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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

DAVID KRIEGEL, Individually and On Behalf of All Others Similarly Situated, Plaintiff, vs. ABLE LABORATORIES, INC., DHANANJAY G. WADEKAR, IVA KLEMICK, and JOAN JANULIS, Defendants.	**CIVIL ACTION NO.___** **CLASS ACTION COMPLAINT FOR VIOLATIONS OF FEDERAL SECURITIES** **JURY TRIAL DEMANDED**

Plaintiff David Kreigel ("Plaintiff) residing at 300 East 85th Street, New York, New York 10028, individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against defendants, alleges the following based upon

personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, inter alia, the investigation conducted by and through his attorneys, which included, among other things, a review of the defendants' public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission ("SEC") filings, wire and press releases published by and regarding Able Laboratories, Inc. ("Able" or the "Company") securities analysts reports and advisories about the Company, and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal class action on behalf of persons who purchased or otherwise acquired the securities of Able between June 25, 2003 and May 23, 2005, inclusive (the "Class Period"), seeking to pursue remedies under the Securities Exchange Act of 1934 (the "Exchange Act").

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act, (15 U.S.C. § 78j(b) and 78t(a)), and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to §27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1331.

4. Venue is proper in this Judicial District pursuant to §27 of the Exchange Act, 15 U.S.C. § 78aa and 28 U.S.C. §1391(b). Many of the acts and transactions alleged herein, including the preparation and dissemination of materially false and misleading information, occurred in substantial part in this Judicial District. Additionally, the Company maintains a principal executive office in this Judicial District.

5. In connection with the acts, conduct and other wrongs alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

6. Plaintiff, as set forth in the accompanying certification incorporated by reference herein, purchased Able securities at artificially inflated prices during the Class Period and has been damaged thereby.

7. Defendant Able develops, makes and sells generic drugs, which are the chemical and therapeutic equivalents of brand-name drugs. The Company manufactures and sells a range of prescription pharmaceutical products in solid oral dosage and suppository forms. Able is a Delaware corporation with its principal executive offices located at 1 Able Drive, Cranbury, NJ 08512. As of April 15, 2005, there were 18,516,801 outstanding shares of Able common stock.

8. Defendant Dhananjay G. Wadekar ("Wadekar") was, at all relevant times, Chief Executive Officer of Able and the Chairman of the Company's Board of Directors.

9. Defendant Iva Klemick ("Klemick") was Director of Regulatory Affairs for Able at all relevant times until May 16, 2005, when she became Able's Vice President of Compliance.

10. Defendant Joan Janulis ("Janulis") was, from September 7, 2004 through the end of the Class Period, Vice President of Regulatory Affairs for Able.

11. Defendants Wadekar, Klemick and Janulis are collectively referred to hereinafter as the "Individual Defendants." During the Class Period, each of the Individual Defendants, as senior executive officers and/or directors of Able, was privy to non-public

information concerning its business, finances, products, markets and present and future business prospects via access to internal corporate documents, conversations and connections with other corporate officers and employees, attendance at management and Board of Directors meetings and committees thereof and via reports and other information provided to them in connection therewith. Because of their possession of such information, the Individual Defendants knew or recklessly disregarded the fact that adverse facts specified herein had not been disclosed to, and were being concealed from, the investing public.

12. Because of the Individual Defendants' positions with the Company, they had access to the adverse undisclosed information about the Company's business, operations, operational trends, financial statements, markets and present and future business prospects via access to internal corporate documents (including the Company's operating plans, budgets and forecasts and reports of actual operations compared thereto), conversations and connections with other corporate officers and employees, attendance at management and Board of Directors meetings and committees thereof and via reports and other information provided to them in connection therewith.

13. It is appropriate to treat the Individual Defendants as a group for pleading purposes and to presume that the false, misleading and incomplete information conveyed in the Company's public filings, press releases and other publications as alleged herein are the collective actions of the narrowly defined group of defendants identified above. Each of the above officers of Able, by virtue of his or her high-level position with the Company, directly participated in the management of the Company, was directly involved in the day-to-day operations of the Company at the highest levels and was privy to confidential proprietary information concerning the Company and its business, operations, growth, financial

statements, and financial condition, as alleged herein. Said defendants were involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein, were aware, or recklessly disregarded, that the false and misleading statements were being issued regarding the Company, and approved or ratified these statements, in violation of the federal securities laws.

14. As officers and controlling persons of a publicly-held company whose securities were and are registered with the SEC pursuant to the Exchange Act, and was traded on the NASDAQ and governed by the provisions of the federal securities laws, the Individual Defendants each had a duty to disseminate accurate and truthful information promptly with respect to the Company's financial condition and performance, growth, operations, financial statements, business, markets, management, earnings and present and future business prospects, and to correct any previously-issued statements that had become materially misleading or untrue, so that the market price of the Company's publicly-traded securities would be based upon truthful and accurate information. The Individual Defendant's misrepresentations and omissions during the Class Period violated these specific requirements and obligations.

15. The Individual Defendants participated in the drafting, preparation, and/or approval of the various public and shareholder and investor reports and other communications complained of herein and were aware of, or recklessly disregarded, the misstatements contained therein and omissions therefrom, and were aware of their materially false and misleading nature. Because of their Board membership and/or executive and managerial positions with Able, each of the Individual Defendants had access to the adverse undisclosed information about Able's financial condition and performance as particularized herein and knew (or recklessly disregarded) that these adverse facts rendered the positive representations made by or about Able and its business, issued or adopted by the Company, materially false and misleading.

16. The Individual Defendants, because of their positions of control and authority as officers and/or directors of the Company, were able to and did control the content of the various SEC filings, press releases and other public statements pertaining to the Company during the Class Period. Each Individual Defendant was provided with copies of the documents alleged herein to be misleading prior to or shortly after their issuance and/or had the ability and/or opportunity to prevent their issuance or cause them to be corrected. Accordingly, each of the Individual Defendants is responsible for the accuracy of the public reports and releases detailed herein and is therefore primarily liable for the representations contained therein.

