the combined company; and

Inamed's management and advisors updated the board of directors as to various key issues, including strategic issues related to the combination of the facial aesthetics businesses of the companies, finalizing the financing commitment documents between Medicis and Deutsche Bank for the financing necessary to pay the proposed cash portion of the merger consideration and the status of third party waivers and consents which were viewed by the board as a condition to the execution of the merger agreement.

On February 13, 2005, the Medicis board of directors held a meeting at the New York office of Medicis' legal counsel, Latham & Watkins LLP, to discuss the potential merger between Medicis and Inamed. At the meeting, among other things:

Representatives of Latham & Watkins LLP advised the board of its fiduciary obligations when considering a potential transaction with Inamed;

Medicis' management reviewed the status of the negotiations of the proposed transaction and the material terms of the merger, including the proposed composition of the board and management of the combined company;

Medicis' management reviewed with the board of directors Inamed's business, financial condition and prospects (including the findings of its advisors) and the potential risks and benefits of the potential merger with Inamed, and discussed various financial measures relating to the transaction and strategic alternatives to the transaction;

Mr. Teti and a member of Inamed's management joined the meeting and presented an overview of Inamed, its business, products, management and prospects, and responded to questions posed by the board of directors, after

which Mr. Teti and the other member of Inamed's management departed the meeting;

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Medicis management and its advisors also updated the board of directors on the results of Medicis due diligence review of Inamed, including regulatory, manufacturing and research and development;

Representatives of PricewaterhouseCoopers LLP provided a summary of their tax and financial due diligence review;

Representatives of Deutsche Bank provided certain financial analyses of Inamed, Medicis and the combined company; and

Representatives of Latham & Watkins LLP reviewed the preliminary legal due diligence results and the status of discussions regarding the terms and conditions of the merger agreement.

On February 14, 2005, Medicis retained Thomas Weisel Partners to review the proposed transaction and to evaluate the fairness to Medicis, from a financial point of view, of the consideration to be paid by Medicis pursuant to the proposed transaction.

On February 14, 2005, the Inamed board of directors held a telephonic meeting to discuss the potential merger between Inamed and Medicis. At the meeting, among other things, representatives of KPMG LLP provided a summary of their tax and financial due diligence review and Inamed management reported on the meeting with the Medicis board of directors held on February 13, 2005.

On February 15 and 16, 2005, the Inamed board of directors held a meeting at the Park Hyatt Hotel in Los Angeles, California. At the meeting, among other things:

Representatives of KPMG LLP provided an update of their diligence review;

Representatives of JPMorgan discussed the contents of a draft of the fairness opinion and the proposed merger consideration, and presented certain analyses of Inamed, Medicis and the combined company;

Mr. Shacknai joined the meeting and presented an overview of Medicis and responded to questions posed by the board of directors, after which Mr. Shacknai left the meeting;

Representatives of Morrison & Foerster LLP reviewed with the board of directors the current draft of the proposed merger agreement and related transaction documents, the proposed disclosure schedules to the merger agreement, Medicis financing commitment documents from Deutsche Bank and one of its affiliates, and the proposed amendment to Inamed's stockholder rights agreement, and provided a summary of the legal due diligence review of Medicis;

Representatives of Morrison & Foerster LLP then discussed the board of directors' fiduciary obligations when considering a potential transaction with Medicis and various legal and regulatory issues that could arise in connection with the proposed merger; and

The board of directors discussed key issues relating to the transaction, including the management of the combined company and board and board committee composition.

On February 16, 2005, the Medicis board of directors held a telephonic meeting to discuss the status of the discussions with Inamed regarding the potential merger. At the meeting, among other things:

Medicis management reviewed the status of the negotiations of the proposed merger, and provided the board of directors with an update of the status of Medicis due diligence review;

Medicis management reviewed the financing options available to the company and the terms and conditions of the proposed financing documents with Deutsche Bank and one of its affiliates;

Representatives of Thomas Weisel Partners discussed certain financial analyses of Inamed, Medicis and the combined company; and

Representatives of Latham & Watkins LLP advised the board of directors of its fiduciary obligations when considering a potential transaction with Inamed and reviewed the terms of the merger agreement and related transaction documents.

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On February 17, 2005, the Inamed board of directors held a telephonic board meeting to discuss unresolved key issues with regard to the proposed merger, including the receipt of third party waivers and consents prior to execution of the merger agreement.

On the evening of February 22, 2005, the board of directors of Inamed and Medicis held a telephonic board meeting to discuss the status of the merger agreement. At each of these meetings, each company's board of directors determined it was not prepared to enter into a transaction due to unresolved issues.

On February 23, 2005, Medicis sent Inamed a letter informing Inamed that Medicis was terminating discussions regarding a potential business combination between the companies. In response, Mr. Teti sent a letter to Mr. Shacknai confirming the termination of such discussions.

Between February 23, 2005 and March 15, 2005, certain managers at Medicis and Inamed and their advisors continued to discuss a potential transaction on an informal basis.

On March 9, 2005, the Inamed board of directors held a telephonic board meeting. During the meeting, the board of directors authorized Inamed management to resume discussions with Medicis regarding the business combination.

From March 16, 2005 through March 20, 2005, management of Medicis and Inamed and their advisors had numerous conversations relating to the terms of the potential strategic business combination transaction, including, among other things, the strategic advantages of such a transaction, the relative value and contribution of each company in such a transaction, the status of third party waivers and consents and the composition of the board of directors and management of the combined company. During this period, representatives of both companies also conducted additional due diligence.

The parties and their advisors had numerous conversations regarding the terms and conditions of the merger agreement from March 16, 2005 through March 20, 2005.

On March 19, 2005, the Inamed board of directors held a telephonic board meeting to discuss the current proposed draft of the merger agreement. At the meeting, among other things:

Inamed management and representatives of JPMorgan updated the board on the terms of the proposed transaction, including new terms providing Inamed with certain termination fees in connection with the proposed dismissal of Inamed's current litigation against Medicis and Q-Med AB;

Inamed management reviewed with the board Medicis' business, financial condition and prospects (including the findings of its advisors) and the potential risks and benefits of the potential business combination with Medicis;

Representatives of JPMorgan presented an analyses of key transaction terms, discussed certain financial analyses of Inamed, Medicis and the combined company, and provided an oral summary of its fairness opinion; and

The board engaged in an extensive discussion of the proposed terms of the business combination and the status of third party waivers and consents.

On March 20, 2005, the Inamed board of directors held a telephonic board meeting to consider approval of the merger agreement and the merger between Medicis and Inamed. Prior to the meeting, the directors were provided with a substantially final draft of the merger agreement and other documents relating to the proposed merger. At the meeting, among other things:

Representatives of JPMorgan provided an update on discussions with Medicis since March 19, 2005 regarding key transaction terms and delivered its oral fairness opinion, which was subsequently confirmed by a written opinion dated March 20, 2005. See [Opinion of JPMorgan Securities](#); and

Representatives of Morrison & Foerster LLP reviewed legal due diligence related to the period from February 22, 2005 through the present, discussed the board of directors' fiduciary obligations when considering a business transaction with Medicis, and reviewed key terms of the merger agreement and related transaction documents.

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Following discussion, the Inamed board of directors approved the merger agreement and the transactions contemplated by the merger agreement, and resolved to recommend that the Inamed stockholders vote to adopt the merger agreement and approve the merger. All directors were present for the meeting and voted to approve the transaction.

On March 20, 2005, the Medicis board of directors held a board meeting to consider approval of the merger agreement and the strategic business combination transaction between Medicis and Inamed. Prior to the meeting, the directors were provided with separate financial analyses prepared by Deutsche Bank and Thomas Weisel Partners relating to the proposed transaction, a substantially final draft of the merger agreement and a summary of the terms of the merger agreement. At the meeting, among other things:

Medicis management updated the board on the terms of the proposed transaction, as well as the final results of Medicis' due diligence review of Inamed, including the reviews conducted by Medicis' advisors;

Medicis management reviewed with the board Inamed's business, financial condition and prospects (including the findings of its advisors) and the potential risks and benefits of the potential business combination with Inamed, and discussed various financial measures relating to the transaction and strategic alternatives to the transaction;

Medicis' management also reviewed the financing options available to the company and the terms and conditions of the financing commitment documents with Deutsche Bank and one of its affiliates;

Representatives of Latham & Watkins LLP advised the board of directors of its fiduciary obligations when considering a strategic business combination with Inamed and reviewed the terms of the proposed merger agreement and related transaction documents;

Representatives of Latham & Watkins LLP also reviewed legal due diligence results, the history of discussions regarding the terms and conditions of the merger agreement and potential antitrust issues raised by the merger;

Representatives of Deutsche Bank provided certain financial analyses of Inamed, Medicis and the combined company and delivered its opinion described herein, which was subsequently confirmed in a written opinion dated March 20, 2005. See Opinions of Deutsche Bank and Thomas Weisel Partners Deutsche Bank ; and

Representatives of Thomas Weisel Partners provided certain financial analyses of Inamed, Medicis and the combined company and delivered its opinion described herein, which was subsequently confirmed in a written opinion dated March 20, 2005. See Opinions of Deutsche Bank and Thomas Weisel Partners Thomas Weisel Partners .

Following discussions, the Medicis board of directors approved the merger agreement, the transactions contemplated by the merger agreement and the financing commitments with Deutsche Bank and one of its affiliates, and resolved to recommend that the Medicis stockholders vote to approve the issuance of Medicis common stock in the merger. All directors were present for the meeting and voted to approve the transactions, other than Peter S. Knight, who was unable to attend due to travel complications.

On March 20, 2005, the merger agreement was executed and delivered on behalf of both companies, and, on March 21, 2005, the parties issued a joint press release announcing the execution of the merger agreement prior to the opening of the New York Stock Exchange and NASDAQ National Market. Contemporaneously with executing the merger agreement, Medicis entered into financing commitment documents with Deutsche Bank and one of its affiliates. Subject to the terms and conditions of the financing commitment documents, Deutsche Bank and one of its affiliates committed to provide \$650 million of senior secured financing to Medicis in connection with the merger. See Senior Secured Financing Commitment Letter with Deutsche Bank Trust Company Americas and Deutsche Bank Securities Inc.

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On March 21, 2005, the Medicis board of directors held a telephonic meeting during which the board unanimously confirmed and ratified its approval of the merger agreement and the transactions contemplated thereby as well as the financing commitments with Deutsche Bank and one of its affiliates.

On November 14, 2005, Inamed received an unsolicited preliminary non-binding proposal from Allergan, Inc. to acquire all outstanding shares of Inamed for a per share consideration of \$84 in cash or 0.8498 of a share of Allergan common stock, at the election of the holder, subject to proration such that the total value of the consideration payable will be \$1.45 billion in cash and 17.9 million shares of Allergan. The proposal stated that it was subject to the satisfactory completion of limited due diligence and the execution of a mutually acceptable definitive agreement.

At a special meeting of Inamed's board on November 15, 2005, and after conferring with Inamed's legal and financial advisors, the Inamed board determined that the Allergan proposal is reasonably likely to result in a Company Superior Proposal as the term is used in the merger agreement, and directed Inamed's management to evaluate the Allergan proposal.

On November 15, 2005, in response to Medicis' receipt of a letter from Inamed informing Medicis of Allergan's offer, Medicis' counsel sent a letter to Inamed's counsel reiterating Medicis' commitment to the merger and advising Inamed that Medicis reserves all of its rights under the merger agreement and would seek appropriate remedies in the event of a breach of the merger agreement.

Recommendation of the Medicis Board of Directors and Its Reasons for the Merger

The Medicis board of directors believes that the merger with Inamed will enhance Medicis' position as a specialty pharmaceutical leader with a diverse portfolio of products. At a special meeting of the Medicis board of directors held on March 20, 2005, the Medicis board of directors unanimously:

determined that the merger is advisable, and is fair to and in the best interests of Medicis and its stockholders;

approved the merger agreement;

directed that approval of the issuance of Medicis common stock pursuant to the merger agreement be submitted for consideration by Medicis stockholders at a Medicis special meeting; and

resolved to recommend that the Medicis stockholders vote FOR approval of the proposal to issue Medicis common stock in the merger pursuant to the merger agreement.

In reaching its decision to approve the merger agreement, the Medicis board of directors consulted with senior members of the Medicis management team and consultants regarding the strategic and operational aspects of the merger and the results of the due diligence efforts undertaken by management and Medicis' advisors. In addition, the Medicis board of directors held discussions with representatives of Deutsche Bank and Medicis' other advisors regarding the past and current business operations, financial condition and future prospects of Inamed. The Medicis board of directors also consulted with Deutsche Bank and Thomas Weisel Partners as to the fairness, from a financial point of view to Medicis, of the merger consideration to be paid by Medicis. The Medicis board of directors also consulted with representatives of Latham & Watkins LLP regarding legal due diligence matters and the terms of the merger agreement and related agreements. Medicis management and the Medicis board of directors also retained other firms to provide consulting services to Medicis in connection with the merger. In reaching its decision to approve the merger agreement, the Medicis board of directors considered a variety of factors, a number of which are summarized below:

Strengthened Strategic Position. The Medicis board of directors considered that the merger would further enhance Medicis' role as a specialty pharmaceutical leader with the benefits of increased size, product base, product pipeline and employees. The Medicis board of directors concluded that the merger with Inamed would strengthen and diversify Medicis' product base and product pipeline in key areas and enhance Medicis' strategic position within the specialty pharmaceutical market.

