Actavis Q3 2013 Earnings & Warner Chilcott Acquisition Review

October 29, 2013

Actavis

Agenda

- Q3 2013 Earnings & Business Update
- Actavis + Warner Chilcott: A Leading Specialty Pharmaceutical Company
- 2013 Forecast Update and Initial 2014 Outlook

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Actavis Cautionary Statement Regarding Forward-Looking Statements

Forward-Looking Statement

Statements contained in this press release that refer to Actavis' estimated or anticipated future results or other non-historical facts are forward-looking statements that reflect Actavis' current perspective of existing trends and information as of the date of this release. For instance, any statements in this press release concerning prospects related to Actavis' strategic initiatives, product introductions and anticipated financial performance are forward-looking statements. It is important to note that Actavis' goals and expectations are not predictions of actual performance. Actavis' performance, at times, will differ from its goals and expectations. Actual results may differ materially from Actavis' current expectations depending upon a number of factors affecting Actavis' business. These factors include, among others, the inherent uncertainty associated with financial projections; successful integration of the Warner Chilcott acquisition and the ability to recognize the anticipated synergies and benefits of the Warner Chilcott acquisition; the difficulty of predicting the timing and outcome of pending or future litigation and government investigations and risks that an adverse outcome in such litigation or investigations could render Actavis liable for substantial damages or penalties; risks that resolution of patent infringement litigation through settlement could result in investigations or actions by private parties or government authorities or agencies; the impact of competitive products and pricing; risks related to fluctuations in foreign currency exchange rates; periodic dependence on a small number of products for a material source of net revenue or income; variability of trade buying patterns; changes in generally accepted accounting principles; risks that the carrying values of assets may be negatively impacted by future events and circumstances; the timing and success of product launches; the difficulty of predicting the timing or outcome of product development efforts and regulatory agency approvals or actions, if any; risks and uncertainties normally incident to the pharmaceutical industry, including product liability claims and the availability of product liability insurance on reasonable terms; market acceptance of and continued demand for Actavis' products; difficulties or delays in manufacturing; the availability and pricing of third party sourced products and materials; successful compliance with governmental regulations applicable to Actavis' facilities, products and/or businesses; changes in the laws and regulations, including Medicare, Medicaid, and similar laws in foreign countries affecting, among other things, pricing and reimbursement of pharmaceutical products and the settlement of patent litigation; and such other risks and uncertainties detailed in Actavis, Inc.'s periodic public filings with the Securities and Exchange Commission, including but not limited to Actavis, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2012 (as revised pursuant to Actavis, Inc.'s Current Report on Form 8-K dated as of June 17, 2013, which was filed with the SEC on June 18, 2013) and Quarterly Reports on Form 10-Q for the periods ended March 31, 2013 and June 30, 2013, and Warner Chilcott's periodic public filings with the Securities and Exchange Commission, including but not limited to Warner Chilcott's Annual Report on Form 10-K for the year ended December 31, 2012 and its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013 and June 30, 2013. Except as expressly required by law, Actavis disclaims any intent or obligation to update these forward-looking statements.

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Actavis Q3 2013
Earnings and Business Update

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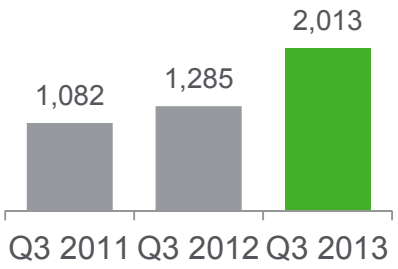
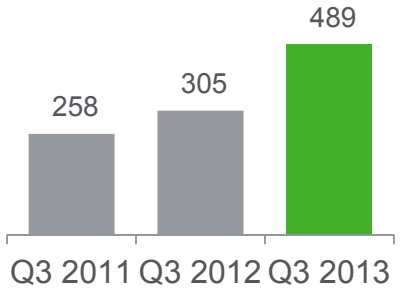
Strong Third Quarter 2013 Performance

	Q3 2013	Q3 2012	y/y Growth
Total Revenue ($mm)	2,013	1,285	57%
Adjusted EBITDA* ($mm)	489	305	61%
Non-GAAP EPS* ($)	2.09	1.35	55%
Cash From Operations ($mm)	271	146	86%

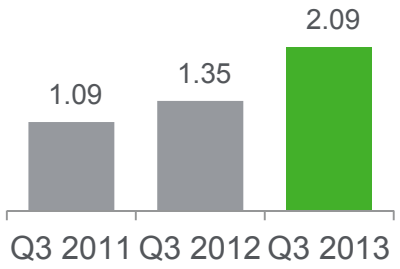
Revenue ($mm)



Adjusted EBITDA ($mm)



Non-GAAP EPS ($)



*Please refer to the Adjusted EBITDA and GAAP to non-GAAP reconciliation tables in the appendix for a reconciliation of our non-GAAP earnings.