17. Each of the defendants is liable as a participant in a fraudulent scheme and course of business that operated as a fraud or deceit on purchasers of Able securities by disseminating materially false and misleading statements and/or concealing material adverse facts. The scheme (i) deceived the investing public regarding Able's business, operations, management and the intrinsic value of Able securities; and (ii) caused Plaintiff and other members of the Class to purchase Able securities at artificially inflated prices.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

18. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired the securities of Able between June 25, 2003 and May 23, 2005 (the "Class Period"), and who were damaged thereby. Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

19. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Ables securities were actively traded on the NASDAQ. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Able or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. Plaintiffs claims are typical of the claims of the members of the Class, as all members of the Class are similarly affected by defendants wrongful conduct in violation of federal law that is complained of herein.

20. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

21. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by defendants' acts as alleged herein;

(b) whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and

management of Able; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

22. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

Background

22. As set forth above, Able develops, makes and sells generic drugs. The Company manufactures and sells a range of prescription pharmaceutical products in solid oral dosage and suppository forms. Able markets its generic drug products under its Able Laboratories label, as well as under private label arrangements. Able's products that have been approved by the United States Food and Drug Administration ("FDA") include Acetaminophen and Codeine Phosphate tablets, Atenolol tablets, Bethanechol Chloride tablets, Butalbital, Acetaminophen, Caffeine tablets and Butalbital, Acetaminophen, Caffeine and Codeine Phosphate capsules. The Company's products are sold primarily through direct sales efforts to drug wholesalers, distributors and retail drug chains.

23. Throughout the Class Period, the defendants represented to the Class that the Company has numerous Abbreviated New Drug Applications ("ANDA"s) pending with the FDA. Indeed, as late as February 15, 2005, Able represented that it had six ANDAs pending approval at the FDA.

24. Unbeknownst to investors, however, during the Class Period, while the Company was hyping its new drugs, Able's internal laboratory practices were not in compliance with the FDA's standard operating procedures and good manufacturing practices ("GMP").

25. The Company shocked the investing public when, on May 19, 2005, it announced that due to its failure to meet GMP, it was suspending shipments of each of its products until it could be determined that its products were manufactured and tested in compliance with GMP.

26. Later that day, the Company put out another press release announcing the resignation of Wadekar.

27. The market reacted severely to these announcements. Able stock price plummeted from $24.63 per share on May 18, 2005 (on volume of 1,108,800) to $6.26 per share on May 19, 2005 on volume of 31,346,100 -- almost 30 times the previous day's volume.

28. However, the shocks to investors were not over. On Monday, May 23, 2005, the Company announced that it had withdrawn seven of its approved ANDAs because those applications were based upon data upon which the Company was no longer willing to rely. The Company's stock price dropped further, to $5.52 per share.

Materially False And Misleading

Statements Issued During The Class Period

29. On or about June 25, 2003, Able issued a press release entitled "Able Laboratories Receives FDA Approval for Metronidazole Extended-Release Tablets, 750mg," which stated in part that:

> [Able] has received Food and Drug Administration (FDA) approval for its Abbreviated New Drug Application (ANDA) for Metronidazole Extended-Release Tablets, 750mg, which is therapeutically equivalent to Flagyl ER Tablets, 750mg, of G.D. Searle LLC. The total market for Able's newly approved drug (used in the treatment of women with bacterial vaginosis B.V.) is estimated to be approximately $8 million according to recent market data.

30. The Company's stock price closed at $21.38 per share on June 25, 2003.

31. On or about June 27, 2003, Able issued a press release entitled "Able Laboratories Receives FDA Approval for Metronidazole Tablets USP, 250mg and 500mg," announcing the FDA approval for its Abbreviated New Drug Application, a drug it claimed was "therapeutically equivalent to Flagyl(R) Tablets USP, 250mg and 500mg, of G.D. Searle LLC." The press release also stated that "[t]he total market for Able's newly approved drugs (used in the treatment of women with bacterial vaginosis B.V.) is estimated to be approximately $60 million according to recent market data."

32. On or about July 27, 2003, Able issued a press release announcing its financial results for the second quarter ended June 30, 2003:

> For the second quarter of 2003, the Company reported net sales of $18.9 million, a 51.6% increase compared to net sales of $12.5 million for the second quarter of 2002, primarily due to higher demand for the Company's expanded product family and new product approvals. The Company also reported operating income of $4.5 million for the second quarter of 2003, an 83.9% increase compared to operating income for the second quarter of 2002 of $2.4 million.

33. In the same press release, defendant Wadekar is quoted as stating "We are pleased with Able's progress during the second quarter of 2003 as we continued to invest in our future by building our R&D pipeline . . . After focusing on the Company's manufacturing expansion during the first quarter of 2003, our second quarter reflected improved operating efficiency. Our fundamentals and pipeline continue to be strong as we are pursuing approval of several additional ANDAs."

34. In response to this positive announcement, the Company's stock price closed at $24.19 per share on July 28, 2003 at an unusually high volume of 1,503,900 from a previous close of $23.00 per share.

35. On or about August 21, 2003, Able issued a press release entitled, "Able Laboratories Receives FDA Approval for Butalbital Acetaminophen Caffeine and Codeine Phosphate Capsules, 50 mg/325 mg/40 mg/30mg," which states in part that:

> [I]t has received Food and Drug Administration (FDA) approval for its Abbreviated New Drug Application (ANDA) for Butalbital Acetaminophen Caffeine and Codeine Phosphate Capsules, 50 mg/325 mg/40 mg/30mg, which is therapeutically equivalent to Fioricet with Codeine Capsules of Watson Pharmaceuticals, Inc. Able's newly approved drug is indicated for the relief of the symptom complex of tension (or muscle contraction) headache. The total market is estimated to be approximately $20 million according to recent market data.

36. In response to this positive announcement, the Company's stock price closed at $23.41 per share on August 21, 2003 from a previous close of $22.75 per share.