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Operating Efficiencies and Synergies. The Medicis board of directors reviewed the potential strategic and other benefits of the merger, including the complementary nature of the businesses of Medicis and Inamed and the opportunity for cost savings. The Medicis board of directors noted that, although no assurances can be given that any particular level of synergies will be achieved, Medicis management anticipates cost synergies of approximately \$15 to \$20 million in the combined company's first full year. Medicis' ability to achieve these goals is subject to various factors, a number of which will be beyond its control, including economic conditions and unanticipated changes in business conditions, and, therefore, there can be no assurance that these results will be achieved. See Cautionary Statement Concerning Forward-Looking Statements.

Positioned for Long-Term Growth. The Medicis board of directors considered the fact that the merger with Inamed would likely accelerate Medicis' future revenue and earnings growth, which would add stockholder value. The Medicis board of directors concluded that the merger with Inamed would improve Medicis' prospects for long-term growth by creating a larger company with increased revenue and improved future earnings.

Strategic Alternatives. The Medicis board of directors reviewed other possible acquisition candidates and determined that the merger with Inamed was a strategic fit and presented a unique opportunity to enhance and expand Medicis' business, product line and position for future international growth.

Integration of Inamed. The Medicis board of directors considered the fact that the combination of the businesses of Medicis and Inamed would be challenging. However, after consultation with Medicis management and its advisors, the Medicis board of directors determined that the operations of Inamed could be integrated with those of Medicis in an efficient manner.

Terms of the Merger Agreement. The Medicis board of directors, with the assistance of counsel, considered the general terms of the merger agreement, including:

Fixed Exchange Ratio. The Medicis board of directors considered the fact that the fixed exchange ratio provides certainty as to the number of shares of Medicis common stock to be issued to Inamed stockholders and the percentage of the total shares of Medicis common stock that current Inamed stockholders will own after the merger. The Medicis board of directors also considered the premium that the merger consideration implied.

No Solicitation; Termination Fee. The Medicis board of directors reviewed the provisions of the merger agreement that limit the ability of Medicis and Inamed to solicit other acquisition offers and require each party to pay a fee to the other party under specified circumstances. The Medicis board of directors believed that these provisions were reasonable under the circumstances.

Conditions to Consummation. The Medicis board of directors reviewed with counsel the conditions to consummation of the merger, in particular the likelihood of obtaining the necessary regulatory approvals and stockholder approvals, and the likelihood that the merger would be completed. While the Medicis board of directors believes that these approvals will be obtained in a timely fashion, the Medicis board of directors also noted that Medicis is not required to agree to any material divestitures or other material restrictions on the operation of the business of the combined company.

Board Participation. The Medicis board of directors considered the fact that four members of the Inamed board of directors would be elected to the Medicis board of directors after the effective time of the merger. The Medicis board of directors also considered that the audit committee of the board would consist of two members of the current Medicis board of directors and two members of the Inamed board of directors.

Opinions of Deutsche Bank and Thomas Weisel Partners. The Medicis board of directors considered the separate opinions of Deutsche Bank and Thomas Weisel Partners that, as of the date of the opinions, and based upon and

subject to the considerations described in the opinions and based on such other matters as Deutsche Bank and Thomas Weisel Partners considered relevant, the merger consideration to be paid by Medicis for each outstanding share of Inamed common stock pursuant to

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the merger agreement was fair from a financial point of view to Medicis. See Opinions of Deutsche Bank and Thomas Weisel Partners.

Letter Agreement with Q-Med AB. The Medicis board of directors considered the effect of certain noncompetition provisions to which Medicis is subject under existing agreements between Medicis and Q-Med AB, which may restrict the ability of Medicis to compete against Q-Med AB in certain aesthetics markets. The Medicis board of directors then reviewed the terms and conditions of a letter agreement between Medicis and Q-Med AB, which is described below under Letter Agreement with Q-Med AB on page 110, and the effect of Inamed's agreement to dismiss the investigation pending in the United States International Trade Commission, captioned as In re Certain Injectable Implant Compositions, Inv. No. 337-TA-515, between Inamed, as complainant, and Q-Med AB and Medicis, as respondents, and the litigation pending in the United States District Court for the Southern District of California, captioned as Inamed Corp. v. Q-Med AB, et al, No. 3:04-CV-1064, between Inamed, as plaintiff, and Q-Med AB and Medicis, as defendants. As consideration for Inamed's dismissal of these actions against Medicis and Q-Med AB, Medicis agreed to pay Inamed \$16.5 million if the \$10 million expense fee or the \$70 million termination fee is payable by Medicis under the merger agreement or if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting.

Financing. The Medicis board of directors reviewed with management and its advisors the ability of Medicis to obtain the financing necessary to pay the cash portion of the merger consideration. See Senior Secured Financing Commitment Letter with Deutsche Bank Trust Company Americas and Deutsche Bank Securities Inc. on page 111.

In addition, the Medicis board of directors also identified and considered a variety of potentially negative factors in its deliberations concerning the merger, including:

the incremental debt associated with the merger could cause Medicis to have reduced financial flexibility;

the ability of Medicis to obtain the necessary financing to pay the cash portion of the merger consideration, and the potential terms of such financing;

the risk that the potential benefits sought in the merger might not be fully realized;

the possibility that the merger might not be completed, or that completion might be unduly delayed;

the effect of public announcement of the merger on Medicis' stock price;

the projected dilution of Medicis' earnings per share as a result of the issuance of the shares in the merger, and the estimated time period for the merger to be accretive to Medicis' earnings per share;

the fact that the merger agreement does not contain a financing condition, other than a limited condition related to Medicis' inability to obtain financing as a result of a pending SEC investigation of Inamed;

the risks associated with the SEC's pending investigation of Inamed, as described in Inamed's Annual Report on Form 10-K for the year ended December 31, 2004;

the risk that management's efforts to integrate Inamed will disrupt Medicis' operations;

the risk that Medicis and/or Inamed may have to agree to divest or license certain assets in order to obtain FTC approval of the merger;

the substantial charges to be incurred in connection with the merger, including costs of integrating the businesses of Medicis and Inamed and transaction expenses arising from the merger;

the risks associated with Inamed's silicone breast implants and other Inamed products in development not being approved by the FDA;

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the risk that key management and research and development personnel might not remain employed by Medicis;

the non-solicitation provisions, termination fee and related provisions in the merger agreement, although the Medicis board considered that these provisions would not preclude bona fide alternative proposals;

the requirement that Medicis hold its stockholders meeting and allow stockholders to vote on the issuance of shares of Medicis common stock to Inamed stockholders pursuant to the merger agreement, even if a third party makes a superior proposal for a business combination with Medicis;

the requirement that Medicis pay Inamed \$16.5 million if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting as consideration for Inamed's dismissal of litigation against Medicis and Q-Med AB;

the requirement that Medicis pay Inamed a termination fee of \$70 million or an expense fee of \$10 million if the merger agreement is terminated due to specified reasons and that, as consideration for Inamed's dismissal of litigation against Medicis and Q-Med AB, Medicis pay Inamed \$16.5 million in the event any such termination or expense fee becomes payable by Medicis;

the provisions of the merger agreement that place restrictions on the conduct of Medicis' business during the period between the signing of the merger agreement and the completion of the merger; and

various other risks associated with the merger and the businesses of Medicis, Inamed and the combined company described in the section entitled "Risks Factors" and in the documents incorporated by reference into this joint proxy statement/prospectus.

The Medicis board of directors concluded, however, that these factors could be managed or mitigated by Medicis or were unlikely to have a material impact on the merger or Medicis, and that, overall, the potentially negative factors associated with the merger were outweighed by the potential benefits of the merger.

It was not practical to, and thus the Medicis board of directors did not, quantify, rank or otherwise assign relative weights to the wide variety of factors it considered in evaluating the merger and the merger agreement, nor did the board determine that any one factor was of particular importance in deciding that the merger agreement and associated transactions were in the best interests of Medicis and its stockholders. This discussion of information and material factors considered by the Medicis board of directors is intended to be a summary rather than an exhaustive list. In considering these factors, individual members of the board may have given different weight to different factors. The board conducted an overall analysis of the factors described above, and overall considered the factors to support its decision in favor of the merger and the merger agreement. The decision of each member of the Medicis board of directors was based upon his or her own judgment, in light of all of the information presented, regarding the overall effect of the merger agreement and associated transactions on Medicis stockholders as compared to any potential alternative transactions or courses of action. After considering this information, all members of the Medicis board of directors unanimously approved the merger agreement and the merger and recommended that Medicis stockholders approve the issuance of shares of Medicis common stock to Inamed stockholders pursuant to the merger agreement.

Recommendation of the Inamed Board of Directors and Its Reasons for the Merger

At a special meeting of the Inamed board of directors held on March 20, 2005, the Inamed board of directors unanimously:

determined that the merger is advisable, and is fair to and in the best interests of Inamed and its stockholders;

approved the merger agreement;

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directed that adoption of the merger agreement and approval of the merger be submitted for consideration by Inamed stockholders at an Inamed special meeting; and

resolved to recommend that the Inamed stockholders vote FOR the proposal to adopt the merger agreement and approve the merger.

In reaching its decision to approve the merger agreement, the Inamed board of directors consulted with senior members of the Inamed management team regarding the strategic and operational aspects of the merger and the results of the due diligence efforts undertaken by management and Inamed advisors. In addition, the Inamed board of directors held discussions with representatives of JPMorgan and Inamed's other advisors regarding the past and current business operations, financial condition and future prospects of Medicis. The Inamed board of directors also consulted with JPMorgan as to financial aspects of the merger, including the fairness, from a financial point of view, to Inamed stockholders, of the merger consideration to be paid by Medicis. The Inamed board of directors also consulted with representatives of Morrison & Foerster LLP regarding legal due diligence matters and the terms of the merger agreement and related agreements. In reaching its decision to approve the merger agreement, the Inamed board of directors considered a variety of factors, a number of which are summarized below:

Consideration to be Received in the Merger. The Inamed board of directors considered the relationship of the consideration to be paid pursuant to the merger to the market price of Inamed common stock, as well as the form of the merger consideration to be received in the merger by the holders of Inamed common stock, including:

the fact that the value of the merger consideration, based on the then-current market price for Medicis common stock, provides an opportunity for Inamed stockholders to receive a premium over the trading value of Inamed common stock on March 18, 2005, the last trading day before the public announcement of the proposed merger, and also over the average trading value of Inamed common stock in recent periods preceding that date;

the fact that Inamed stockholders will receive a portion of the merger consideration in stock, which provides them with an opportunity to participate in the potential growth of the combined company following the merger as stockholders of Medicis;

the fact that Inamed stockholders will receive a portion of the merger consideration in cash, which provides them with a measure of certainty of value despite stock market or industry volatility compared to a transaction in which they would receive all stock or other non-cash consideration;

the opinion of JPMorgan that, as of the date of the opinion, and based upon and subject to the considerations described in the opinion and based on such other matters as JPMorgan considered relevant, the merger consideration to be received by the Inamed stockholders pursuant to the merger agreement was fair from a financial point of view to the Inamed stockholders. See Opinion of JPMorgan on page 87; and

the fact that Medicis will have a much larger public float than Inamed after completion of the merger, which could provide greater liquidity for Inamed stockholders and could prove to be less volatile.

Greater Product Portfolio and Diversification of Revenues. The Inamed board of directors considered that the combination of Medicis' and Inamed's revenue generating products will help create a more diversified product portfolio and revenue base, and enhance the combined company's position as a specialty pharmaceutical leader with the potential benefits of increased size, product base, product pipeline and employees. The Inamed board of directors concluded that the merger would strengthen Medicis' product base by, for example, combining the two companies' respective facial aesthetics product lines and diversifying Inamed away from breast implant products and the risks associated with dependence upon these products for a majority of Inamed's revenues.

Operating Efficiencies and Synergies. The Inamed board of directors reviewed the potential strategic and other benefits of the merger, including the complementary nature of the businesses of Medicis and

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Inamed and the opportunity for cost savings and other synergies. The Inamed board of directors noted that, although no assurances can be given that any particular level of synergies will be achieved, Inamed management anticipates cost synergies of approximately \$15 to \$20 million in the combined company's first full year. The combined company's ability to achieve these goals is subject to various factors, a number of which will be beyond its control, including economic conditions and unanticipated changes in business conditions, and, therefore, there can be no assurance that these results will be achieved. See Cautionary Statement Concerning Forward-Looking Statements.

Positioned for Long-Term Growth. The Inamed board of directors considered that the merger could improve Inamed's prospects for long-term growth by creating a larger company with increased revenue and improved future earnings by, for example:

Maximizing Product Development Potential. The Inamed board of directors considered that Medicis' resources and revenues will help maximize the potential and advance the development of Inamed's pipeline of products.

Enhancing Research and Development. The Inamed board of directors considered that the combined company will have greater technical expertise and financial resources to devote to research and development, consistent with each party's focus on building stockholder value by pursuing technological leadership through continuous innovation.