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Actavis Pharma Highlights

Third Quarter Highlights

- Actavis launches Lidocaine
  - 902,485 boxes shipped
    - Over 100 trucks, plus FedEx operations
    - Over 30,000 ship-to locations
- Significant launch of gx Lynlor® (Oxycodone capsules) in UK market in September

Year-to-Date September 30, 2013 Highlights

- Filed 32 new ANDAs with 16 of them possible first-to-file applications including first-to-file opportunities for generic versions of Nucynta ER® and Suboxone® Thin-Film
- Launched 509 products in the first nine months of the year and filed more than 980 Market Authorization (MA) applications over the same period
- Integration of legacy Actavis and Arrow/Watson successfully completed – synergies in line with target

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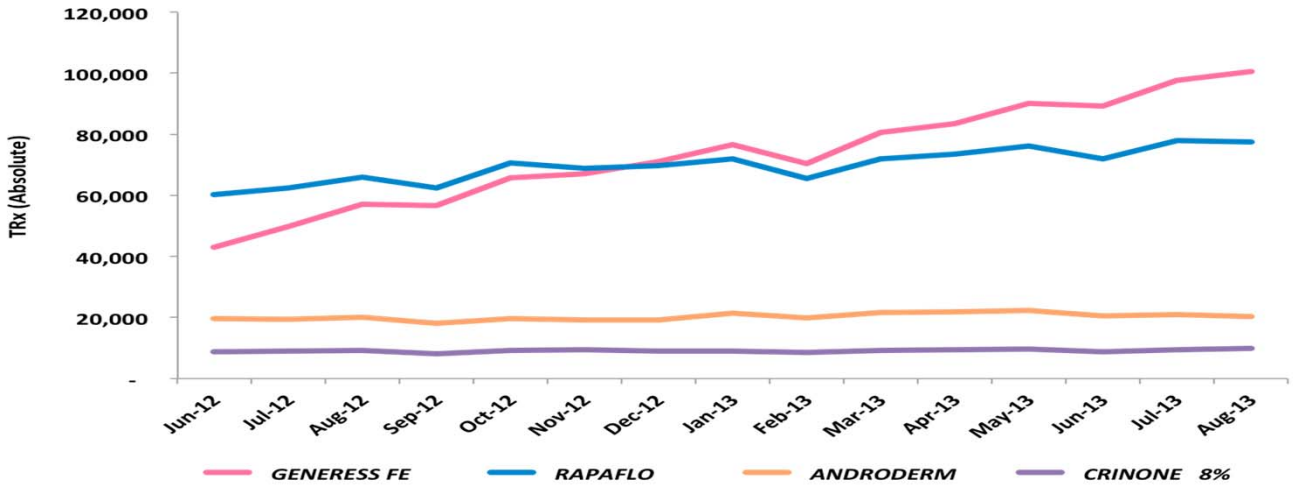
Actavis Specialty Brands Highlights

- Generess® Fe reached over 100K total prescriptions for the month in August with 82% TRX growth Y-O-Y for the third quarter versus last year
- Rapaflo® is the 2nd leading Actavis promoted brand in total prescriptions with Y-O-Y TRX growth of 22%
- Androderm® 2mg and 4mg, Crinone® 8%, Trelstar® show modest growth
  - Androderm® TRX 6% growth; Crinone® 9% TRX growth; Trelstar® 2% unit growth
- Acquired worldwide rights for albaconazole, a novel oral antifungal agent in development for the treatment of vulvo-vaginal candidiasis
- Approval of Levosert® in number of countries and Rapaflo® in Brazil
- Continued expansion of specialty brands with Fibristal™ launch in Canada



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Source: IMS NPA Audit – Aug 2013