37. On or about August 25, 2003, Able announced in a press release entitled "Able Laboratories Receives FDA Approval for Naproxen Sodium Tablets, USP 275 mg (250 mg base) and 550 (500 mg base)" that:

> [I]t has received Food and Drug Administration (FDA) approval of its Abbreviated New Drug Application (ANDA) for Naproxen Sodium Tablets, USP 275 mg (250 mg base) and 550 (500 mg base), which is therapeutically equivalent to Anaprox(R) Tablets, 275 mg (250 mg base) and Anaprox(R) DS Tablets, 550 mg (500 mg base) of Roche Palo Alto LLC. Able's newly approved drug is indicated for the treatment of rheumatoid arthritis, osteoarthritis, ankylosing spondylitis and juvenile arthritis, tendonitis, bursitis, acute gout and for the management of pain and primary dysmenorrhea. The total annual market is estimated to be approximately $22 million according to recent market data.

38. In response to this positive announcement, the Company's stock price closed at $23.57 per share on August 25, 2003 from a previous close of $22.87 per share.

39. On or about November 4, 2003, Able issued a press release to report its financial results for the third quarter ended September 30,2004. The Company announced that:

> For the third quarter of 2003, the Company reported net sales of $20.9 million, a 38.9% increase compared to net sales of $15.0 million for the third quarter of 2002. This increase is primarily due to higher demand for the Company's expanded product family and new product launches. The Company also reported

> operating income of $4.2 million for the third quarter of 2003, a 24.7% increase compared to operating income for the third quarter of 2002 of $3.4 million.

40. In the same press release, defendant Wadekar is quoted as touting Able's pending ANDAs:

> We are proud of Able's progress during the third quarter of 2003 as we continued to invest in our future by building our product pipeline through an increasing commitment to R&D. This is exhibited by the growth in ANDAs pending with the FDA from 11 last quarter at this time to 17 currently . . . Our strong balance sheet and new leased facility position the Company well for future growth.

41. The Company's stock price closed at $18.64 per share on November 4, 2003.

42. On or about November 17, 2003, Able issued a press release entitled "Able Laboratories Receives FDA Approval for Metronidazole Capsules, 375mg -- First Approval for Generic Version of Flagyl 375mg Capsules Only Company to Offer Complete Line of Generic Metronidazole Formulations." The press release stated in part that the total market for this drug was "estimated to be approximately $4 million" and that "Able is the first company to receive an ANDA approval for this product and will be the first company to ship the generic equivalent of Flagyl 375mg Capsules." It further noted that: "This approval, along with Able's approvals of Metronidazole Extended-Release Tablets, 750mg (June 2003) and Metronidazole Tablets USP, 250mg and 500mg (August 2003), represents the completion of Able's line of Metronidazole-based products."

43. The Company's stock price closed at $18.77 per share on November 17, 2003.

44. On or about December 18, 2003, Able issued a press release entitled "Able Laboratories Receives FDA Approval for Indomethacin Capsules, USP 25mg and 50mg; Only Company To Offer Complete Line of Generic Indomethacin Formulations." The press release stated that the newly approved Abbreviated New Drug Application for Indomethacin Capsules, USP 25mg and 50mg, had an estimated total market of about $7 million.

45. The Company's stock price closed at $18.83 per share on December 18, 2003.

46. On or about February 26, 2004, Able issued a press release entitled: "Able Laboratories Receives FDA Approval for Methamphetamine Hydrochloride Tablets, USP 5mg CII; Company to be the First to Market Generic Version of Desoxyn(R) Tablets, 5mg," which stated in part that:

> [I]t has received Food and Drug Administration (FDA) approval for its Abbreviated New Drug Application (ANDA) for Methamphetamine Hydrochloride Tablets, USP 5mg CII, which is therapeutically equivalent to Desoxyn(R) Tablets, 5mg of Ovation Pharmaceuticals, Inc. The total market for Able's newly approved drug (used in treatment for Attention Deficit Disorder with Hyperactivity and Exogenous Obesity) is estimated to be approximately $4 million according to recent market data.

47. In response to this positive announcement, the Company's stock price closed at $18.93 per share on February 26, 2004, up from a previous close of $18.17 per share.

48. On or about February 27, 2004, Able issued a press release entitled "Able Laboratories Reports Record Sales and Operating Income For 2003" to announce its 2003 financial results for the three months ended December 31, 2003 and for the year ended December 31, 2003. The press release states in part:

> The Company reported net sales of $22,752,442 for the quarter ended December 31, 2003, a 41.3% increase over net sales reported for the fourth quarter of 2002 of $16,101,638. This increase is primarily due to higher demand for the Company's expanded product family and to new product launches . . . . Net income applicable to common stockholders for the fourth quarter of 2003 was $2,388,220, or $0.14 per basic share, and $0.13 per diluted share.
>
> * * *
>
> For the year ended December 31, 2003, the Company reported net sales of $77,561,115, a 46.5% increase over net sales of $52,930,121 reported for 2002.

* * *

For the year ended December 31, 2003, the Company reported net income applicable to common stockholders of $8,212,989, or $0.46 per diluted share. Net income for 2002 included a one-time net tax benefit, in the amount of $15,130,000, related to the recognition of a deferred federal tax asset for the carry-forward of net operating losses as well as an approximately $2 million non-recurring charge relating to the write-down in value of a note receivable. The Company reported net income applicable to common stockholders, including these one-time items, of $22,964,797, or $1.44 per diluted share for 2002.

49. In the same press release, Defendant Wadekar was quoted as touting: "We are pleased with Able's financial progress, as we continued to increase net sales and earnings while executing on our strategy during the fourth quarter of 2003 . . . Our 2003 results were driven primarily by our 13 ANDA approvals and market penetration into certain key accounts."