Increased Product Sales Opportunities. The Inamed board of directors considered that the combined company will form a global, more diversified company that will be able to take advantage of a larger sales force and previously unavailable cross-selling opportunities among the expanded customer base.

Information Regarding the Businesses of the Companies. The Inamed board of directors considered historical and current information about Medicis' and Inamed's businesses, prospects, financial performance and condition, operations, management and competitive position, management's knowledge of the industry and conditions in the industry in general, all of which led the board of directors to believe that a combined entity with its greater financial resources may have greater potential and advantages than Inamed would have as a stand-alone entity.

Information Regarding Comparable Transactions. The Inamed board of directors reviewed and considered summary information provided by JPMorgan regarding comparable merger transactions and the trading performance of stock in comparable companies in the industry.

Strategic Alternatives. The Inamed board of directors assessed alternatives to the merger, including the potential for remaining a stand-alone entity, and concluded that the merger with Medicis represents the transaction most favorable to the Inamed stockholders that has been or is likely to be presented to Inamed stockholders.

Terms of the Merger Agreement. The Inamed board of directors, with the assistance of counsel, considered the general terms of the merger agreement, including:

No Solicitation; Termination Fee. The Inamed board of directors considered the provisions of the merger agreement that limit the ability of Medicis and Inamed to solicit other acquisition offers and require each party to pay a termination fee to the other party under specified circumstances, including the right of the Inamed board of directors to respond to, evaluate and negotiate certain other business combination proposals. The Inamed board of directors believed that these provisions were reasonable under the circumstances and would not preclude Inamed from considering bona fide alternative proposals.

Conditions to Consummation. The Inamed board of directors reviewed the conditions to consummation of the merger, in particular the likelihood of obtaining the necessary regulatory approvals and stockholder approvals, and the likelihood that the merger would be completed.

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Board participation. The Inamed board of directors considered the appointment of certain members of the Inamed board of directors to the Medicis board of directors after the effective time of the merger, including that:

Four members of the Inamed board of directors would be appointed to the Medicis board of directors, with one being placed in a class with a term expiring in 2008, two being placed in a class with a term expiring in 2006 and one being placed in a class with a term expiring in 2007; and

The Medicis audit committee would consist of four members, consisting of two current members of the Medicis board of directors, Mr. Vandewarker and Ms. Amundson (or another Inamed designee selected by the nominating committee of the Medicis board of directors).

Tax Treatment. The Inamed board of directors also considered the expected qualification of the merger as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code resulting in the common stock portion of the merger consideration being received by Inamed stockholders without having to recognize gain at the time for federal income tax purposes.

Financing. The Inamed board of directors reviewed with management and its advisors the ability of Medicis to obtain the financing necessary to pay the cash portion of the merger consideration, including the related Senior Secured Financing Commitment Letter with Deutsche Bank Trust Company Americas and Deutsche Bank Securities Inc.

Arm s-Length Negotiation. The Inamed board of directors considered that the merger agreement with Medicis was the product of arm s-length negotiations between Inamed and its advisors, on the one hand, and Medicis and its advisors, on the other, which the Inamed board of directors believed would help ensure that the transaction is fair to and in the best interests of the Inamed stockholders.

Letter Agreement with Q-Med AB. The Inamed board of directors considered the effect of certain noncompetition provisions to which Medicis is subject under existing agreements between Medicis and Q-Med AB, which may restrict the ability of Medicis to compete against Q-Med AB in certain aesthetics markets. The Inamed board of directors then reviewed the terms and conditions of a letter agreement between Medicis and Q-Med AB, which is described below under Letter Agreement with Q-Med AB on page 110, and the effect of Inamed s agreement to dismiss the investigation pending in the United States International Trade Commission, captioned as In re Certain Injectable Implant Compositions, Inv. No. 337-TA-515, between Inamed, as complainant, and Q-Med AB and Medicis, as respondents, and the litigation pending in the United States District Court for the Southern District of California, captioned as Inamed Corp. v. Q-Med AB, et al, No. 3:04-CV-1064, between Inamed, as plaintiff, and Q-Med AB and Medicis, as defendants. As consideration for Inamed s dismissal of these actions against Medicis and Q-Med AB, Medicis agreed to pay Inamed \$16.5 million if the \$10 million expense fee or the \$70 million termination fee is payable by Medicis under the merger agreement or if the merger agreement is terminated because Medicis stockholders do not approve the issuance of shares pursuant to the merger agreement at the Medicis annual meeting.

In addition, the Inamed board of directors also identified and considered a variety of potentially negative factors in its deliberations concerning the merger, including:

Under the terms of the merger agreement, between its execution date and the effective time of the merger, Inamed is required to obtain Medicis consent before it can take certain specified actions and is otherwise restricted in the conduct of its business, so that, among other things, Inamed s ability to enter into collaboration discussions and financing arrangements during this preclosing period is limited;

The historic volatility of the trading price of Medicis common stock and the effect of potential declines in the trading price of Medicis common stock prior to the completion of the merger on the value of the premium and consideration received by holders of Inamed common stock in the merger;

The fact that Inamed's appointees to the Medicis board of directors would constitute a minority of the members of the Medicis board of directors;

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The time, effort and costs involved in combining the two businesses and the risk that integration would divert management attention from the ongoing businesses of the combined company and could disrupt Inamed's operations. The Inamed board of directors considered the fact that the combination of the businesses of Medicis and Inamed would be challenging. However, after consultation with Inamed management and its advisors, the Inamed board of directors determined that the operations of Inamed could be integrated with those of Medicis in an efficient manner;

The possibility that the merger may not be completed or that completion of the merger may be unduly delayed;

The conditions to Medicis' obligations to close the merger, and the possibility that those conditions might not be satisfied even if the merger is approved by stockholders;

The risk that Medicis and/or Inamed may have to agree to divest or license certain assets in order to obtain FTC approval of the merger;

The potential loss of key employees as a result of the merger and the announcement of having entered into a merger agreement, and the risk that despite the efforts of the combined company, key management and research and development personnel might not remain employed by the combined company;

The possibility that the benefits anticipated and sought to be achieved in the merger might not be realized;

The risks associated with Medicis' marketed products and its product development pipeline;

The risks associated with the government inquiry into Medicis' marketing and promotion of LOPROX® to pediatricians, as described in Risk Factors Risks Relating to Medicis ;

The non-solicitation provisions, termination fee and related provisions in the merger agreement, although the Inamed board concluded that these provisions would not preclude bona fide alternative proposals;

If any third party makes a superior proposal for a business combination with Inamed, the Inamed board of directors could provide information to and engage in negotiations with such third party subject to the terms and conditions of the merger agreement, but absent receipt of a superior proposal, the merger agreement does not provide for the Inamed board of directors to reassess whether the merger is in the best interests of Inamed stockholders, except to the extent required by its fiduciary duties to Inamed stockholders;

The requirement that Inamed hold its stockholders' meeting and allow stockholders to vote on the merger agreement, even if a third party makes a superior proposal for a business combination with Inamed;

The provisions of the merger agreement that require the payment of a termination fee of \$90 million or \$10 million by Inamed if the merger agreement is terminated due to specified reasons;

The business, financial, operational and other risks associated with Inamed continuing to operate as an independent company;

The possibility that the price or value of Inamed common stock might increase if Inamed were to remain an independent company; and

Various other risks associated with the merger and the businesses of Medicis, Inamed and the combined company described in the section entitled Risk Factors Risks Relating to the Merger and in the documents incorporated by

reference into this joint proxy statement/ prospectus.

The Inamed board of directors concluded, however, that these factors could be managed or mitigated by Inamed or were unlikely to have a material impact on the merger or Inamed, and that, overall, the potentially negative factors associated with the merger were outweighed by the potential benefits of the merger.

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It was not practical to, and thus the Inamed board of directors did not, quantify, rank or otherwise assign relative weights to the wide variety of factors it considered in evaluating the merger and the merger agreement, nor did the board determine that any one factor was of particular importance in deciding that the merger agreement and associated transactions were in the best interests of Inamed and its stockholders. This discussion of information and material factors considered by the Inamed board of directors is intended to be a summary rather than an exhaustive list. In considering these factors, individual members of the board may have given different weight to different factors. The board conducted an overall analysis of the factors described above, and overall considered the factors to support its decision in favor of the merger and the merger agreement. The decision of each member of the Inamed board of directors was based upon his or her own judgment, in light of all of the information presented, regarding the overall effect of the merger agreement and associated transactions on Inamed stockholders as compared to any potential alternative transactions or courses of action. After considering this information, all members of the Inamed board of directors unanimously approved the merger agreement and the merger and recommended that Inamed stockholders adopt the merger agreement and approve the merger.

Opinions of Deutsche Bank and Thomas Weisel Partners

Deutsche Bank

Deutsche Bank Securities Inc., or Deutsche Bank, has acted as financial advisor to Medicis in connection with its merger with Inamed. At the March 20, 2005 meeting of the Medicis board of directors, Deutsche Bank rendered its oral opinion to the Medicis board of directors, subsequently confirmed in its written opinion, dated as of March 20, 2005, that, as of the date of the opinion, based upon and subject to the assumptions made, matters considered and limits of the review undertaken by Deutsche Bank, the merger consideration to be paid under the merger agreement with Inamed was fair from a financial point of view to Medicis. For purposes of Deutsche Bank's opinion and this description of the opinion, the merger consideration means the right to receive, with respect to each outstanding share of Inamed common stock (other than shares cancelled as set forth in the merger agreement or dissenting shares) (i) 1.4205 shares of Medicis common stock and (ii) \$30 in cash.

The full text of Deutsche Bank's opinion, which sets forth, among other things, the assumptions made, matters considered and limits on the review undertaken by Deutsche Bank in connection with its opinion, is attached as Annex B to this document and is incorporated into this document by reference. We urge you to read Deutsche Bank's opinion carefully and in its entirety. Deutsche Bank's opinion addresses only the fairness, from a financial point of view, of the merger consideration, and does not address any other aspect of the transaction or constitute a recommendation to any Medicis stockholder as to how to vote. The following summary is qualified in its entirety by reference to the full text of the Deutsche Bank opinion.

In connection with Deutsche Bank's role as financial advisor to Medicis, and in arriving at its opinion, Deutsche Bank has reviewed certain publicly available financial and other information concerning Medicis and Inamed and certain internal analyses and other information furnished to it by Medicis and Inamed. Deutsche Bank also held discussions with members of the senior managements of Medicis and Inamed regarding the businesses and prospects of their respective companies and the joint prospects of a combined company. In addition, Deutsche Bank:

reviewed the reported prices and trading activity for Inamed common stock and Medicis common stock;

compared certain financial and stock market information for Medicis and Inamed with similar information for certain other companies whose securities are publicly traded;

reviewed the financial terms of certain recent business combinations which it deemed comparable, in whole or in part, to the merger;

reviewed the terms of the merger agreement; and

performed such other studies and analyses and considered such other factors as it deemed appropriate.

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In preparing its opinion, Deutsche Bank relied upon, did not assume responsibility for the independent verification of, and did not independently verify, the accuracy and completeness of any information whether publicly available, furnished to it or otherwise made available to it including, without limitation, any financial information, forecasts or projections considered in connection with the rendering of its opinion. Accordingly, Deutsche Bank assumed and relied upon the accuracy and completeness of all such information for purposes of rendering its opinion. With respect to the financial forecasts and projections, including the analyses and forecasts of certain cost savings, operating efficiencies, revenue effects and financial synergies expected by Medicis and Inamed to be achieved as a result of the merger transaction, that Deutsche Bank received from the management of Medicis and Inamed, Deutsche Bank assumed that the information provided was reasonably prepared on bases reflecting the best currently available projections and judgments of the management of Medicis and Inamed. Deutsche Bank expressed no view as to the reasonableness of those forecasts and projections or the assumptions on which they are based. Deutsche Bank did not conduct a physical inspection of any of the properties or assets, and did not make any independent valuation or appraisal of the assets or liabilities (contingent or otherwise) of Medicis or Inamed, nor was Deutsche Bank furnished with any such appraisals.

For purposes of rendering its opinion, Deutsche Bank assumed that, in all respects material to its analysis:

the representations and warranties of Medicis, Masterpiece Acquisition Corp. and Inamed contained in the merger agreement are true and correct;

Medicis, Masterpiece Acquisition Corp. and Inamed will each perform all of the covenants and agreements to be performed under the merger agreement, and all conditions to the obligations of each of the parties to complete the merger transaction will be satisfied without any waiver;

all material governmental, regulatory or other approvals and consents required in connection with the completion of the merger transaction will be obtained and that in connection with obtaining any necessary governmental, regulatory or other approvals and consents, or any amendments, modifications or waivers to any agreements, instruments or orders to which either Medicis or Inamed (or any of their respective affiliates) is a party or is subject or by which it is bound, no limitations, restrictions or conditions will be imposed or amendments, modifications or waivers made that would have a material adverse effect on Medicis or Inamed or materially reduce the contemplated benefits of the merger transaction;

the merger transaction will be a tax-free reorganization to Medicis; and

no adjustment to the merger consideration is made pursuant to the terms of the merger agreement.

The opinion of Deutsche Bank is necessarily based on economic, market and other conditions as in effect on, the information made available to Deutsche Bank as of, and the financial condition of Medicis and Inamed on, March 18, 2005, the last trading day prior to the March 20, 2005 board meeting.