Strong Warner Chilcott Performance

- YTD September 30, 2013 total net revenue $1.8 Billion
  - Third Quarter 2013 Total Net Revenue $601 Million; decrease of 1% Y-O-Y
- Oral contraceptives revenues increased 10% Y-O-Y driven by strong sales of Lo Loestrin® Fe and Minastrin® 24 Fe
  - Successful launch of Minastrin® 24 Fe in 3Q
- Estrace® Cream revenues increased 13%
- Doryx® 150mg and 200mg revenue increased 40% Y-O-Y
  - Successful launch of Doryx® 200 mg in 2Q
- Retained 90% of total gastroenterology franchise revenue
  - Successful launch of Delzicol® and expansion of Asacol® HD
- Actonel® /Atelvia® revenues decreased 24% Y-O-Y as anticipated
- Approval of Lo Loestrin® Fe in Canada

Based on nine months ended September 30, 2013 unless otherwise noted

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Q3 2013 Actavis Pharma Results

($mm)	Q3 2013	Q3 2012	y/y Growth
Actavis Pharma Revenue	1,552	921	69%
International Net Revenue	609	198	208%
GAAP R&D Investment	111	55	101%
Adjusted Gross Margin*	51.5%	47.2%	430 bps
Segment Contribution	518	326	59%

- Strong revenue growth in U.S. related to the launch of a gx version of Lidoderm®
- International net revenue growth driven by addition of legacy Actavis and strong results in key markets
- Margin expansion as a result of increase in profit split for authorized gx version of Concerta® and sales of lidocaine patch products

*Please refer to the earnings release dated October 29, 2013 for a reconciliation of these items.

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Q3 2013 Actavis Specialty Brands Results

($mm)	Q3 2013	Q3 2012	y/y Growth
Actavis Specialty Brands Revenue	154	121	27%
GAAP R&D Investment	48	57	-17%
Adjusted Gross Margin*	76.1%	75.0%	110 bps
Segment Contribution	19	-6	N/A

- Strong growth in promoted products continues including Rapaflo® and Generess® Fe
- On non-GAAP basis R&D investment is higher as a result of a number of pipeline products entering phase III

*Please refer to the earnings release dated October 29, 2013 for a reconciliation of these items.

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Q3 2013 Anda Distribution Results

($mm)	Q3 2013	Q3 2012	y/y Growth
Anda Distribution Revenue	307	243	26%
Gross Margin	13.0%	15.1%	-210 bps
Segment Contribution	11	14	-21%

- Strong revenue growth driven by increased sales of brand products and higher sales to chain customers
- Contribution impacted by increased selling and marketing costs mostly freight related to supporting higher Anda sales and higher Actavis Pharma sales

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Q3 2013 Financial Summary

($mm)	Q3 2013	Q3 2012	y/y Growth
Total Net Revenue	2,013	1,285	57%
GAAP R&D Investment	159	113	41%
GAAP SG&A Expense	456	225	103%
GAAP Amortization Expense	146	95	54%
Non-GAAP Earnings Per Share*	2.09	1.35	55%
Adjusted EBITDA*	489	305	61%
Cash Flow From Operations	271	146	86%

*Please refer to the Adjusted EBITDA and GAAP to non-GAAP reconciliation tables in the appendix for a reconciliation of our non-GAAP earnings.

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Actavis is Financially Strong

Capitalization As of October 1, 2013

	Capitalization	% of Total	Leverage
Cash and Marketable Securities	$ 405		
ACT Revolver	-	0.0%	0.00x
ACT Term Loan	1,573	8.2%	0.50x
WC New Term Loan	2,000	10.4%	0.63x
Senior Notes			
ACT Notes	4,717	24.6%	1.49x
WC Note	1,256	6.6%	0.40x
Other	21	0.1%	0.01x
Total Debt	**$ 9,566**	**50.0%**	**3.02x**
Equity	**9,583**	**50.0%**	
Total Book Capitalization	**$ 19,150**	**100.0%**	

Leverage ratio based upon last twelve month pro-forma adjusted EBITDA of $3,168 million

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A Global Specialty Pharmaceutical Leader