50. The Company's stock price closed at $18.51 per share on February 27, 2004.

51. On or about April 26, 2004, Able issued a press release to announce its first quarter 2004 results:

> For the first quarter of 2004, the Company reported net sales of $21.5 million, a 43.0% increase from net sales of $15.0 million in the first quarter of 2003, primarily due to the Company's expanded product family. The Company also reported operating income of $3.0 million for the first quarter of 2004, a 48.9% increase from the first quarter of 2003 of $2.0 million. Research and development expenses ("R&D") were $3.5 million for the first quarter of 2004, a 66.8% increase, compared with $2.1 million for the first quarter of 2003.

52. In the same press release, defendant Wadekar was quoted as stating:

> We are pleased with Able's progress during the first quarter of 2004 as we continue investing in our future by building the Company's R&D pipeline and constructing our new manufacturing facility in Cranbury, NJ. We anticipate several product approvals over the next 4-6 months, one of which could be a first-to-market product. We currently have 18 ANDAs on file with the FDA and anticipate filing additional ANDAs, for

> solid dose and liquids products, throughout the year. Also, we intend to continue our commitment to R&D by increasing the number of new products entering development, both utilizing our internal expertise and leverage our expertise by collaborating with our technology licensing partner.

53. The Company's stock price closed at $19.16 per share on April 26, 2004.

54. On or about April 27, 2004, Able issued a press release entitled "Able Laboratories Receives FDA Approval for Theophylline Extended-Release Tablets, 400mg; Company first to receive approval for Generic Version of Uniphyl(R) Tablets, 400mg," stating:

> it has received Food and Drug Administration approval for its Abbreviated New Drug Application (ANDA) for Theophylline Extended-Release Tablets, 400mg, which are therapeutically equivalent to Uniphyl(R) Tablets, 400mg of The Purdue Frederick Company. The total brand sales for Able's newly approved drug (used in treatment of air flow obstructions associated with chronic asthma and other chronic lung diseases including emphysema and bronchitis) is estimated to be approximately $20 million according to recent market data.

55. Also on or about April 27, 2004, Able issued another press release entitled "Able Laboratories Receives FDA Approval for Theophylline Extended-Release Tablets, 600mg," announcing in part:

> [Able] has received Food and Drug Administration approval for its Abbreviated New Drug Application (ANDA) for Theophylline Extended-Release Tablets, 600mg, which are therapeutically equivalent to Uniphyl Tablets, 600mg of The Purdue Frederick Company. The total brand sales for Able's newly approved drug (used in treatment of air flow obstructions associated with chronic asthma and other chronic lung diseases including emphysema and bronchitis) is estimated to be approximately $12 million according to recent market data.
>
> Able is the first company to receive an ANDA approval for the generic equivalent of Uniphyl Tablets, 600mg.

56. On or about April 27, 2004, the Company issued a press release to report its financial results for the third quarter ended September 30, 2004:

> For the first quarter of 2004, the Company reported net sales of $21.5 million, a 43.0% increase from net sales of $15.0 million in the first quarter of 2003, primarily due to the Company's expanded product family. The Company also reported operating income of $3.0 million for the first quarter of 2004, a 48.9% increase from the first quarter of 2003 of $2.0 million. Research and development expenses ("R&D") were $3.5 million for the first quarter of 2004, a 66.8% increase, compared with $2.1 million for the first quarter of 2003.

57. In response to these positive announcements, the Company's stock price closed at $20.52 per share on April 27, 2004, up from a previous close of $19.16.

58. In the same press release, Defendant Wadekar was quoted as commenting:

> We are pleased with Able's progress during the first quarter of 2004 as we continue investing in our future by building the Company's R&D pipeline and constructing our new manufacturing facility in Cranbury, NJ. We anticipate several product approvals over the next 4-6 months, one of which could be a first-to-market product. We currently have 18 ANDAs on file with the FDA and anticipate filing additional ANDAs, for solid dose and liquids products, throughout the year. Also, we intend to continue our commitment to R&D by increasing the number of new products entering development, both utilizing our internal expertise and leverage our expertise by collaborating with our technology licensing partner.

59. On or about April 30, 2004, Able announced the "FDA Approval for Theophylline Extended-Release Tablets, 300mg and 450mg; Approval expands Able's line of Theophylline-Based Extended-Release Products" stating in part that:

> [I]t has received Food and Drug Administration approval for its Abbreviated New Drug Applications for Theophylline Extended-Release Tablets, 300mg and 450mg, which are therapeutically equivalent to Theophylline Extended-Release Tablets, 300mg and 450mg, of Pliva, Inc. The total sales for Able's newly approved drugs (used in treatment of air flow obstructions associated with

chronic asthma and other chronic lung diseases including emphysema and bronchitis) is estimated to be approximately $10 million according to recent market data.

* * *

These approvals, along with Able's Theophylline Extended-Release Tablets, 400mg and 600mg, which Able is currently the only company to have received approvals for these products (approvals received April 27, 2004), represents the expansion of Able's line of Theophylline-Based Extended-Release products.

60. The Company's stock price closed at $19.25 per share on April 30, 2004.

61. On or about June 29, 2004, in a press release entitled "Able Laboratories Receives FDA Approval for Lithium Carbonate Capsules, USP 150mg, 300mg and 600mg; Approval expands Able's line of Lithium-Based Products," Able announced that:

> [I]t has received Food and Drug Administration approval for its Abbreviated New Drug Applications for Lithium Carbonate Capsules, USP 150mg, 300mg and 600mg, which are therapeutically equivalent to Lithium Carbonate Capsules, USP 150mg, 300mg and 600mg, of Roxane Laboratories, Inc. The incremental total sales for Able's newly approved 150mg and 600mg capsules (used in the treatment of manic episodes of bipolar disorder), is estimated to be approximately $2 million according to recent market data.

62. In response to this positive announcement, the Company's stock price closed at $20.28 per share on June 29, 2004, up from $19.31 per share the previous day, on volume over 6.5 times that of the previous day.