Financial Analysis of Deutsche Bank Securities Inc.

The following is a summary of the material financial analyses performed by Deutsche Bank in connection with rendering its opinion. These materials were reviewed with the Medicis board of directors on March 20, 2005.

Deutsche Bank made comparisons of the ranges of implied share prices derived from the various analyses described below to \$75, which was the implied value of the merger consideration on the date of Deutsche Bank's opinion (and which we refer to in this description of the opinion as the implied merger consideration), and the closing prices of \$31.68 and \$66.24, for Medicis and Inamed respectively, as of March 18, 2005.

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Selected Publicly Traded Companies Analysis

Deutsche Bank reviewed certain financial information and calculated commonly used valuation measurements for each of Medicis and Inamed, as applicable, to corresponding information and measurements for groups of publicly traded companies.

The selected companies forming the group to which Inamed was compared were Allergan, Inc., American Medical Systems, Inc., Cytoc Corporation, Integra LifeSciences Holdings Corporation, Kinetic Concepts, Inc., Kyphon Inc., Medicis, Mentor Corporation, Respirationics, Inc. and ResMed Inc. We refer to these companies as the Inamed selected comparables. Deutsche Bank selected these companies because they are publicly traded companies with operations that for purposes of this analysis may be considered similar to those of Inamed.

The selected companies forming the group to which Medicis was compared were Allergan, Inc., Axcana Pharma Inc., Cephalon, Inc., Connetics Corporation, Endo Pharmaceutical Holdings, Inc., First Horizon Pharmaceuticals Corp. and Forest Laboratories, Inc. We refer to these companies as the Medicis selected comparables. Deutsche Bank selected these companies because they are publicly traded companies with operations that for purposes of this analysis may be considered similar to those of Medicis.

The financial information and valuation measurements reviewed by Deutsche Bank included, among other things:
current share price;

equity market valuation;

ratio of equity market valuation to net income; and

ratio of equity market valuation to long term earnings growth rate.

To calculate the trading multiples for the Inamed selected comparables and the Medicis selected comparables, Deutsche Bank used publicly available information concerning historical and projected financial performance, including analyst reports and published historical financial information and earnings estimates reported by Institutional Brokers Estimate System, or IBES. IBES is a data service that monitors and publishes compilations of earnings estimates by selected research analysts regarding companies of interest to institutional investors. To calculate the trading multiples for Medicis, Deutsche Bank used projections prepared by Medicis management. To calculate the trading multiples for Inamed, Deutsche Bank used projections prepared by Inamed management and adjusted by Medicis management.

Deutsche Bank observed that the implied value of Inamed common stock based on this selected publicly traded companies analysis ranged from \$57 to \$81 per share and compared that range of values to the implied merger consideration. Deutsche Bank also observed that the implied value of Medicis common stock based on the selected publicly traded companies analysis ranged from \$23 to \$38 per share and compared that range of values to the March 18, 2005 closing share price for Medicis common stock of \$31.68.

None of the companies utilized in the publicly traded company analysis is identical to Medicis or Inamed. Accordingly, Deutsche Bank believes the analysis is not simply mathematical. Rather, it involves complex considerations and qualitative judgments, reflected in Deutsche Bank's opinion, concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading value of the selected companies.

Selected Precedent Transactions Analysis

Deutsche Bank examined 16 historical business combinations in the specialty pharmaceutical industry and the medical device industry since January 1, 1999, involving companies that it considered to be comparable, in whole or in part, to Inamed. The transactions it reviewed were:

the acquisition of BioChem Pharma, Inc. by Shire Pharmaceuticals Group plc;

the acquisition of Dura Pharmaceuticals, Inc. by Elan Corporation plc;

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the acquisition of Jones Pharma, Inc. by King Pharmaceuticals, Inc.;

the acquisition of Roberts Pharmaceuticals Corp. by Shire Pharmaceuticals Group plc;

the acquisition of Guidant Corp. by Johnson & Johnson;

the acquisition of VISX, Incorporated by Advanced Medical Optics, Inc.;

the acquisition of Ocular Sciences, Inc. by The Cooper Companies, Inc.;

the acquisition of ALARIS Medical Systems, Inc. by Cardinal Health Inc.;

the acquisition of TheraSense, Inc. by Abbott Laboratories;

the acquisition of Centerpulse AG by Zimmer Holdings, Inc.;

the acquisition of Disetronic Holding AG by Roche Holding AG;

the acquisition of MiniMed, Inc. by Medtronic, Inc.;

the acquisition of Inverness Medical Technologies Inc. (diabetes) by Johnson & Johnson;

the acquisition of Summit Autonomous, Inc. by Alcon Laboratories Inc./ Nestle SA;

the acquisition of Xomed Surgical Products, Inc. by Medtronic, Inc.; and

the acquisition of Perclose, Inc. by Abbott Laboratories.

Deutsche Bank analyzed Last Twelve Months, or Trailing, EBITDA and net income, and Next Twelve Months, or Forward, net income acquisition multiples for the selected transactions and then applied those multiples to the corresponding Inamed statistics based on historical results and management projections from Inamed as adjusted by the management of Medicis. Deutsche Bank observed that the implied value of Inamed common stock based on this precedent transaction analysis ranged from \$68 to \$86.

All multiples for the selected transactions were based on public information available at the time of announcement of those transactions, without taking into account differing market and other conditions during the six-year period during which the selected transactions occurred. Because the reasons for, and circumstances surrounding, each of the precedent transactions analyzed were so diverse, and due to the inherent differences between the operations and financial conditions of Inamed and the companies involved in the selected transactions, Deutsche Bank believes that a comparable transaction analysis is not simply mathematical. Rather, it involves complex considerations and qualitative judgments, reflected in Deutsche Bank's opinion, concerning differences between the characteristics of these transactions and the merger that could affect the value of the subject companies and businesses and Inamed.

Premiums Paid Analysis

Deutsche Bank examined the average premiums paid across selected business combinations and change of control transactions for the last three calendar years. In addition, Deutsche Bank examined the premiums paid for historical business combinations in the specialty pharmaceutical and medical device industries involving companies that it considered to be comparable, in whole or in part, to Inamed. Premiums were calculated based on the target's stock price 30 days prior to announcement.

Deutsche Bank applied a range of 20% to 30% to the Inamed average 30-day closing common stock price of \$69.21 as of March 18, 2005. The implied range of Inamed stock price values based on this premiums paid analysis was \$83 to \$90.

Because the reasons for, and circumstances surrounding, each of the selected business combinations analyzed were so diverse, and due to the inherent differences between the operations and financial conditions of Medicis and the companies involved in the selected business combinations, Deutsche Bank believes that the premiums paid analysis is not simply mathematical. Rather, it involves complex considerations and qualitative judgments, reflected in Deutsche Bank's opinion, concerning differences between the characteristics of these transactions and the merger that could affect the value of the subject companies and businesses and Medicis.

Table of Contents***Discounted Cash Flow Analyses***

Deutsche Bank performed discounted cash flow analyses for (i) Medicis as a stand-alone entity, and (ii) Inamed as a stand-alone entity. Deutsche Bank calculated the discounted cash flow values for each of Medicis and Inamed as the sum of (i) the net present values of the estimated future free cash flows that Medicis or Inamed, as the case may be, would generate for the fiscal years 2005 through 2009, plus (ii) the terminal value of Medicis or Inamed, as applicable at the end of that period. The estimated future cash flows for Inamed were based on both Inamed management projections and Inamed management projections as adjusted by Medicis management, the latter of which accounted for \$15 million of synergies beginning in 2006 and growing 5% a year thereafter. The estimated future cash flows for Medicis were based on Medicis management projections.

The range of estimated terminal values was calculated by applying terminal value multiples ranging from 9.0x to 11.0x for Medicis and 17.0x to 19.0x for Inamed to projected 2009 EBITDA. The multiple ranges were selected by looking at the mean LTM EBITDA multiple of the Medicis and Inamed selected comparables. The present value of the cash flows and terminal values were calculated using discount rates ranging from 11% to 13% for Medicis and 9% to 11% for Inamed. The discount rate ranges were selected by performing weighted average cost of capital (WACC) analyses of the Medicis and Inamed selected comparables.

Deutsche Bank observed that the range of implied Medicis stock price values resulting from the discounted cash flow analysis was \$47 to \$55. Deutsche Bank observed that the range of implied Inamed stock price values resulting from the discounted cash flow analysis based on Inamed management projections was \$155 to \$186. Deutsche Bank also observed that the range of implied Inamed stock price values resulting from the discounted cash flow analysis based on adjusted Inamed management projections with synergies was \$74 to \$88. The Medicis board of directors was advised by senior members of the Medicis management team that management relied upon the more conservative adjusted Inamed projections when evaluating the proposed merger.

Relative Contribution Analysis

Deutsche Bank analyzed two scenarios of the pro forma relative financial performance contributions of Medicis and Inamed, the first based on management projections of Medicis and Inamed and the second based on management projections of Medicis and management projections of Inamed as adjusted by Medicis management. Both scenarios looked at pro forma contribution for the 2004, 2005 and 2006 calendar years, as compared to the pro forma relative economic ownership percentages for Medicis and Inamed respectively, based on the implied merger consideration. Deutsche Bank calculated the relative contributions of Medicis and Inamed to the combined company in terms of, among other things, (i) revenues, (ii) earnings before interest, taxes, depreciation and amortization, or EBITDA, (iii) net income and (iv) fully diluted equity market capitalization, based on the closing market price for Medicis of \$31.68 on March 18, 2005 and the implied merger consideration.

Based on these metrics, Deutsche Bank observed that on a combined basis and based on projections from the management of Inamed, the implied pro forma economic ownership percentage for Inamed stockholders ranged from 39.8% to 61.5%. On a combined basis and based on projections from the management of Inamed as adjusted by Medicis management, the implied pro forma economic ownership percentage for Inamed stockholders ranged from 39.8% to 57.7%. Deutsche Bank compared these ranges of implied pro forma economic ownership percentages for Inamed stockholders with the economic ownership percentage of 42.4% based on the implied merger consideration.

Pro Forma Combined Earnings Analysis

Deutsche Bank analyzed certain pro forma effects of the merger. Based on such analysis, Deutsche Bank computed the resulting dilution/ accretion to the combined company's earnings per share estimate for the calendar years ending December 31, 2005, 2006 and 2007, after taking into account any potential cost savings and other synergies identified by Medicis management that Medicis and Inamed could achieve if the merger was consummated and non-recurring costs relating to the merger. Deutsche Bank noted that after taking into

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account the potential for cost savings and other synergies and non-recurring costs related to the merger, on a pro forma GAAP basis, the merger would be approximately 11.9% dilutive for the calendar year ended December 31, 2005, which accounted for one quarter and included no synergies, 11.5% dilutive for the calendar year ended December 31, 2006 and approximately 5.5% accretive for the calendar year ended December 31, 2007. Calculations for pro forma GAAP earnings per share were conducted using an estimated value for transaction-related amortization charges. An assessment of Inamed's amortizable intangibles was not complete as of March 20, 2005. Because of the significant impact on earnings of the non-cash charges resulting from the transaction-related amortization, Deutsche Bank also analyzed the pro forma effects of the merger on a non-GAAP basis. As a result of this analysis, Deutsche Bank noted that after taking into account the potential cost savings and other synergies and non-recurring costs related to the merger, on a non-GAAP basis, the merger would be approximately 6.5% dilutive for the calendar year ended December 31, 2005, which accounted for one quarter and included no synergies, 1.5% accretive for the calendar year ended December 31, 2006 and 17.0% accretive for the calendar year ended December 31, 2007. Pro forma non-GAAP earnings per share exclude transaction-related amortization charges.

General

The foregoing summary describes all analyses and factors that Deutsche Bank deemed material in its presentation to the Medicis board of directors, but is not a comprehensive description of all analyses performed and factors considered by Deutsche Bank in connection with preparing its opinion. The preparation of a fairness opinion is a complex process involving the application of subjective business judgment in determining the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, is not readily susceptible to summary description. Deutsche Bank believes that its analyses must be considered as a whole and that considering any portion of those analyses and of the factors considered without considering all analyses and factors could create a misleading view of the process underlying the opinion. In arriving at its fairness determination, Deutsche Bank did not assign specific weights to any particular analyses. Deutsche Bank conducted its analyses and rendered its opinion described herein separately and independently from any analyses conducted or opinion rendered by Thomas Weisel Partners.

In conducting its analyses and arriving at its opinion, Deutsche Bank utilized a variety of generally accepted valuation methods. The analyses were prepared solely for the purpose of enabling Deutsche Bank to provide its opinion as investment bankers to the Medicis board of directors as to the fairness of the merger consideration, from a financial point of view, to Medicis and do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold, which are inherently subject to uncertainty. In connection with its analyses, Deutsche Bank made, and was provided by Medicis and Inamed management with, numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Medicis, Inamed, or their respective advisors. Forecasts provided to Deutsche Bank, which were prepared by Medicis and Inamed management, did not include the expensing of stock options or special charges associated with research and development. Analyses based on estimates or forecasts of future results are not necessarily indicative of actual past or future values or results, which may be significantly more or less favorable than suggested by those analyses. Because those analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of Medicis, Inamed or their respective advisors, none of Medicis, Inamed, Deutsche Bank nor any other person assumes responsibility if future results or actual values are different from these forecasts or assumptions.