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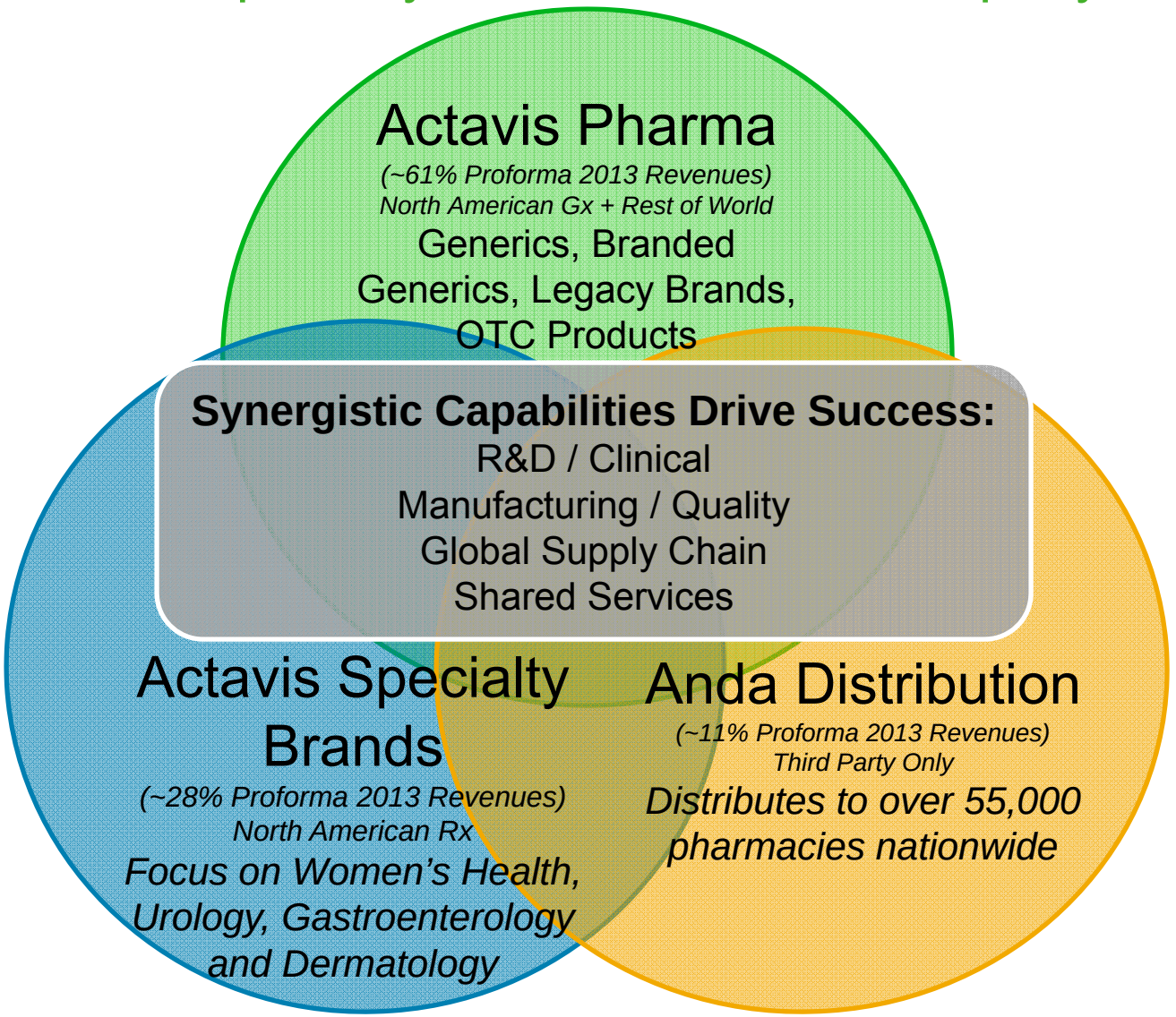
Actavis – A Specialty Pharmaceutical Company



Expanded U.S. Portfolio of Key Marketed Products

Actavis + Warner Chilcott

Women's Health

- Minastrin™ 24 Fe (norethindrone acetate and ethinyl estradiol chewable tablets and ferrous fumarate tablets) 1 mg/20 mcg
- Lo Loestrin Fe
- Generess Fe (norethindrone and ethinyl estradiol chewable tablets and ferrous fumarate chewable tablets) 0.8 mg/25 mcg — Little pill. Big difference.
- Crinone progesterone gel 8%
- Actonel (risedronate sodium) tablets
- Atelvia 35 mg (risedronate sodium) delayed-release tablets
- ESTRACE® CREAM (estradiol vaginal cream, USP, 0.01%)