63. On or about July 1, 2004, Able announced that it has received FDA approval for its ANDA for Promethazine Hydrochloride Tablets, representing that the market for the drug is estimated at $70 million:

> announced that it has received Food and Drug Administration approval for its Abbreviated New Drug Applications for Promethazine Hydrochloride Tablets, USP 12,5mg, 25mg and 50mg, which are therapeutically equivalent to Phenergan(R) Tablets 12.5mg, 25mg and 50mg of Wyeth Ayerst Laboratories.

> The total sales for Able's newly approved drugs (used in the treatment of nausea and vomiting associated with certain types of anesthesia and surgery), is estimated to be approximately $70 million according to recent market data.
>
> Able is the first company to offer AB-Rated generic version of Promethazine Hydrochloride Tablets, USP 12.5mg and the only company to market AB-Rated generic version of all three tablet products. This approval, along with Able's Promethazine Hydrochloride suppository products, represents the expansion of Able's line of Promethazine-based products.

64. Able's stock price rose from $20.56 per share on June 30, 2004 to $20.76 per share on July 1, 2004.

65. On or about July 14, 2004, Able announced the addition of three people to its sales and marketing team. In making the announcement, Wadekar stated that the addition of these persons "could help expand Able's market penetration."

66. Able's stock price closed at $19.51 per share on July 14, 2004.

67. On or about July 23, 2004, Able that it has received FDA approval for its ANDA for Hydroxyzine Hydrochloride Tablets, representing that the potential market for the drug was $117 million:

> ABLE LABORATORIES, INC. (Nasdaq: ABRX), today announced that it has received Food and Drug Administration approval for its Abbreviated New Drug Applications ("ANDAs") for Hydroxyzine Hydrochloride Tablets, USP 10mg, 25mg and 50mg, which are therapeutically equivalent to Hydroxyzine Hydrochloride Tablets, USP 10mg, 25mg and 50mg of Pliva, Inc. (formerly Sidmak Laboratories, Inc.). The total sales for Able's newly approved drugs (used in the treatment of both anxiety and tension associated with psychoneurosis and management of pruritis due to adverse allergic reactions), is estimated to be approximately $117 million according to recent market data.

68. Able's stock price closed at $18.70 per share on July 23, 2004.

69. On or about July 27, 2004, Able announced its financial results for the three

months ended June 30, 2004. The Company reported net sales of $23.0 million, a 21.4% increase from net sales of $18.9 million in the second quarter of 2003, primarily due to the Company's expanded product family. The Company also reported operating income of $3.7 million for the second quarter of 2004, compared to operating income of $4.5 million for the second quarter of 2003. Operating income for the second quarter was affected by a 53.5% increase in research and development (R&D) expenses, which were $3.5 million for the quarter compared to $2.3 million for the second quarter of 2003, as well as increased selling, general and administrative (SG&A) expenses and approximately $810,000 of expenses related to the Company's new facility and certain one-time expenses. The Company reported gross profit of $10.8 million for the quarter, an increase of 20.1%, compared to $9.0 million for the second quarter of 2003.

70. The Company also reported its newly-approved ANDAs and products in the pipeline:

> The Company received five Abbreviated New Drug Application ("ANDA") approvals during the second quarter, with one approval received during the first quarter and four additional approvals during July 2004. The Company currently has nine ANDAs pending approval by the U.S. Food and Drug Administration ("FDA") addressing a total market size of approximately $400 million. In addition, the Company has 25 solid dose and 6 liquids projects currently under development addressing a total market size of approximately $850 million.

71. In the same press release, defendant Wadekar touted the Company's new manufacturing facility and the drugs the Company had in the pipeline:

> Jay Wadekar, Able's Chief Executive Officer, commented: "We are pleased with Able's progress during the second quarter of 2004 as we continue investing in our future by building the Company's R&D pipeline and continue to make good progress building out our new manufacturing facility in Cranbury, New Jersey. We are in the process of moving several departments into

the Cranbury location. Shortly, we will have the vast majority of our staff located there."

"We anticipate several additional product approvals over the next few months in addition to the 10 approvals received to date in 2004. We currently have nine ANDAs on file with the FDA and anticipate filing additional ANDAs, for solid dose and liquids products, throughout the remainder of the year. Also, we plan to continue our commitment to R&D by increasing the number of new products entering development, both utilizing our internal expertise and continuing to leverage our expertise by collaborating with technology partners."

72. In a section of the press release entitled "Second Quarter 2004 Corporate Highlights," the Company further touted the approval of various products:

Second Quarter 2004 Corporate Highlights

* The Company received FDA approval for its ANDA for Theophylline Extended-Release Tablets, 400mg. Able was the first company to receive an ANDA approval for, and to ship, this product, the generic equivalent of Uniphyl(R) Tablets, 400mg;

* The Company received FDA approval for its ANDA for Theophylline Extended-Release Tablets, 600mg. Able was the first company to receive an ANDA approval for, and to ship, this product, the generic equivalent of Uniphyl(R) Tablets, 600mg;

* The Company received FDA approval for its ANDAs for both Theophylline Extended-Release Tablets, 300mg and 450mg, expanding the Company's line of theophylline-based extended-release products;

* The Company received FDA approval for Lithium Carbonate Capsules, USP 150mg, 300mg (re-approval) and 600mg, expanding the Company's line of lithium-based products.

73. Able's stock closed at $18.15 per share on July 27, 2004.

74. On or about July 28, 2004, Able announce that the FDA had approved its ANDA for Bethanechol Chloride Tablets, with a purported market of $55 million:

> Able Laboratories, Inc. (Nasdaq: ABRX), today announced that it has received Food and Drug Administration approval for its Abbreviated New Drug Applications for Bethanechol Chloride Tablets, USP 5mg, 10mg, 25mg and 50mg, which are therapeutically equivalent to Urecholine(R) Tablets, 5mg, 10mg, 25mg and 50mg of Odyssey Pharmaceuticals, Inc. The total sales for Able's newly approved drugs (used in the treatment of acute postoperative and postpartum nonobstructive urinary retention and for neurogenic atony of the urinary bladder with retention), is estimated to be approximately $55 million according to recent market data.

