

WATSON PHARMACEUTICALS INC

Form 4

August 15, 2006

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HSIA DAVID C

(Last) (First) (Middle)

C/O WATSON  
PHARMACEUTICALS, INC., 311  
BONNIE CIRCLE

(Street)

CORONA, CA 92880

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
WATSON PHARMACEUTICALS  
INC [WPI]

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/14/2006

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)  
Sr. VP, Scientific Affairs

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock, par value \$0.0033	08/14/2006		M	15,000	A	\$ 13.75	76,333 <sup>(1)</sup> D
Common Stock, par value \$0.0033						732,085	I by Family Trust <sup>(2)</sup>
Common Stock, par						1,004,218	I by Partnership

value (3)  
\$0.0033

Common  
Stock, par  
value 40,000 I by Trust  
\$0.0033

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
*(e.g., puts, calls, warrants, options, convertible securities)*

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of S
Non-Qualified Options to Purchase Common Stock	\$ 13.75	08/14/2006		M	15,000	08/19/2001	08/19/2006	Common Stock, par value \$0.0033	15

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HSIA DAVID C C/O WATSON PHARMACEUTICALS, INC. 311 BONNIE CIRCLE CORONA, CA 92880	Sr. VP, Scientific Affairs

## Signatures

/s/DAVID C.  
HSIA 08/15/2006

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This includes 1,333 shares of restricted stock issued pursuant to the Amendment and Restatement of the 2001 Incentive Award Plan of Watson Pharmaceuticals, Inc.

(2) By Family Trust refers to the Hsia Family Trust, of which Dr. Hsia is a beneficial owner.

(3) By Partnership refers to the Hsia Interests, Ltd., of which Dr. Hsia is a general partner.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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