Urology

- RAPAFLO® 8 mg (silodosin) capsules
- ANDRODERM® (testosterone transdermal system)
- Enablex® (darifenacin) extended-release tablets
- Gelnique® (oxybutynin chloride) Gel 10%
- TRELSTAR® (triptorelin pamoate for injectable suspension)
- OXYTROL™ Oxybutynin Transdermal System

GI and Dermatology

- Delzicol™ (mesalamine)
- Asacol® HD (mesalamine) delayed-release tablets
- DORYX® (Doxycycline Hyclate Delayed-Release Tablets, USP)

Actavis + Warner Chilcott Integration

- On track to achieve more than $400 million in after-tax operational and tax synergies and savings
  - Synergy opportunities defined and prioritized
- Additional ~$50 million of pre-tax interest rate savings related to replacement of Warner Chilcott term loan at lower rate
- Actavis & Warner Chilcott multi-disciplinary teams formed for key functions: Commercial; R&D; Operations; Quality and Pharmacovigilance; Finance; IT; HR; Compliance; Legal, etc.
- Day 1 and Day 100 integration planning activities implemented
  - Maintaining and accelerating product launches; portfolio maximization; coordinate commercial and business support interdependencies
- R&D harmonization initiated; low value projects from combined portfolio eliminated

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Update: Select Combined Pipeline Projects

Near Term Launch Stage

Progestin Patch

- PDUFA December 27, 2013, launch expected in the second half of 2014

Levosert™

- Approved in 11 countries
- Actavis launch early 2014 in UK; Early 2014 launch in CEE region through partners
- Actavis approval and launch anticipated in the US in late 2014

Diafert

- CE mark approval and launch expected in early 2014 in EU
- 510K clearance anticipated in late 2014 in US

Metronidazole gel

- PDUFA date on May 24, 2014 with launch to follow immediately

Later Stage Development

Esmya™; rFSH; Herceptin® biosimilar; Avastin® biosimilar; udenafil (ED)

- Entering or in Phase III in 2013

E4 Combination Oral Contraceptive and sarecycline

- Expected to enter Phase III in 2014

Mesalamine Franchise

- Multiple product opportunities under development

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Actavis Forecast Update

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Revised Forecast: Fourth Quarter 2013

Includes Warner Chilcott from 10-1-2013

Fourth Quarter 2013 Forecast	
4Q 2013 Fully Diluted Shares Outstanding	~175 million
4Q 2013 Non-GAAP EPS*	$2.95 - $3.05

*Please refer to the Adjusted EBITDA and GAAP to non-GAAP reconciliation tables in the appendix for a reconciliation of our non-GAAP earnings.

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Revised Forecast: Full Year 2013

Includes Warner Chilcott from 10-1-2013

Full Year 2013 Forecast	
Total Net Revenues	~$8.6 billion
Adjusted EBITDA*	$2.22 - $2.24 billion
FY 2013 Fully Diluted Shares Outstanding	~144 million
FY 2013 Non-GAAP EPS*	$9.26 - $9.39

*Please refer to the Adjusted EBITDA and GAAP to non-GAAP reconciliation tables in the appendix for a reconciliation of our non-GAAP earnings.

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Actavis Pharma
2014 Forecast Key Assumptions

- Additional competition on extended release products, oral contraceptives and other key products including additional competition on generic versions of Lidoderm® and Concerta®
- Key date certain launches including for generic versions of Intuniv® and Oxycontin® TR
- Additional undisclosed product launches and select risk-adjusted PIV opportunities are included
- Mid-single-digit erosion US
- High-single-digit erosion OUS

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Actavis Specialty Brands
2014 Forecast Key Assumptions

- Growth in key promoted products
  - Delzicol™, Lo Loestrin® Fe, Minastrin™ 24 Fe, Doryx®, Estrace® Cream, Rapaflo®, Generess® Fe

- Key Product Launches
  - LoLoestrin® Canada (1st Half 2014 Launch)
  - Progestin-only patch (PDUFA December 27, 2013, 2nd Half Launch)
  - Diafert and Levosert™ UK & CEE (1st Half 2014 Launch)
  - Diafert and Levosert™ US (2nd Half 2014 Launch)
  - Metronidazole (1st Half Launch)

- Continued significant declines in bisphosphonate products with a generic for both strengths of Actonel ® anticipated for mid-2014

- Includes full contribution of Actonel ® and Atelvia® for US market

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Initial 2014 Outlook

2014 Forecast	
FY 2014 Non-GAAP EPS*	$12.25 - $13.00
Effective Tax Rate	16% - 18%
Fully Diluted Shares Outstanding	~176 million

*Please refer to the GAAP to non-GAAP reconciliation tables in the appendix for a reconciliation of our non-GAAP earnings.