The terms of the merger transaction were determined through negotiations between Medicis and Inamed and were approved by the Medicis board of directors. Although Deutsche Bank provided advice to Medicis during the course of these negotiations, the decision to enter into the merger transaction was solely that of the Medicis board of directors. As described above, the opinion and presentation of Deutsche Bank to the Medicis board of directors was only one of a number of factors taken into consideration by the Medicis board of directors in making its determination to recommend the merger transaction. Deutsche Bank's opinion was provided to the Medicis board of directors to assist it in connection with its consideration of the merger

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transaction and does not constitute a recommendation to any stockholder as to how to vote or take any other action with respect to any matter related to the merger transaction.

Deutsche Bank's opinion does not in any manner address the prices at which any securities of Medicis or Inamed will trade after the announcement or completion of the merger transaction. Deutsche Bank assumes no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of the opinion. In connection with the preparation of its opinion, Deutsche Bank was not authorized by Medicis or the Medicis board of directors to solicit, nor has Deutsche Bank solicited, third-party indications of interest for the acquisition of all or any part of Medicis or any other extraordinary transaction involving Medicis.

Medicis selected Deutsche Bank as financial advisor in connection with the merger transaction based on Deutsche Bank's qualifications, expertise, reputation and experience in mergers and acquisitions. Medicis has retained Deutsche Bank under a letter agreement dated February 10, 2005. Deutsche Bank will be paid a fee for its services as financial advisor to Medicis in connection with the merger transaction, a substantial portion of which is contingent upon completion of the merger transaction. Deutsche Bank was paid a fee of \$1 million for its delivery of an opinion to the Medicis board of directors regarding the fairness to Medicis from a financial point of view of the merger consideration to be paid by Medicis in connection with the transaction. If the merger transaction is consummated, an additional fee will be payable to Deutsche Bank equal to \$15.5 million against which any previous fees paid will be credited. Deutsche Bank is an affiliate of Deutsche Bank AG, which together with its affiliates we refer to as the DB Group. One or more members of the DB Group have agreed to provide financing to Medicis in connection with the merger for which they will receive customary fees. See Senior Secured Financing Commitment Letter with Deutsche Bank Trust Company Americas and Deutsche Bank Securities Inc. on page 111. Medicis has also agreed to indemnify Deutsche Bank and certain related persons to the full extent lawful against certain liabilities, including certain liabilities under the United States federal securities laws arising out of its engagement or the merger.

Deutsche Bank is an internationally recognized investment banking firm experienced in providing advice in connection with mergers and acquisitions and related transactions. One or more members of the DB Group have, from time to time, provided investment banking, commercial banking (including extension of credit) and other financial services to Medicis or its affiliates for which it has received customary compensation, including Medicis' August 2004 \$283.9 million convertible exchange offer for which a member of the DB Group acted as dealer manager. In the ordinary course of business, members of the DB Group may actively trade in the securities and other instruments and obligations of Medicis and Inamed for their own accounts and for the accounts of their customers. Accordingly, the DB Group may at any time hold a long or short position in those securities, instruments and obligations.

Thomas Weisel Partners

Medicis requested that Thomas Weisel Partners evaluate the fairness to Medicis, from a financial point of view, of the consideration to be paid by Medicis pursuant to the merger. On March 20, 2005, at a meeting of the board of directors held to evaluate the merger, Thomas Weisel Partners rendered its oral opinion to the Medicis board of directors that as of such date, and based upon and subject to the assumptions, limitations and qualifications set forth in its written opinion, the consideration to be paid by Medicis pursuant to the merger was fair to Medicis, from a financial point of view. The opinion was subsequently confirmed by delivery by Thomas Weisel Partners of a written opinion dated March, 20, 2005.

The full text of the Thomas Weisel Partners opinion, dated March 20, 2005, which we refer to as the TWP opinion, is attached as Annex C to this joint proxy statement/ prospectus and is incorporated into this joint proxy statement/ prospectus by reference. Stockholders of Medicis should read the TWP opinion carefully and in its entirety for a discussion of the assumptions made, limitations upon the review undertaken and qualifications in rendering the opinion. However, we have included the following summary of the TWP opinion.

Thomas Weisel Partners has directed the TWP opinion to the board of directors of Medicis in connection with that board of directors' consideration of the merger. The TWP opinion does not constitute a

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recommendation to any stockholder as to how such stockholder should vote with respect to the merger. The TWP opinion addresses only the fairness, from a financial point of view, of the consideration to be paid by Medicis pursuant to the merger. Thomas Weisel Partners was not asked to consider, and its opinion does not address, any alternatives to the merger or Medicis' underlying decision to proceed with or effect the merger or any other aspect of the merger. Thomas Weisel Partners was retained by Medicis to render an opinion to the board of directors of Medicis in connection with the merger and has not acted as financial advisor to Medicis in connection with the merger. In furnishing its opinion, Thomas Weisel Partners did not admit that it is an expert within the meaning of the term "expert" as used in the Securities Act of 1933, which is referred to as the Securities Act, and the rules and regulations promulgated thereunder, nor did it admit that its opinion constitutes a report or valuation within the meaning of Section 11 of the Securities Act. The TWP opinion includes statements to this effect.

In connection with its opinion, Thomas Weisel Partners, among other things:

reviewed certain publicly available financial and other data with respect to Medicis and Inamed, including the consolidated financial statements for recent years and interim periods to December 31, 2004 with respect to Medicis and Inamed and certain other relevant financial and operating data relating to Medicis and Inamed made available to Thomas Weisel Partners from published sources and from the internal records of Medicis;

reviewed the financial terms and conditions of the merger agreement;

reviewed certain publicly available information concerning the trading of and the trading market for, Inamed common stock and Medicis common stock;

compared Medicis and Inamed from a financial point of view with certain other companies in the medical device and specialty pharmaceutical industries which Thomas Weisel Partners deemed to be relevant;

considered the financial terms, to the extent publicly available, of selected recent business combinations of companies in the medical device industry which Thomas Weisel Partners deemed to be comparable, in whole or in part, to the merger;

reviewed and discussed with representatives of the management of Medicis certain information of a business and financial nature regarding Medicis and Inamed, furnished to Thomas Weisel Partners by management of Medicis, including financial forecasts and related assumptions for Medicis and Inamed;

discussed with management of Medicis their description and assessment of the SEC investigation of Inamed, as described in Inamed's Annual Report on Form 10-K for the year ended December 31, 2004;

made inquiries regarding and discussed the merger and the merger agreement and other matters related thereto with Medicis' counsel; and

performed such other analyses and examinations as Thomas Weisel Partners deemed appropriate.

In connection with its review, Thomas Weisel Partners did not assume any obligation to independently verify the foregoing information. Instead, with Medicis' consent, Thomas Weisel Partners relied on such information being accurate and complete in all material respects. Thomas Weisel Partners also made the following assumptions, in each case with Medicis' consent:

with respect to the financial forecasts for Medicis and Inamed prepared and provided by management of Medicis, Thomas Weisel Partners assumed for purposes of its opinion, upon the advice of Medicis, that the forecasts were reasonably prepared on bases reflecting the best available estimates and judgments of management of Medicis at the time of preparation as to the future financial performance of Medicis and Inamed, and these forecasts provide a reasonable basis upon which Thomas Weisel Partners could form its opinion;

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that with respect to Medicis management's assessment of the SEC investigation of Inamed, as described in Inamed's Annual Report on Form 10-K for the year ended December 31, 2004, such assessment is reasonable and reflects the best available information and judgments of management of Medicis;

that there have been no material changes in Medicis' or Inamed's assets, financial condition, results of operations, business or prospects since the respective dates of their last financial statements made available to Thomas Weisel Partners; and

that the merger will be consummated in accordance with the terms described in the merger agreement, without any further amendment thereto, and without waiver by Medicis of any of the conditions to its obligations thereunder.

In addition, for purposes of the TWP opinion:

Thomas Weisel Partners relied, at Medicis' direction and without independent verification, on management of Medicis as to all legal and financial reporting matters with respect to Medicis, the merger, the merger agreement and the investigation;

Thomas Weisel Partners assumed that the merger will be consummated in a manner that complies in all respects with the applicable provisions of the Securities Act, the Exchange Act, and all other applicable federal and state statutes, rules and regulations;

Thomas Weisel Partners assumed that in the course of obtaining the necessary regulatory approvals for the merger, no restrictions including any divestiture requirements, will be imposed that could have a meaningful effect on the contemplated benefits of the merger; and

Thomas Weisel Partners did not assume responsibility for making an independent evaluation, appraisal or physical inspection of any of the assets or liabilities (contingent or otherwise) of Medicis or Inamed, nor was Thomas Weisel Partners furnished with any such appraisals.

The TWP opinion was based on economic, monetary and market and other conditions as in effect on, and the information made available to Thomas Weisel Partners as of, the date of its opinion. Accordingly, although subsequent developments may affect its opinion, Thomas Weisel Partners has not assumed any obligation to update, revise or reaffirm its opinion.

The following is a brief summary of the material financial analyses performed by Thomas Weisel Partners in connection with providing its opinion to the board of directors of Medicis. The following summary, however, does not purport to be a complete description of the financial analyses performed by Thomas Weisel Partners, nor does the order of analyses described represent the relative importance given to those analyses. Some of the summaries of financial analyses performed by Thomas Weisel Partners include information presented in tabular format. In order to fully understand the financial analyses performed by Thomas Weisel Partners, you should read the tables together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data set forth in the tables without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by Thomas Weisel Partners.

Comparable Companies Analysis

Based on an assessment of public market value of similar publicly-traded companies, Thomas Weisel Partners reviewed and compared specific financial data relating to Inamed with the following companies that Thomas Weisel Partners deemed in certain respects comparable to Inamed in the medical device industry:

Advanced Neuromodulation Systems, Inc.

Allergan, Inc.

American Medical Systems Holding Inc.

ArthroCare Corporation

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Integra Lifesciences Holdings Corporation (pro forma for the January 3, 2005 acquisition of Newdeal Technologies SAS for approximately \$53 million in cash)

IntraLase Corp.

Kyphon Inc.

Laserscope Inc.

Medicis

Mentor Corporation

VISX, Incorporated

Thomas Weisel Partners calculated the enterprise value, which Thomas Weisel Partners defined as equity value plus total debt less cash, as a multiple of (i) revenue for calendar year 2004 and estimated revenue for calendar years 2005 and 2006, (ii) earnings before interest and taxes, depreciation and amortization, or EBITDA, for calendar year 2004 and estimated EBITDA for calendar years 2005 and 2006 and (iii) earnings before interest and taxes, or EBIT, for calendar year 2004 and estimated EBIT for calendar years 2005 and 2006. Thomas Weisel Partners also compared and calculated the price/earnings ratios and the price/earnings to growth ratios for calendar year 2004 and estimated price/earnings ratios and estimated price/earnings to growth ratios for calendar years 2005 and 2006, in each case, for the selected companies listed above. Estimated calendar years 2005 and 2006 multiples for Inamed were based on Wall Street consensus estimates. Estimates for the other selected companies were based on Wall Street research, public filings and information provided by FactSet Research Systems. Thomas Weisel Partners believes that the selected companies have operations similar to some of the operations of Inamed, but noted that none of these companies have the same management, composition, size or combination of businesses as Inamed. Additionally, while this analysis compared Inamed to eleven public companies in the medical device industry, Thomas Weisel Partners did not include every company that could be deemed to be a participant in the medical device industry or sector thereof.

The results of this analysis are summarized as follows:

Enterprise Value/

	Revenue			EBITDA			EBIT			P/E			P/E/G	
	CY04	CY05	CY06	CY04	CY05	CY06	CY04	CY05	CY06	CY04	CY05	CY06	CY04	CY05
	A	E	E	A	E	E	A	E	E	A	E	E	A	E
High	6.9x	5.9x	5.5x	37.9x	20.6x	15.9x	44.8x	25.9x	18.7x	49.4x	35.8x	27.2x	1.69x	1.43x
3rd Quartile	6.7x	4.7x	4.1x	25.2x	18.5x	15.0x	27.5x	19.7x	15.9x	42.0x	32.6x	24.9x	1.51x	1.17x
Mean	5.2x	4.2x	3.6x	20.8x	15.3x	12.6x	24.2x	16.9x	13.7x	34.8x	27.9x	22.7x	1.39x	1.13x
Median	4.9x	4.2x	3.1x	18.8x	14.1x	11.8x	19.8x	15.4x	13.4x	33.1x	27.3x	22.7x	1.39x	1.13x
1st Quartile	4.6x	3.5x	2.9x	14.5x	12.9x	10.7x	17.1x	14.1x	11.8x	26.9x	23.4x	20.6x	1.28x	1.09x
Low	3.0x	2.7x	2.5x	10.8x	9.0x	8.4x	12.4x	10.1x	9.4x	23.0x	20.3x	18.7x	1.03x	0.89x
	6.0x	5.2x	4.3x	22.4x	19.2x	15.9x	25.7x	22.2x	18.0x	32.5x	28.7x	23.3x	1.5x	1.4x

Thomas Weisel Partners also reviewed and compared specific operating data relating to the same selected companies with Inamed. With respect to the selected companies and Inamed, Thomas Weisel Partners calculated and

compared the margins for calendar year 2004 EBITDA, EBIT and net income, and estimated EBITDA, EBIT and net income for calendar years 2005 and 2006. With respect to Inamed, the estimated margins for calendar years 2005 and 2006 were based on Wall Street consensus estimates. Estimates for the other selected companies were based on Wall Street research, public filings and information provided by FactSet Research Systems.