75. Able's stock price closed at $18.58 per share on July 28, 2004.

76. On or about August 2, 2004, Able announce that the FDA had approved its ANDA for Atenolol Tablets, with a purported market of $100 million:

> ABLE LABORATORIES, INC. (Nasdaq: ABRX), today announced that it has received Food and Drug Administration approval for its Abbreviated New Drug Application for Atenolol Tablets, USP 25mg, 50mg and 100mg, which are therapeutically equivalent to Tenormin(R) Tablets, USP 25mg, 50mg and 100mg of Astra Zeneca Pharmaceuticals LP. The total sales for Able's newly approved drugs (used in the treatment of hypertension, long-term management of patients with angina pectoris and management of patients with suspected acute myocardial infarction to reduce cardiovascular mortality), is estimated to be approximately $100 million according to recent market data.

77. Able's stock price closed at $20.43 per share on August 2, 2004.

78. On or about August 25, 2004, Biotech Week reported that Able had received FDA approval for its ANDA for Bethanechol Chloride Tablets and further reviewed receipt of FDA approval for other generic drugs:

> Able Laboratories, Inc., (ABRX) announced that it has received U.S. Food and Drug Administration approval for its Abbreviated New Drug Applications for Bethanechol Chloride Tablets, USP 5mg, 10mg, 25mg and 50mg.
>
> The tablets are therapeutically equivalent to Urecholine Tablets, 5mg, 10mg, 25mg and 50mg of Odyssey Pharmaceuticals, Inc.

> The total sales for Able's newly approved drugs (used in the treatment of acute postoperative and postpartum nonobstructive urinary retention and for neurogenic atony of the urinary bladder with retention), is estimated to be approximately $55 million according to recent market data.
>
> Able, for 2004, has received 14 ANDA approvals to-date (9 within the last 2 months) compared with 13 approvals for full year 2003.

79. Able's stock price closed at $21.50 per share on August 25, 2004.

80. On or about September 5, 2004, the Company announced the appointment of Janilus as Vice President for Regulatory Affairs.

81. On or about September 26, 2004, as reported in *Health Insurance Law Weekly*, Able announced FDA approval for Dextroamphetamine Sulfate Extended-Release Capsules, with a purported market of $50 million, and repeated Able's purported FDA approvals:

> Able Laboratories, Inc., (ABRX) announced that it has received U.S. Food and Drug Administration approval for its Abbreviated New Drug Applications for Dextroamphetamine Sulfate Extended-Release Capsules, 5mg CII, 10mg CII and 15mg CII.
>
> The capsules are therapeutically equivalent to Dexedrine Spansule Sustained-Release Capsules, 5mg, 10mg and 15mg of Glaxo SmithKline.
>
> The total sales for Able's newly approved drugs (used in the treatment of narcolepsy and attention deficit disorder with hyperactivity), is estimated to be approximately $50 million according to recent market data.
>
> Able, for 2004, has received 16 ANDA approvals to-date, 10 within the last 2 months.

82. Able's stock price closed at $19.71 per share on September 27, 2004.

83. On or about November 2, 2004, Able announced its financial results for the third quarter ended September 30, 2004. The Company reported net sales of $27.3 million, a

30.8% increase from net sales of $20.9 million in the third quarter of 2003, primarily due to the Company's expanded product family. The Company also reported operating income of $7.3 million for the third quarter of 2004, a 73.3% increase as compared to operating income of $4.2 million for the third quarter of 2003. This included an increase in Research & Development expenses of $1.0 million, or 31.7%, for the third quarter of 2004 versus the third quarter of 2003. Diluted earnings per share increased to $0.23 for the third quarter 2004 as compared to diluted EPS of $0.13 for the third quarter of 2003. The Company further reported gross profit was $14.9 million for the quarter, an increase of 49.3%, compared to $10.0 million for the third quarter of 2003.

84. In the same press release, the Company touted its FDA approvals and the products it has in the pipeline:

> The Company received 10 Abbreviated New Drug Application ("ANDA") approvals during the third quarter. The Company currently has five ANDAs pending approval by the U.S. Food and Drug Administration ("FDA") addressing a total market size of approximately $300 million. In addition, the Company has over 25 projects currently under development addressing a total market size of over $3 billion.

85. Defendant Wadeker further touted Able's facilities and its FDA approvals:

> Jay Wadekar, Able's Chief Executive Officer, commented: "We had a very good quarter in which we achieved record results. We are pleased with Able's progress during the quarter as we received several ANDA approvals and launched new products as a result. We continue investing in our future by building the Company's R&D pipeline.
>
> "To-date, we have moved approximately one-half of our staff into the Cranbury facility. In addition, during the third quarter, we installed a new Oracle Enterprise Resource Planning system. The Oracle system will provide us with increased capabilities and assist the Company in handling anticipated growth while also better enabling management to maintain stringent controls over the business.

"We anticipate additional product approvals over the next few months in addition to the 16 approvals received to date in 2004. We currently have five ANDAs on file with the FDA and anticipate filing between 15 and 20 additional ANDAs during the remainder of the year and through the first half of 2005. These products represent a total market size of approximately $1.5 to $2.0 billion. Of these products to be filed, five to seven could be first to market based on exclusive API sourcing. Finally, we plan to continue our commitment to R&D by increasing the number of new products entering development, both by utilizing our expanded internal capabilities and through collaboration agreements with others."