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Growth Strategy by Business Unit

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Exhibits

- 2013, 2012 and 2011 Third Quarter GAAP to non-GAAP Reconciliation Table – Net Income
- 2013, 2012 and 2011 Third Quarter GAAP to non-GAAP Reconciliation Table – Adjusted EBITDA
- Fourth Quarter 2013 GAAP to non-GAAP Reconciliation Table – Net Income
- Full Year 2013 GAAP to non-GAAP Reconciliation Table – Net Income
- Full Year 2013 GAAP to non-GAAP Reconciliation Table – Adjusted EBITDA
- Full Year 2014 GAAP to non-GAAP Reconciliation Table – Net Income

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GAAP to non-GAAP Reconciliation Table – Net Income Third Quarter 2013 and 2012

Actavis, Inc.
Reconciliation Table
(Unaudited; in millions except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
GAAP to non-GAAP net income calculation				
Reported GAAP net income (loss) attributable to common shareholders	$ 65.6	$ 76.7	$ (602.0)	$ 69.3
Adjusted for:				
Amortization	146.5	95.4	454.9	333.5
Global supply chain initiative[1]	18.5	1.8	50.5	6.8
Acquisition and licensing charges	83.1	5.6	380.3	216.7
Interest accretion on contingent liabilities	5.1	5.5	6.5	20.7
Non-cash impairment/asset sales	13.6	39.6	666.6	119.6
Non-recurring (gains) losses	7.7	0.1	(2.5)	(15.3)
Litigation charges	15.0	0.6	45.8	60.4
Income taxes on items above	(73.7)	(53.0)	(182.5)	(249.2)
Non-GAAP net income attributable to common shareholders	$ 281.4	$ 172.3	$ 817.6	$ 562.5
Diluted earnings (loss) per share				
Diluted earnings (loss) per share - GAAP	$ 0.49	$ 0.60	$ (4.57)	$ 0.54
Diluted earnings per share - Non-GAAP	$ 2.09	$ 1.35	$ 6.12	$ 4.41
Basic weighted average common shares outstanding	132.5	126.0	131.7	125.7
Effect of dilutive securities:				
Dilutive share-based compensation arrangements	1.9	2.0	2.0	1.9
Diluted weighted average common shares outstanding	134.4	128.0	133.7	127.6

[1] Includes accelerated depreciation charges.

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GAAP to non-GAAP Reconciliation Table – Adjusted EBITDA Third Quarter 2013 and 2012

Actavis, Inc.

Adjusted EBITDA Reconciliation Table

(Unaudited; in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	**2012**	**2013**	**2012**
GAAP net income (loss) attributable to common shareholders	$ 65.6	$ 76.7	$ (602.0)	$ 69.3
Plus:				
Interest expense	58.1	19.4	168.7	62.1
Interest income	(1.4)	(0.4)	(3.4)	(1.3)
Provision (benefit) for income taxes	31.4	35.0	111.0	58.6
Depreciation (includes accelerated depreciation)	50.1	20.2	147.7	60.7
Amortization[(1)]	146.5	95.4	454.9	333.5
EBITDA	350.3	246.3	276.9	582.9
Adjusted for:				
Global supply chain initiative	8.3	1.9	22.7	6.0
Acquisition and licensing charges	44.8	5.4	342.0	216.3
Non-cash impairment charges	13.6	39.6	666.6	119.6
Non-recurring (gains) losses	7.7	0.1	(2.5)	(15.3)
Litigation charges	15.0	0.6	45.8	60.4
Accretion (income) expense	-	-	-	0.4
Share-based compensation	49.5	10.7	75.8	34.6
Adjusted EBITDA	$ 489.2	$ 304.6	$ 1,427.3	$ 1,004.9

[(1)] Includes amortization of excess purchase price on equity method investment.