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The results of this analysis are summarized as follows:

		CY2004A Margins			CY2005E Margins			CY2006E Margins		
		EBITDA	EBIT	Net Income	EBITDA	EBIT	Net Income	EBITDA	EBIT	Net Income
Selected										
Companies	High	45.1%	39.4%	27.3%	48.0%	43.0%	28.3%	49.1%	45.2%	28.8%
	3rd Quartile	29.6%	26.0%	17.9%	30.0%	27.3%	18.6%	31.8%	28.7%	19.6%
	Mean	27.0%	23.6%	16.5%	27.2%	24.6%	16.7%	29.7%	27.2%	18.6%
	Median	25.1%	22.4%	15.5%	24.2%	23.2%	14.8%	26.3%	25.4%	16.9%
	1st Quartile	19.0%	17.3%	13.5%	20.3%	18.8%	12.6%	22.0%	20.6%	15.5%
	Low	16.4%	11.3%	8.9%	10.6%	9.2%	10.3%	19.9%	16.7%	12.2%
Inamed		27.0%	23.5%	19.1%	27.3%	23.6%	18.8%	27.3%	24.1%	19.0%

Based on the results of these analyses, Thomas Weisel Partners calculated an implied price per share range for Inamed of \$42.72 to \$79.60.

Comparable Precedent Transaction Multiples Analysis

Based on Wall Street research, SDC Platinum, public filings and information provided by FactSet Research Systems, Thomas Weisel Partners calculated and compared the enterprise value as a multiple of revenue, EBITDA and EBIT for the last twelve months, or LTM, and for the next twelve months, or NTM, in 15 selected medical device acquisitions that have been announced since January 1, 1998. In addition, Thomas Weisel Partners calculated and compared equity value as a multiple of LTM and NTM net income in 15 selected medical device acquisitions that have been announced since January 1, 1998.

The acquisitions reviewed in this analysis were the following:

Announcement Date	Name of Acquiror	Name of Target
December 5, 2004	Smiths Group Plc	Medex, Inc.
November 9, 2004	Advanced Medical Optics, Inc.	VISX, Incorporated
July 28, 2004	Cooper Companies, Inc.	Ocular Sciences, Inc.
May 19, 2004	Cardinal Health, Inc.	ALARIS Medical Systems, Inc.
January 13, 2004	Abbott Laboratories	TheraSense, Inc.
August 13, 2004	Synthes Stratec, Inc.	Mathys Medical Ltd.
May 20, 2003	Zimmer Holdings, Inc.	Centerpulse AG
May 30, 2001	Medtronic, Inc.	MiniMed Inc.
May 23, 2001		Inverness Medical Technology, Inc. (Diabetes Products Business)
September 27, 2000	Johnson & Johnson	Acuson Corporation
November 2, 1998	Siemens	Sofamor Danek Group, Inc.
September 21, 1998	Medtronic, Inc.	Marquette Medical Systems, Inc.
September 21, 1998	General Electric Company	Howmedica Osteonics Corp.
August 14, 1998	Stryker Corporation	DePuy, Inc.
July 21, 1998	Johnson & Johnson	Schneider Worldwide (Pfizer)
June 16, 1998	Boston Scientific Corporation	

Thomas Weisel Partners believes that the 15 transactions listed above have certain terms that are similar to some of the terms of the merger, but noted that none of these transactions is directly comparable to the merger.

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The results of these analyses are summarized as follows:

Transaction Multiples

		LTM				NTM			
		Revenue	EBITDA	EBIT	Net Income	Revenue	EBITDA	EBIT	Net Income
Selected Companies	3rd Quartile	6.8x	28.4x	32.9x	41.3x	6.7x	23.6x	26.7x	41.1x
	Median	3.9x	16.1x	22.1x	35.3x	4.3x	14.7x	17.8x	31.3x
	Mean	4.9x	24.6x	29.9x	39.7x	4.6x	21.8x	29.4x	43.5x
	1st Quartile	2.7x	13.3x	19.4x	31.2x	3.1x	12.1x	17.6x	26.8x

Based on the results of this analysis, Thomas Weisel Partners calculated an implied price per share range for Inamed of \$45.24 to \$102.04.

Comparable Precedent Transaction Premiums Analysis

Based on Wall Street research, SDC Platinum, public filings and information provided by FactSet Research Systems, Thomas Weisel Partners calculated and compared the price premiums and exchange ratio premiums as of 1-day, 1-week and 1-month prior to announcement in 10 selected medical device acquisitions that have been announced since January 1, 1998.

The acquisitions reviewed in this analysis were the following:

Acquisition Date	Name of Acquiror	Name of Target
November 9, 2004	Advanced Medical Optics, Inc.	VISX, Incorporated
July 28, 2004	Cooper Companies, Inc.	Ocular Sciences, Inc.
May 19, 2004	Cardinal Health, Inc.	ALARIS Medical Systems, Inc.
January 13, 2004	Abbott Laboratories	TheraSense, Inc.
May 20, 2003	Zimmer Holdings, Inc.	Centerpulse AG
May 30, 2001	Medtronic, Inc.	MiniMed Inc.
September 27, 2000	Siemens	Acuson Corporation
November 2, 1998	Medtronic, Inc.	Sofamor Danek Group, Inc.
September 21, 1998	General Electric Company	Marquette Medical Systems, Inc.
July 21, 1998	Johnson & Johnson	DePuy, Inc.

The results of this analysis are summarized as follows:

		Price Premiums			Exchange Ratio Premiums		
		1-Day	1-Week	1-Month	1-Day	1-Week	1-Month
Selected Transactions	3rd Quartile	43.2%	49.4%	46.3%	43.2%	48.4%	44.3%
	Median	19.1%	21.0%	26.8%	19.1%	22.3%	21.7%
	Mean	29.0%	33.0%	34.9%	29.0%	33.4%	36.6%
	1st Quartile	14.3%	16.9%	18.4%	14.3%	18.1%	20.3%

Premiums Paid Analysis

Based on information provided by SDC Platinum, Thomas Weisel Partners reviewed the consideration paid in 49 global healthcare transactions announced since January 1, 2000 with public acquirors and public target companies with equity values from \$400 million to \$10 billion. Thomas Weisel Partners calculated the premium percentages to the average stock price for the 1-day, 1-week and 1-month periods prior to the announcement of the relevant acquisition. This analysis indicated a range of such premium percentages of (2.6%) to 96.2% with a range for the mean and median premium percentages of 27.1% to 34.6% and a range for the first and third quartile premium percentages of 15.5% to 47.1%.

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Based on the quartile results of this analysis, Thomas Weisel Partners calculated an implied price per share ranges for Inamed of \$77.87 to \$99.81.

Thomas Weisel Partners also calculated premium percentages with respect to the 16 of the 49 above-referenced transactions in which the target company were to control a significant portion of the combined company post closing. This analysis indicated a range of such premium percentages of (2.6%) to 96.2% with a range for the mean and median premium percentages of 25.2% to 32.7% and a range for the first and third quartile premium percentages of 17.6% to 46.6%.

Contribution Analysis

Thomas Weisel Partners performed a contribution analysis based on estimated future financial operating information provided by management of Medicis for Medicis, Inamed and the pro forma combined company. The Thomas Weisel Partners analysis considered the relative contributions of Medicis and Inamed to the pro forma combined company's estimated revenues, gross profit, EBITDA, EBIT, net income (including amortization) for calendar years 2005 and 2006 and for the LTM. This analysis indicated (1) an implied exchange ratio range of 1.109x to 2.105x with a mean of 1.541x, a median of 1.479x, a first quartile of 1.229x and a third quartile of 1.781x and (2) an implied price per share range for Inamed of \$35.13 to \$66.70 with a mean of \$48.83, a median of \$46.86, a first quartile of \$38.93 and a third quartile of \$56.43.

The implied exchange ratio in the foregoing description assumes that the net cash of Medicis equals \$248.5 million, which is pro forma for the conversion of Medicis' \$169 million convertible notes. It also assumes the conversion of Medicis' \$169 million convertible notes and that the net cash of Inamed equals \$107.8 million.

Inamed Discounted Cash Flow Analysis

Thomas Weisel Partners performed a discounted cash flow analysis using estimated free cash flows for Inamed for calendar years 2005 through 2009 derived from estimates provided by Medicis management. Thomas Weisel Partners first estimated the terminal value of the estimated cash flows by applying multiples to Inamed's estimated 2009 EBITDA, which multiples ranged from 13.5x to 19.0x. Thomas Weisel Partners then discounted to the present the cash flows estimated through 2009 and the terminal values using discount rates ranging from 8% to 10%. Using information provided by BARRA and FactSet Research Systems, Thomas Weisel Partners arrived at these discount rates based on the weighted-average cost of capital for Inamed and the selected companies referred to in the *Comparable Companies Analysis* above. This analysis implied an enterprise value range for Inamed of \$2,394.2 million to \$3,468.2 million and an implied price per share range of Inamed of \$67.92 to \$97.08.

Thomas Weisel Partners also performed a discounted cash flow analysis using the same estimated free cash flows for Inamed for calendar years 2005 through 2009 and by estimating the terminal value of the estimated cash flows by applying growth rates ranging from 2% to 4% to Inamed's estimated 2009 EBITDA. Thomas Weisel Partners then discounted the cash flows estimated through 2009 and the terminal values using discount rates ranging from 8.0% to 10%. This analysis implied an enterprise value range for Inamed of \$1,577.3 million to \$3,080.7 million and an implied price per share range of Inamed of \$45.75 to \$85.56.

Pro Forma Merger Analysis

Thomas Weisel Partners reviewed the pro forma effects of the merger on the combined company's estimated earnings for calendar years 2005 and 2006 based on the merger consideration and utilizing financial forecasts for Medicis and Inamed provided by Medicis management as well as permanent financing assumptions provided by Medicis management.

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The results of this analysis are summarized as follows:

	Accretion/Dilution	
	CY2005E	CY2006E
Pro Forma EPS (not converted)	(17.2)%	0.8%
Pro Forma EPS (as converted)	(11.1)%	7.6%
Pro Forma Cash EPS (not converted)	(8.5)%	9.2%
Pro Forma Cash EPS (as converted)	(2.1)%	16.4%

The Pro Forma EPS (not converted) and Pro Forma Cash EPS (not converted) in the foregoing description include approximately 52.3 million shares of Medicis to be issued to Inamed stockholders. Also, the Pro Forma EPS (as converted) and Pro Forma Cash EPS (as converted) in the foregoing description include approximately 13.1 million shares of Medicis related to Medicis convertible notes and add-back of associated interest expense, and Medicis management expectation that Medicis will not have to convert the notes proposed to be issued in connection with the merger.

The foregoing description is only a summary of the analyses and examinations that Thomas Weisel Partners deems material to its opinion. It is not a comprehensive description of all analyses and examinations actually conducted by Thomas Weisel Partners. The preparation of a fairness opinion necessarily is not susceptible to partial analysis or summary description. Thomas Weisel Partners believes that its analyses and the summary set forth above must be considered as a whole and that selecting portions of its analyses and of the factors considered, without considering all analyses and factors, would create an incomplete view of the process underlying the analyses set forth in its presentation to the board of directors of Medicis. In addition, Thomas Weisel Partners did not attribute any particular weight to any factor or analysis considered by it, and may have deemed various assumptions more or less probable than other assumptions. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that this analysis was given greater weight than any other analysis. Accordingly, the ranges of implied values resulting from any particular analysis described above should not be taken to be the view of Thomas Weisel Partners with respect to the actual value of Medicis or Inamed. Thomas Weisel Partners conducted its analyses and rendered its opinion described herein separately and independently from any analyses conducted or opinion rendered by Deutsche Bank.

In performing its analyses, Thomas Weisel Partners made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Medicis. Forecasts provided to Thomas Weisel Partners, which were prepared by Medicis and Inamed management, did not include the expensing of stock options or special charges associated with research and development. The analyses performed by Thomas Weisel Partners are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those suggested by these analyses. These analyses were prepared solely as part of the analysis performed by Thomas Weisel Partners with respect to the financial fairness of the consideration to be paid by Medicis pursuant to the merger agreement, and were provided to the board of directors of Medicis in connection with the delivery of the TWP opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities may trade at any time in the future.

As described above, the TWP opinion and presentation were among the many factors that the board of directors of Medicis took into consideration in making its determination to approve the merger and merger agreement.

Pursuant to the terms of the engagement letter dated February 14, 2005, Medicis has paid Thomas Weisel Partners a cash fee of \$750,000 payable upon the delivery of its opinion for its services. Further, Medicis has agreed to reimburse Thomas Weisel Partners for its reasonable out-of-pocket expenses and to indemnify Thomas Weisel Partners, its affiliates, partners, directors, officers, agents, employees and each other person or entity, if any, controlling Thomas Weisel Partners or any of its affiliates, against specific liabilities, including liabilities under the

federal securities laws.