86. In a section of the press release entitled "Third Quarter 2004 Corporate Highlights," the Company further touted the approval of various products

Third Quarter 2004 Corporate Highlights

* The Company received FDA approval for its ANDA for promethazine hydrochloride tablets, USP 12.5mg, 25mg and 50mg. Able was the first company to receive an ANDA approval for, and to ship 12.5mg, the generic equivalent of Phenergan(R) Tablets, 12.5mg of Wyeth Ayerst Laboratories;

* The Company received FDA approval for its three ANDAs for hydroxyzine hydrochloride tablets, USP 10mg, 25mg and 50mg, the generic equivalent to hydroxyzine hydrochloride tablets, USP 10mg, 25mg and 50mg of Pliva, Inc. (formerly Sidmak Laboratories, Inc.);

* The Company received FDA approval for its four ANDAs for bethanechol chloride tablets, USP 5mg, 10mg, 25mg and 50mg the generic equivalent to Urecholine(R) Tablets, 5mg, 10mg, 25mg and 50mg of Odyssey Pharmaceuticals, Inc.;

* The Company received FDA approval for its ANDA for atenolol tablets, USP 25mg, 50mg and 100mg, the generic equivalent to Tenormin(R) Tablets, USP 25mg, 50mg and 100mg of Astra Zeneca Pharmaceuticals LP;

* The Company received FDA approval for its ANDA for dextroamphetamine sulfate ER capsules, 5mg, 10mg and 15mg, the generic equivalent to Dexedrine(R) Spansule(R) sustained-release capsules, 5mg, 10mg and 15mg of Glaxo SmithKline;

* The Company appointed Joan Janulis Vice President, Regulatory Affairs;

87. Able's stock price closed at $19.41 per share on November 2, 2004.

88. On or about March 7, 2005, Able announced its financial results for its fourth quarter and year ended December 31, 2004. For the fourth quarter of 2004, the Company reported net sales of $31.4 million, a 38.2% increase from net sales of $22.8 million in the fourth quarter of 2003, primarily due to the Company's expanded product family. The Company also reported operating income of $8.5 million for the fourth quarter of 2004, a 135.6% increase compared to operating income of $3.6 million for the fourth quarter of 2003. These results included an increase in research and development expenses of $409,000, or 10.9%, compared to the fourth quarter of 2003. Diluted earnings per share increased to $0.32 for the fourth quarter of 2004 compared to diluted earnings per share of $0.13 for the fourth quarter of 2003.

89. For the year ended December 31, 2004, the Company reported net sales of $103.2 million, a 33.0% increase from net sales of $77.6 million for the year ended December 31, 2003. Gross profit was reported as $51.8 million for 2004, an increase of 43.0%, compared to $36.2 million for 2003. The Company's gross profit margin was 50.2% for 2004, compared to 46.7% for 2003. Gross margin increased as a percentage of net sales primarily as a result of selling newly-approved products at higher gross margins. Research and development expenses increased by $4.0 million, or 35.8%, to $15.2 million for 2004 compared to $11.2 million for 2003. Research and development expenses were 14.8% of net sales for 2004 versus 14.5% of net sales for 2003. The Company received FDA approval for 16 new products during 2004. Operating income for 2004 was $22.5 million, or 21.8% of net sales, versus $14.3 million, or 18.4% of net sales, for 2003.

90. In the same March 7, 2005 press release, defendant Wadeker further touted the Company's results by stating that "We achieved record sales and earnings in the fourth quarter and for the year. Supported by our 16 ANDA approvals in 2004, we have also seen increased acceptance of our products by several key customers as a result of the efforts of our sales management team."

91. Able's stock price closed at $21.04 per share on March 7, 2005.

92. On or about May 16, 2005, the Company announced that Klemick, the Company's Director of Regulatory Affairs, would be promoted to the newly-created position of Vice President, Compliance, reporting directly to Able's President and Chief Operating Officer, Robert J. Mauro, and would lead the Company's newly-created Compliance Group.

93. The statements contained in paragraphs 30, 32-34, 36, 38, 40-41, 43, 45, 47, 49-50, 52-53, 55-57, 59-60, 62, 64, 66, 68, 70-73, 75, 77, 79, 82, 84-87 and 89-91 were materially false and misleading when made because the defendants failed to disclose or indicate the following: (1) Able's products did not adhere to standard operating procedures and good manufacturing practices; (2) Company announcements of FDA approvals for its ANDA's during the Class Period had no basis; and (3) Company announcements regarding the market for Able products was nonexistent since the products themselves could not be marketed.

The Truth Emerges

94. On March 19, 2005, the Company shocked the investing community by announcing that it could not confirm that the testing of its products adhered to standard operating procedures or GMP and that the Company therefore had decided to suspend the shipment of each of its products:

CRANBURY, N.J., May 19 /PRNewswire-FirstCall/ -- Able

> Laboratories, Inc. (NASDAQ:ABRX) today provided an update on the status of its internal comprehensive compliance review, initially announced in its quarterly report on Form 10-Q for the quarter ended March 31, 2005. In its 10-Q, Able had announced that, after experiencing several recent product recalls due to various improper laboratory practices and noncompliance with standard operating procedures, it had notified the FDA and initiated a thorough internal evaluation of its operating practices in these areas. The Company stated in the 10-Q that it expected this effort to assess its practices and identify and address issues would continue over several months, and that it expected to work proactively with internal management resources, outside consultants and the FDA.
>
> Through these procedures the Company has identified apparent departures from standard operating procedures with respect to certain laboratory testing practices. As a result of these observations, the Company will be recalling additional products in the future.
>
> The Company's comprehensive review is proceeding based on protocols established by outside consultants retained by Able. The Company believes that the established protocols are scientifically valid, but time-consuming, and so the Company has thus far been unable to confirm the extent to which testing of its products adhered to or departed from standard operating procedures and good manufacturing practices. As a precaution, the Company has decided temporarily to suspend shipment of each of its products until such time as it can assure itself that the product has been manufactured and tested in compliance with standard operating procedures and current good manufacturing practices. The Company does not, at this time, know what further actions it may have to take or what actions the FDA may undertake.
>
> This disruption in shipment, even if temporary, is expected to have a material effect on the Company's ability to meet its sales goals and operating objectives. Therefore, the Company is withdrawing its prior guidance as to its financial performance.