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GAAP to non-GAAP Reconciliation Table – Net Income and Adjusted EBITDA Third Quarter 2011

Actavis, Inc.
Reconciliation Table
(Unaudited; in millions except per share amounts)

	Three Months Ended September 30, 2011
GAAP to non-GAAP net income calculation	
Reported GAAP net income (loss) attributable to common shareholders	$ 68.1
Adjusted for:	
Amortization	72.0
Global supply chain initiative[(1)]	3.3
Acquisition and licensing charges	9.5
Interest accretion on contingent liabilities	10.8
Non-cash impairment/asset sales	3.8
Non-recurring (gains) losses	(5.1)
Litigation charges	-
Income taxes on items above	(23.7)
Non-GAAP net income attributable to common shareholders	$ 138.7
Diluted earnings (loss) per share	
Diluted earnings (loss) per share - GAAP	$ 0.54
Diluted earnings per share - Non-GAAP	$ 1.09
Basic weighted average common shares outstanding	124.9
Effect of dilutive securities:	
Dilutive share-based compensation arrangements	2.0
Diluted weighted average common shares outstanding	126.9

(1) Includes accelerated depreciation charges.

Actavis, Inc.
Adjusted EBITDA Reconciliation Table
(Unaudited; in millions)

	Three Months Ended September 30, 2011
GAAP net income (loss) attributable to common shareholders	$ 68.1
Plus:	
Interest expense	24.4
Interest income	(0.3)
Provision for income taxes	50.9
Depreciation (includes accelerated depreciation)	23.6
Amortization[(1)]	72.0
EBITDA	238.7
Adjusted for:	
Global supply chain initiative	2.3
Acquisition and licensing charges	9.5
Non-cash impairment charges	3.8
Non-recurring (gains) losses	(5.1)
Litigation charges	-
Accretion (income) expense	(0.2)
Share-based compensation	9.2
Adjusted EBITDA	$ 258.2

(1) Includes amortization of excess purchase price on equity method investment.

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GAAP to non-GAAP Reconciliation Table – Net Income Full Year 2013

Actavis plc
Reconciliation Table - Forecasted Non-GAAP Earnings Per Diluted Share
(Unaudited; in millions except per share amounts)

	Forecast for Twelve Months Ending December 31, 2013	
	Low	**High**
GAAP to Non-GAAP net income calculation		
GAAP net income	$ (459)	$ (441)
Adjusted for:		
Amortization	788	788
Global supply chain initiative	60	60
Acquisition and licensing charges	480	480
Interest accretion on contingent liability	7	7
Non-cash impairment charges and asset sales	667	667
Non-recurring (gains) losses and early retirement of debt	14	14
Legal settlements	46	46
Income taxes on items above	(269)	(269)
Adjusted Non-GAAP net income	1,334	1,352
Diluted earnings per share		
Earnings per share - GAAP	$ (3.22)	$ (3.09)
Diluted earnings per share - Non-GAAP	$ 9.26	$ 9.39

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GAAP to non-GAAP Reconciliation Table – Adjusted EBITDA Full Year 2013

Actavis plc
Reconciliation Table - Forecasted Adjusted EBITDA
(Unaudited; in millions)

	Forecast for Twelve Months Ending December 31, 2013	
	Low	**High**
GAAP net income	$ (459)	$ (441)
Plus:		
Interest expense	253	253
Interest income	(5)	(5)
Provision for income taxes	150	151
Depreciation (includes accelerated depreciation)	211	211
Amortization	788	788
EBITDA	938	957
Adjusted for:		
Global supply chain initiative	25	25
Acquisition and licensing charges (excluding stock compensation)	441	441
Non-cash impairment charges and asset sales	667	667
Non-recurring (gains) losses and early retirement of debt	14	14
Legal settlements	46	46
Share-based compensation	89	90
Adjusted EBITDA	$ 2,220	$ 2,240

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GAAP to non-GAAP Reconciliation Table – Net Income Full Year 2014

Actavis plc
Reconciliation Table - Forecasted Non-GAAP Earnings Per Diluted Share
(Unaudited; in millions except per share amounts)

	Forecast for Twelve Months Ending December 31, 2014	
	Low	**High**
GAAP to Non-GAAP net income calculation		
GAAP net income	$ 758	$ 890
Adjusted for:		
Amortization	1,500	1,500
Global supply chain initiative	42	42
Acquisition and licensing charges	150	150
Interest accretion on contingent liability	7	7
Non-recurring (gains) losses and early retirement of debt	(52)	(52)
Income taxes on items above	(249)	(249)
Adjusted Non-GAAP net income	2,156	2,288
Diluted earnings per share		
Earnings per share - GAAP	$ 4.33	$ 5.09
Diluted earnings per share - Non-GAAP	$ 12.25	$ 13.00

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