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In the ordinary course of its business, Thomas Weisel Partners actively trades the equity securities of Medicis and Inamed for its own account and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities. Thomas Weisel Partners has also acted as an underwriter in connection with offerings of securities of Medicis and performed various investment banking services for Medicis.

Opinion of JPMorgan

Pursuant to an engagement letter dated November 17, 2004, Inamed retained JPMorgan as its exclusive financial advisor in connection with the merger.

At the meeting of the Inamed board of directors on March 20, 2005, JPMorgan rendered its oral opinion, subsequently confirmed in writing, to the board of directors that, as of such date and based upon and subject to the matters set forth in JPMorgan's opinion, the consideration to be received by the holders of Inamed common stock in the merger was fair, from a financial point of view, to those holders. No limitations were imposed by the Inamed board of directors upon JPMorgan with respect to the investigations made or procedures followed by it in rendering its opinion.

The full text of the written opinion of JPMorgan dated March 20, 2005, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex D to this joint proxy statement/prospectus and is incorporated herein by reference. Inamed stockholders are urged to read the opinion in its entirety. JPMorgan's written opinion is addressed to the Inamed board of directors, is directed only to the consideration to be paid in the merger and does not constitute a recommendation to any Inamed stockholder as to how such stockholder should vote at the Inamed special meeting. The summary of the opinion of JPMorgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.

In arriving at its opinion, JPMorgan, among other things:

reviewed the merger agreement;

reviewed certain publicly available business and financial information concerning Medicis and Inamed and the industries in which they operate;

compared the proposed financial terms of the merger with the publicly available financial terms of certain transactions involving companies JPMorgan deemed relevant and the consideration received for such companies;

compared the financial and operating performance of Medicis and Inamed with publicly available information concerning certain other companies JPMorgan deemed relevant and reviewed the current and historical market prices of Inamed common stock and Medicis common stock and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts prepared by the managements of Medicis and Inamed relating to their respective businesses, including (x) analyses and forecasts prepared by the management of Inamed that take into account the possibility that the FDA may not approve any or all of Inamed's new silicone breast products and Reloxin products and (y) analyses and forecasts prepared by the management of Inamed that assume that the FDA approves all of these new products;

reviewed estimates prepared by the managements of Medicis and Inamed of the amount and timing of the cost savings and related expenses and synergies expected to result from the merger; and

performed such other financial studies and analyses and considered such other information as JPMorgan deemed appropriate for the purposes of this opinion.

In addition, JPMorgan held discussions with members of the management of Medicis and Inamed with respect to certain aspects of the merger, and the past and current business operations of Medicis and Inamed, the financial condition and future prospects and operations of Medicis and Inamed, the effects of the merger on the financial

condition and future prospects of Medicis and Inamed, and other matters JPMorgan believed

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necessary or appropriate to its inquiry, including the risks associated with the FDA approval process for new products.

In giving its opinion, JPMorgan relied upon and assumed, without assuming responsibility or liability for independent verification, the accuracy and completeness of all information that was publicly available or was furnished to or discussed with it by Medicis and Inamed or otherwise reviewed by or for JPMorgan. JPMorgan did not conduct any valuation or appraisal of any assets or liabilities and was not provided any such valuations or appraisals, nor did JPMorgan evaluate the solvency of Medicis or Inamed under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to it, including the expected cost savings and related expenses and synergies referred to above, JPMorgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Medicis and Inamed to which such analyses or forecasts relate. JPMorgan has expressed no view as to such analyses or forecasts, including such estimated cost savings, expenses and synergies, or the assumptions on which they were based. JPMorgan also assumed that the merger will qualify as a tax-free reorganization for United States federal income tax purposes and that the other transactions contemplated by the merger agreement will be consummated as described in such agreement. JPMorgan also assumed that the definitive merger agreement will not differ in any material respects from the draft thereof furnished to it. JPMorgan relied as to all legal matters relevant to rendering its opinion upon the advice of counsel. JPMorgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the merger would be obtained without any adverse effect on Medicis or Inamed or on the contemplated benefits of the merger.

The projections furnished to JPMorgan for Medicis and Inamed were prepared by the respective managements of each company. Neither Inamed nor Medicis publicly discloses internal management projections of the type provided to JPMorgan in connection with JPMorgan's analysis of the merger, and such projections were not prepared with a view toward public disclosure. These projections were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including, without limitation, factors related to general economic and competitive conditions and prevailing interest rates. Accordingly, actual results could vary significantly from those set forth in such projections.

JPMorgan's opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to JPMorgan as of, the date of such opinion. It should be understood that subsequent developments may affect JPMorgan's opinion and that JPMorgan does not have any obligation to update, revise, or reaffirm its opinion. JPMorgan's opinion is limited to the fairness, from a financial point of view, to the holders of Inamed common stock of the merger consideration in the proposed merger and JPMorgan has expressed no opinion as to the fairness of the merger to, or any consideration of, the holders of any other class of securities, creditors or other constituencies of Inamed or the underlying decision by Inamed to engage in the merger. JPMorgan expressed no opinion as to the price at which Medicis common stock or Inamed common stock would trade at any time after the date of its opinion.

JPMorgan was not authorized to and did not solicit any expressions of interest from any other parties with respect to the sale of all or any part of Inamed or any other alternative transaction. Consequently, JPMorgan assumed that such terms are the most beneficial terms from Inamed's perspective that could under the circumstances be negotiated among the parties to such transactions, and JPMorgan expressed no opinion as to whether any alternative transaction might produce consideration for Inamed stockholders in an amount in excess of that contemplated in the merger.

In accordance with customary investment banking practice, JPMorgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses utilized by JPMorgan in connection with providing its opinion.

Stock Trading Analysis

JPMorgan reviewed Inamed's closing stock prices for the 12-month period ending March 18, 2005. JPMorgan observed that the range of closing prices for Inamed stock was \$45 to \$72 over such period.

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JPMorgan also reviewed Medicis closing stock prices for the 12-month period ending March 18, 2005. JPMorgan observed that the range of closing prices for Medicis stock was \$32 to \$45 over such period.

JPMorgan also reviewed one-year forward price earnings multiples based on monthly equity research analysts estimates as published by I/B/E/S over the one and three years prior to March 18, 2005 for both Medicis and Inamed. JPMorgan also reviewed Inamed's one-year forward price earnings multiple based on the Inamed management's sensitivity case projections and Medicis' one-year forward price earnings multiple based on research analysts consensus estimates. JPMorgan observed that Inamed's average one-year forward price earnings multiple was 26.3x and 23.7x over the last one and three years, respectively, while the current one-year forward price earnings multiple was 28.6x. JPMorgan also observed that Medicis' average one-year forward price earnings multiple was 25.3x and 19.5x and 18.2x over the last one and three years, while the current one-year forward price earnings multiple was 22.4x.

Historical Exchange Ratio

JPMorgan analyzed the historical trading price of Medicis common stock relative to Inamed common stock based on closing prices between March 18, 2003 and March 18, 2005 and calculated the historical exchange ratios during this period implied by dividing the daily closing prices per share of Inamed common stock by those of Medicis common stock and the average of those historical trading ratios for the 1-week, 1-month, 3-month, 6-month, 12-month and 24-month periods ended on March 18, 2005. JPMorgan also calculated the exchange ratio implied by dividing the closing price per share of Inamed common stock by that of Medicis common stock on March 18, 2005 and by dividing the value of merger consideration of \$75 per share by the closing price of Medicis common stock on March 18, 2005.

This analysis implied the following exchange ratios:

	Implied Exchange Ratio
At \$75.00	2.37x
Market as of March 18, 2005	2.09x
1 - week average	2.09x
1 - month average	2.03x
3 - month average	1.91x
6 - month average	1.66x
12 - month average	1.53x
24 - month average	1.44x

Equity Analysts Price Targets

JPMorgan reviewed publicly available price targets published by various firms that conduct independent research on Inamed in order to compare the implied offer price as of March 18, 2005, the last trading day prior to the date of JPMorgan's opinion, to research analyst valuations of Inamed. Analyst price targets ranged from \$72 to \$80, while the value of the merger consideration, based on Medicis closing price as of March 18, 2005, was \$75 and the closing price of Inamed was \$66.24 as of March 18, 2005.

JPMorgan also reviewed publicly available price targets published by various firms that publish independent research on Medicis in order to compare the current trading price as of March 18, 2005, the last trading day prior to the date of JPMorgan's opinion, to research analyst valuations of Medicis. Analyst price targets ranged from \$39 to \$52, while the closing price for Medicis on March 18, 2005 was \$31.68.

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Selected Companies Analysis

Using publicly available information, JPMorgan compared selected financial data of Inamed with similar data for the following selected publicly traded specialty pharmaceutical and medical device companies:

Large-Cap Medical Device Companies

Medtronic, Inc.

CR Bard, Inc.

Boston Scientific Corporation

Mid-Cap Medical Device Companies

American Medical Systems

Arthrocare Corporation

Integra Lifesciences Holding Corporation

Mentor Corporation

Specialty Pharmaceutical

Allergan, Inc.

Medicis

Endo Pharmaceuticals

Cephalon, Inc.

Shire Pharmaceuticals

Biovail Corporation

Forest Labs

King Pharmaceuticals

For each company, JPMorgan used estimates of calendar year 2005 results published in publicly available equity analyst research reports. For Inamed, JPMorgan used estimates of calendar year 2005 results provided by Inamed management. JPMorgan reviewed firm or enterprise values as a multiple of estimated calendar year 2005 earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA, and JPMorgan reviewed calendar year 2005 price earnings multiples based on consensus earnings per share estimates from available research reports. JPMorgan then applied a range of selected multiples of estimated 2005 EBITDA derived from this analysis to corresponding financial data of Inamed in order to derive an implied per share equity reference range for Inamed. This analysis indicated an approximate implied per share equity reference range for Inamed of \$55 to \$77.

It should be noted that no company utilized in the analysis above is identical to Inamed.

Using publicly available information, JPMorgan also compared selected financial data of Medicis with similar data for the following selected publicly traded companies:

Allergan, Inc.

Endo Pharmaceuticals

Cephalon, Inc.

Shire Pharmaceuticals

Biovail Corporation

Forest Labs

King Pharmaceuticals

For each company, JPMorgan used estimates of calendar year 2005 results published in publicly available equity analyst research reports. For Medicis, JPMorgan used estimates of calendar year 2005 results.

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JPMorgan reviewed firm values as a multiple of estimated calendar year 2005 EBITDA. JPMorgan also reviewed calendar year 2005 price earnings multiples based on consensus earnings per share estimates from available research reports. JPMorgan then applied a range of selected multiples of estimated 2005 EBITDA derived from this analysis to corresponding financial data of Medicis in order to derive an implied per share equity reference range for Medicis. This analysis indicated an approximate implied per share equity reference range for Medicis of \$32 to \$40.

It should be noted that no company utilized in the analysis above is identical to Medicis.

JPMorgan calculated the exchange ratio implied by the reference ranges calculated for Medicis and Inamed. This analysis resulted in a range of implied exchange ratios of 1.35x – 2.37x, compared to the exchange ratio implied by the merger of 2.37x.

Selected Transaction Analysis

Using publicly available information, JPMorgan reviewed the following merger and acquisition transactions involving companies in the specialty pharmaceutical and medical device industry:

Acquiror	Target
King Pharmaceutical	Jones Pharmaceutical
Shire Pharmaceutical	BioChem Pharma
Charles River Labs	Inveresk Research Group
Advanced Medical Optics	VISX, Incorporated
Cardinal Health	Alaris Medical Systems
Cooper Companies	Ocular Sciences
Sponsor Consortium	Warner Chilcott
Fisher Scientific	Apogent
Zimmer	Centerpulse
Mylan Laboratories	King Pharmaceuticals
Abbott Laboratories	Thera Sense

JPMorgan calculated a range of multiples of firm or enterprise value to both the latest 12-month revenue and EBITDA implied in these transactions. JPMorgan then applied a range of selected EBITDA multiples for the selected transactions to corresponding EBITDA of Inamed in order to derive an implied per share equity reference range for Inamed. This analysis indicated an approximate implied per share equity reference range for Inamed of \$48 to \$75.

It should be noted that no company utilized in the analysis above is identical to Inamed and no transaction is identical to the merger.

Discounted Cash Flow Analysis

JPMorgan conducted a discounted cash flow analysis for the purpose of determining the implied fully diluted equity value per share for Inamed common stock. JPMorgan reviewed two scenarios, one of which was based upon Inamed management's long-range plan, which reflected Inamed management's strategic plan for the fiscal years 2005 through 2010 and additional assumptions from Inamed management for the fiscal years 2011 through 2014. The other scenario was a sensitivity case that was based on a set of more conservative assumptions by Inamed management for the fiscal years 2005 through 2014.

For both scenarios, JPMorgan considered probabilities of FDA approval of Inamed's new United States silicone breast products from 0% to 100%. JPMorgan also considered specific risks associated with approval of Inamed's Reloxin products as indicated by Inamed management. JPMorgan calculated the unlevered free cash flows that Inamed is expected to generate during fiscal years 2005 through 2014 for both scenarios.