95. On the very same day, May 19, 2005, the Company further stunned investors by announcing that Wadekar was resigning from his positions as Chairman and Chief Executive Officer.

96. News of the stopped shipments and resignation shocked the market. Able shares fell from $24.63 per share on May 18, 2005 (on volume of 1,108,800) to $6.26 per share on May 19, 2005 on volume of 31,346,100 -- almost 30 times the previous day's volume.

97. However, the shocks to investors were not over. On Monday, May 23, 2005, the Company announced that it had withdrawn seven of its approved ANDAs because those applications were based upon data upon which the Company was no longer willing to rely.

98. As a result, the Company's stock price dropped further, to $5.52 per share.

UNDISCLOSED ADVERSE FACTS

99. The market for Able's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, Able's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Able securities relying upon the integrity of the market price of Able's securities and market information relating to Able, and have been damaged thereby.

100. During the Class Period, defendants materially misled the investing public, thereby inflating the price of Able's securities, by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make defendants statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein.

103. Defendants knew and/or recklessly disregarded the falsity and misleading nature of the information which they caused to be disseminated to the investing public. The ongoing fraudulent scheme described in this complaint could not have been perpetrated over a substantial period of time, as has occurred, without the knowledge and complicity of the personnel at the highest level of the Company, including the Individual Defendants.

Applicability Of Presumption Of Reliance
Fraud-On-The-Market Doctrine

104. At all relevant times, the market for Able securities was an efficient market for the following reasons, among others:

a. Able stock met the requirements for listing, and was listed and actively traded on the NASDAQ, a highly efficient and automated market;

b. As a regulated issuer, Able filed periodic public reports with the SEC and the NASDAQ;

c. Able regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

d. Able was followed by several securities analysts employed by major brokerage firms who wrote reports which were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

105. As a result of the foregoing, the market for Able securities promptly digested current information regarding Able from all publicly-available sources and reflected such information in Able's stock price. Under these circumstances, all purchasers of Able securities during the Class Period suffered similar injury through their purchase of Able securities at

artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

106. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this complaint. Many of the specific statements pleaded herein were not identified as "forward-looking statements" when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of Able who knew that those statements were false when made.

FIRST CLAIM
Violation Of Section 10(b) Of
The Exchange Act Against And Rule 10b-5
Promulgated Thereunder Against All Defendants

107. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

108. During the Class Period, defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Able securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

109. Defendants (a) employed devices, schemes, and artifices to defraud; (b) made

untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (c) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Able securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

110. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about the business, operations and future prospects of Able as specified herein.

111. These defendants' employed devices, schemes, and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Able value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and omitting to state material facts necessary in order to make the statements made about Able and its business operations and future prospects in the light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of Able securities during the Class Period.

112. Each of the Individual Defendant's primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of his or her responsibilities and activities as a senior officer and/or director of the Company was privy to and participated in the creation, development and reporting of the Court. Internal budgets, plans, projections and/or reports, (iii) each of these defendants enjoyed significant

personal contact and familiarly with the other defendants and was advised of and had access to other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public which they knew or recklessly disregarded was materially false and misleading.

113. The defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendant's material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Able's operating condition and future business prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by defendants' overstatements and misstatements of the Company's business, operations and earnings throughout the Class Period, defendants, if they did not have actual knowledge of the misrepresentations and omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

114. As a result of the dissemination of the materially false and misleading information and failure to disclose material facts, as set forth above, the market price of Able securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of Able's publicly-traded securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by defendants, or upon the integrity of the market in which the securities trade, and/or on the absence of material adverse information that was known to or recklessly disregarded by defendants but not disclosed in public statements by defendants during the Class Period, Plaintiff and the other members of the Class acquired Able securities during the Class Period at artificially high prices and were damaged thereby.

115. At the time of said misrepresentations and omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Able was experiencing, which were not disclosed by defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Able securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

116. By virtue of the foregoing, defendants have violated Section 10(b) of the Exchange Act, and Rule 10b-5 promulgated thereunder.

117. As a direct and proximate result of defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM
Violation Of Section 20(a) Of
The Exchange Act Against the Individual Defendants

118. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

119. The Individual Defendants acted as controlling persons of Able within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contend are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

120. In particular, each of these defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

121. As set forth above, Able and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

122. WHEREFORE, Plaintiff prays for relief and judgment, as follows:

a. Determining that this action is a proper class action, designating Plaintiff as Lead Plaintiff and certifying Plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and Plaintiff's counsel as Lead Counsel;

b. Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

c. Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

d. Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

By: _____

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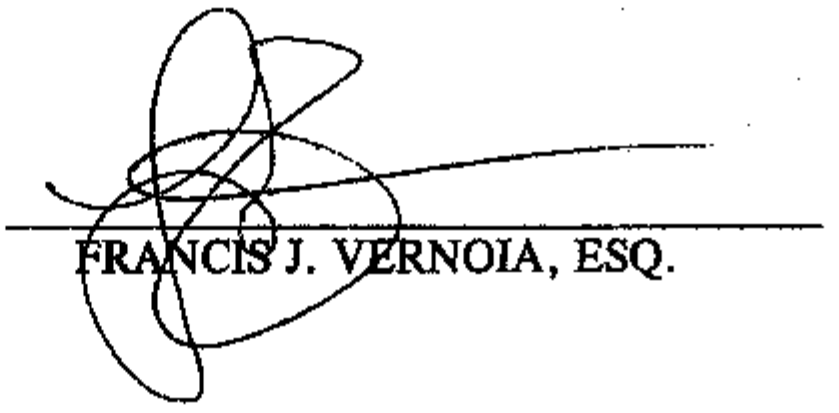
Attorneys for Plaintiff

Dated: May 23, 2005

CERTIFICATION, L. CIV. R. 11.2

I hereby certify that to the best of my knowledge the matter in controversy is not the subject of any other action pending in any court or of any pending arbitration or administrative proceeding.



FRANCIS J. VERNOIA, ESQ.

Dated: May 23, 2005

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