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JPMorgan calculated an implied range of terminal values for Inamed using a range of perpetuity growth rates for free cash flows from 3% to 4%. JPMorgan utilized a discount rate of 17% for calculating a terminal value range for Reloxin products and a range of discount rates from 10% to 11% for calculating a terminal value for the remainder of Inamed. The unlevered free cash flows and the range of terminal values were then discounted to present value using a discount rate of 17% for Reloxin and a range of discount rates of 10% to 11% for the remainder of Inamed, respectively.

The present value of the unlevered free cash flows and the range of terminal values were then adjusted for Inamed's cash and total debt as of December 31, 2004. In Inamed's long-range plan case, this analysis indicated an approximate implied per share equity reference range for Inamed of \$77 to \$98, \$92 to \$117, and \$106 to \$136 based on 0%, 50% and 100% probability of approval for Inamed's new United States silicone breast products, respectively. In the sensitivity case, this analysis indicated an approximate implied per share equity reference range for Inamed of \$54 to \$68, \$62 to \$78, and \$70 to \$88 based on 0%, 50% and 100% probability of approval for Inamed's new United States silicone breast products, respectively.

JPMorgan also conducted a discounted cash flow analysis for the purpose of determining the implied fully diluted equity value per share for Medicis common stock. JPMorgan reviewed two scenarios, one of which was based upon Medicis management's most likely case, which reflected Medicis management assumptions for the fiscal years 2005 through 2007 and was based on assumptions provided by Inamed management for fiscal years 2008-2014. The other scenario was based on projections by equity research analysts for fiscal years 2005-2007 and on a more conservative set of assumptions for fiscal years 2008-2014 developed based on those projections.

For both scenarios, JPMorgan calculated the unlevered free cash flows that Medicis is expected to generate during calendar years 2005 through 2014. JPMorgan calculated an implied range of terminal values for Medicis using a range of perpetuity growth rates for free cash flows from 3% to 4% and a range of discount rates from 10% to 11%. The unlevered free cash flows and the range of terminal values were then discounted to present value using a range of discount rates from 10% to 11%. The present value of the unlevered free cash flows and the range of terminal values were then adjusted for Medicis' cash and debt as of December 31, 2004. This analysis indicated an approximate implied per share equity reference range for Medicis of \$41 to \$51 in the most likely case and an approximate implied per share equity reference range for Medicis of \$37 to \$45 in the other scenario.

Using the implied per share values derived from the discounted cash flow analysis conducted for the Inamed long range plan case at 0%, 50% and 100% probability of approval for new United States silicone breast products relative to the Medicis most-likely case, JPMorgan calculated a range of implied exchange ratios, in each case compared to the proposed exchange ratio of 2.37x:

Comparison	Implied Exchange Ratio
(0% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	2.42x
Lowest estimated valuation of the Inamed common stock to highest estimated valuation of the Medicis common stock	1.52x
(50% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	2.88x
Lowest estimated valuation of the Inamed common stock to highest estimated valuation of the Medicis common stock	1.80x
(100% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	3.33x

Lowest estimated valuation of the Inamed common stock to highest estimated valuation
of the Medicis common stock

2.09x

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Using the implied per share values derived from the discounted cash flow analysis conducted for the Inamed sensitivity case at 0%, 50% and 100% probability of approval for new United States silicone breast products relative to the Medicis street case, JPMorgan calculated a range of implied exchange ratios, in each case compared to the proposed exchange ratio of 2.37x:

Comparison	Implied Exchange Ratio
(0% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	1.85x
Lowest estimated valuation of the Inamed common stock to highest estimated valuation of the Medicis common stock	1.19x
(50% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	2.13x
Lowest estimated valuation of the Inamed common stock to highest estimated valuation of the Medicis common stock	1.36x
(100% probability)	
Highest estimated valuation of the Inamed common stock to lowest estimated valuation of Medicis common stock	2.41x
Lowest estimated valuation of the Inamed common stock to highest estimated valuation of the Medicis common stock	1.53x

The summary set forth above does not purport to be a complete description of the analyses or data utilized by JPMorgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. JPMorgan believes that the summary set forth above and its analyses must be considered as a whole and that selecting portions thereof, without considering all of its analyses, could create an incomplete view of the processes underlying its analyses and opinion. JPMorgan based its analyses on assumptions that it deemed reasonable, including assumptions concerning general business and economic conditions and industry-specific factors. The other principal assumptions upon which JPMorgan based its analyses are set forth above under the description of each analysis. Forecasts provided to JPMorgan, which were prepared by Medicis and Inamed management, did not include the expensing of stock options or special charges associated with research and development. JPMorgan's analyses are not necessarily indicative of actual values or actual future results that might be achieved, which values may be higher or lower than those indicated. Moreover, JPMorgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold.

As a part of its investment banking business, JPMorgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for estate, corporate and other purposes. JPMorgan was selected to advise Inamed with respect to the merger on the basis of such experience and its familiarity with Inamed.

For services rendered in connection with the merger, Inamed has agreed to pay JPMorgan a fee equal to 0.50% of the value of the total merger consideration as of the closing of the merger. Of this amount, Inamed has paid \$1.5 million in connection with the delivery by JPMorgan of the fairness opinion. The remaining transaction fee is payable upon completion of the merger. In addition, Inamed has agreed to reimburse JPMorgan for its expenses incurred in connection with its services, including the fees and disbursements of counsel, and will indemnify JPMorgan against certain liabilities, including liabilities arising under the federal securities laws.

In the ordinary course of their businesses, JPMorgan and its affiliates may actively trade the debt and equity securities of Medicis or Inamed for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities.

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Regulatory Approvals Required for the Merger

The merger is subject to review by the Antitrust Division and the FTC, under the HSR Act. Under the HSR Act, Medicis and Inamed are required to make pre-merger notification filings and to await the expiration or early termination of the statutory waiting period prior to completing the merger. The notifications required under the HSR Act to the FTC and the Antitrust Division were filed on March 31, 2005 by Medicis and April 5, 2005 by Inamed.

On May 5, 2005, Medicis and Inamed received from the FTC requests for additional information and documents with respect to the merger. Each of Medicis and Inamed has certified to the FTC that it has provided substantially all of the information and documents requested by the FTC in connection with the merger. On November 14, 2005, Medicis provided notice to the FTC that it would not close the transaction prior to December 14, 2005, unless the FTC terminated its investigation earlier.

There can be no assurance that the parties will obtain the required antitrust approvals or obtain the approvals without restrictions or conditions that would be materially adverse to the combined company if the merger is completed. These restrictions and conditions could include the grant of a complete or partial license, divestiture or holding separate of assets or businesses. Under the terms of the merger agreement, Medicis is not required to agree to commit to any divestiture, license or hold separate with respect to any of Medicis' or Inamed's material or assets businesses, or otherwise take or commit to take any action that materially limits Medicis' freedom of action with respect to, or its ability to retain, any asset or business of Medicis or Inamed. Under the terms of the merger agreement, Medicis has the right to require the divestiture of any assets of Inamed contingent upon the closing of the merger necessary to obtain clearances or approvals required under the antitrust laws. Medicis and Inamed do not intend to resolicit the votes of their stockholders in the event such a divestiture is required.

In addition, at any time before or after completion of the merger, the Antitrust Division, the FTC or any state attorney general could challenge, seek to block or block the merger under the antitrust laws, as it deems necessary or desirable in the public interest, including seeking to enjoin completion of the merger or seeking divestiture of substantial assets of Medicis or Inamed. Other antitrust competition agencies outside the United States with jurisdiction over the merger could also initiate action to challenge or block the merger. In addition, in some jurisdictions, a competitor, customer or other third party could initiate a private action under the antitrust laws challenging or seeking to enjoin the merger, before or after it is completed. Medicis and Inamed cannot be sure that a challenge to the merger will not be made or that, if a challenge is made, Medicis and Inamed will prevail.

Material United States Federal Income Tax Consequences

The following discussion summarizes the material United States federal income tax consequences of the merger. This summary is based on the Internal Revenue Code, its legislative history, applicable United States Treasury regulations, judicial authority and administrative rulings and practice, all as of the date of this proxy statement/prospectus, all of which are subject to change, possibly with retroactive effect. This summary does not purport to be a complete discussion of all United States federal income tax consequences of the merger. The discussion below does not address any state, local or foreign tax consequences of the merger and does not address the tax consequences of the merger under United States federal tax law other than income tax law. In addition, this discussion does not address the tax consequences to holders of Inamed common stock who exercise appraisal and/or dissenter's rights under Delaware law. This discussion may not apply, in whole or in part, to particular stockholders in light of their individual circumstances or to stockholders who are subject to special rules, such as:

individuals who hold options on Inamed common stock or who have acquired Inamed common stock under a compensatory or other employment-related arrangement;

banks, insurance companies or other financial institutions;

broker-dealers;

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tax-exempt organizations;

expatriates;

persons that have a functional currency other than the United States dollar;

persons who are non-United States holders (as defined below);

traders in securities that elect to mark-to-market;

holders of Inamed common stock who also own, directly or constructively for United States federal income tax purposes, any stock of Medicis (apart from any Medicis common stock that such holders receive in the merger);

persons who are S-corporations, partnerships or other pass-through entities;

persons who are subject to the alternative minimum tax provisions of the Internal Revenue Code; and

persons who hold Inamed common stock as part of a hedge, straddle or conversion transaction.

The following discussion assumes that Inamed common stock is held as a capital asset at the effective time of the merger. For purposes of this discussion, the term "United States holder" means:

a citizen or resident of the United States;

a corporation or other entity treated as a corporation for United States federal income tax purposes created or organized in or under the laws of the United States or any state or the District of Columbia;

a trust that (i) is subject to the supervision of a court within the United States and the control of one or more United States persons or (ii) has a valid election in effect under United States Treasury regulations to be treated as a United States person; or

an estate that is subject to United States federal income tax on its income regardless of its source.

The term "non-United States holder" means a holder other than a United States holder.

Inamed stockholders are urged to consult their tax advisors as to the particular tax consequences of the merger to them, including the applicability and effect of any United States federal, state, local or foreign laws, and the effect of possible changes in applicable tax laws.

General

It is a condition to the closing of the merger that Medicis receive an opinion of its counsel, Latham & Watkins LLP, and that Inamed receive an opinion of its counsel, Morrison & Foerster LLP, in each case, dated as of the effective date of the merger, to the effect that for United States federal income tax purposes the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Neither Medicis nor Inamed may waive such tax opinion closing condition to the merger after the Medicis stockholders and the Inamed stockholders have approved the merger unless further approval is obtained from the Medicis stockholders and the Inamed stockholders with appropriate disclosure. The opinions of counsel will assume (1) that the statements and facts concerning the merger set forth in the merger agreement and described in this proxy statement/ prospectus are true, correct and complete, (2) that the merger will be consummated in the manner contemplated by, and in accordance with the terms set forth in, the merger agreement and described in this proxy statement/ prospectus, and (3) certain customary factual assumptions. In addition, the tax opinions will be based on the law in effect on the date of the opinions and on representations made in representation letters provided by Medicis and Inamed substantially in the forms attached to the merger agreement as exhibits, all of which must continue to be true and accurate in all respects as of the effective time of the merger. If any of these assumptions or representations is inaccurate, the tax

consequences of the merger could differ from those described here. The opinions of counsel to be delivered in connection with the merger represent the best legal judgment of counsel to Medicis and counsel to Inamed and are not binding on the Internal Revenue Service or the courts. Neither Medicis nor Inamed has requested nor will request a ruling from the Internal Revenue Service as to the tax consequences of the merger, and there can be no assurance that the Internal Revenue Service will agree with the conclusions in the above-described opinions or in the discussion below.

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Tax Consequences of the Merger

Assuming the merger qualifies for United States federal income tax purposes as a reorganization within the meaning of section 368(a) of the Internal Revenue Code and subject to the qualifications and assumptions described herein:

neither Medicis nor Inamed will recognize gain or loss as a result of the merger;

Medicis stockholders will not recognize any gain or loss for federal income tax purposes as a result of the merger;

an Inamed stockholder will recognize gain (but not loss) with respect to its shares of Inamed common stock in an amount equal to the lesser of (i) any gain realized with respect to such stock or (ii) the amount of cash received with respect to such stock (other than any cash received instead of a fractional share of Medicis common stock). A holder's gain realized will equal the difference between the fair market value of the Medicis common stock and cash received and such holder's tax basis in the Inamed common stock surrendered. Any such gain recognized will be a capital gain;

an Inamed stockholder's aggregate tax basis for the shares of Medicis common stock received in the merger (including any fractional share interest for which cash is received) will equal the stockholder's aggregate tax basis in the shares of Inamed common stock surrendered upon completion of the merger, increased by any gain recognized by such holder in the merger (other than gain resulting from the receipt of cash instead of a fractional share of Medicis common stock) and reduced by the amount of any cash received in the merger (other than any cash received instead of a fractional share of Medicis common stock);

an Inamed stockholder's holding period for the shares of Medicis common stock received in the merger (including any fractional share interest for which cash is received) will include the period during which the shares of Inamed common stock surrendered in the merger were held; and

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