ACTAVIS PLC
October 1, 2014 -December 31, 2014
(In millions)

Description	Pre-tax Adjustment	After-tax Adjustment	Line item	Segment
Amortization expense [1]	**$ 876.8**	**$ 790.0**	Amortization	
Legal matters [2]	**$ 176.0**	**$ 144.5**	General and administrative	North American Brand
Acquisition and licensing [3]				
Revenue recognition adjustment resulting for acquisition accounting	$ 6.1	$ 4.8	Net revenue	North American Generic and International
Amortization of inventory step-up	42.6	35.2	Cost of goods sold	North American Generic and International
Amortization of inventory step-up and other acquisition accounting	239.9	196.0	Cost of goods sold	North American Brand
Contingent consideration fair value adjustments	6.0	6.0	Cost of goods sold	North American Brand
Acquisition accounting fair market value adjustment to stock-based compensation	1.9	0.9	Cost of goods sold	North American Brand
Acquisition, integration & restructuring expenses	4.4	4.2	Cost of goods sold	North American Brand
Acquisition, integration & restructuring expenses	(1.0)	(1.0)	Cost of goods sold	North American Generic and International
Upfront option payment	40.0	40.0	Research and development	
Acquisition accounting fair market value adjustment to stock-based compensation	20.7	14.7	Research and development	
Brand related milestone payments	9.9	9.9	Research and development	
Acquisition, integration & restructuring expenses	7.9	7.9	Research and development	
Contingent consideration fair value adjustments	(23.2)	(16.2)	Research and development	
Acquisition accounting fair market value adjustment to stock-based compensation	11.7	8.7	Selling and marketing	North American Brand
Acquisition, integration & restructuring expenses	2.4	2.4	Selling and marketing	North American Generic and International
Acquisition, integration & restructuring expenses	1.2	1.2	Selling and marketing	North American Brand
Acquisition accounting fair market value adjustment to stock-based compensation	34.4	25.4	General and administrative	North American Brand
Foreign currency impact on acquisition related liabilities	6.4	4.4	General and administrative	North American Generic and International
Acquisition related costs	30.9	21.9	General and administrative	North American Brand
Acquisition related costs	3.0	3.0	General and administrative	North American Generic and International
Contract termination costs	38.9	25.3	General and administrative	North American Brand
Acquisition, integration & restructuring expenses	35.1	21.8	General and administrative	North American Brand
Acquisition, integration & restructuring expenses	14.1	12.2	General and administrative	North American Generic and International
Amortization of bridge loan financing fees	47.8	47.8	Other income	
Debt premium amortization	(9.2)	(6.2)	Interest	
Total acquisition and licensing	**571.9**	**470.3**		
Accretion expense [4]				
Accretion expense	$ 3.0	$ 1.6	Cost of goods sold	North American Brand
Accretion expense	3.9	2.9	Research and development	
Accretion expense	0.4	0.4	General and administrative	North American Brand
Total accretion expense	**7.3**	**4.9**		
Global supply chain [5]				
Severance, accelerated depreciation, facility decommissioning and product transfer costs	$ 15.2	$ 9.5	Cost of goods sold	North American Generic and International
Accelerated depreciation and product transfer costs	0.3	0.3	Research and development	
Total global supply chain	**15.5**	**9.8**		
Loss on asset sales and impairments [6]				
Operating results for assets held for sale	$ (48.1)	$ (48.1)	Net revenue	North American Generic and International
Operating results for assets held for sale	49.8	49.8	Cost of goods sold	North American Generic and International
Write-off of contingent consideration	(21.0)	(21.0)	Cost of goods sold	North American Brand
Write-off of contingent consideration	(16.0)	(16.0)	Research and development	
Loss (gain) on asset sales and impairments, net	415.6	376.6	Asset sales, impairments, and contingent consideration adjustment, net	
Total asset sales and impairments	**380.3**	**341.3**		
Non-recurring (gains) losses [7]				
Discrete tax items	$ -	$ 22.7	Provision(benefit) for income taxes	
Total Non-recurring (gains) losses	**-**	**22.7**		
Totals by segment and P&L line item	**$ 2,027.8**	**$ 1,783.5**		

Explanation of reconciling items to arrive at non-GAAP financial results:

1. Includes amortization of acquired intangibles including product rights.

2. Includes charges related to the accrual and settlement of litigation related matters, if any.

3. Amount included in revenues is the adjustment relating to the amount recognized in Europe resulting from acquisition accounting of deferred revenues of $6.1. Amount in cost of goods sold includes amortization of the Forest ($271.5), Durata ($1.5) and Warner Chilcott ($9.5) acquisition related inventory step ups and other of $282.5, the purchase accounting impact on stock-based compensation associated with the Forest acquisition of $1.9, contingent consideration fair value adjustments of $6.0 and restructuring and integration costs associated with the Forest and Warner Chilcott acquisitions of $3.4. Amount in research and development includes the payment associated with the option to acquire Rhythm of $40.0, the purchase accounting impact on stock-based compensation associated with the Forest and Durata acquisitions of $20.7, milestone expenses of $8.0 and restructuring and integration costs related to the Forest and Durata acquisitions of $7.9, offset, in part, by a reduction in contingent consideration of $23.2 which created income in the period. Amount in selling and marketing includes the purchase accounting impact on stock-based compensation associated with the Forest acquisition of $11.7 and integration and restructuring costs related to the Forest acquisition of $3.6. Amount in general and administrative includes fees associated with the pending Allergan transaction of $17.8, the purchase accounting impact on stock-based compensation associated primarily with the acquisitions of Forest and Durata of $34.4, contract termination costs associated with acquired leases in the Forest acquisition $38.9, other restructuring, acquisition and integration costs associatec with the acquisitions of Forest, Durata, Furiex and Warner Chilcott of $65.3, including acquisition related charges of $16.1, severance and severance related charges of $23.2, and the foreign currency impact of contingent consideration of $6.4. Amount in interest expense includes the amortization of the fair value step up of senior secured notes assumed as part of the Forest acquisition. Amount in Other income (expense) represents the amortization of bridge loan commitment fees incurred in connection with the pending Allergan transaction.

4. Amount includes accretion of acquisition related contingent consideration based upon the passage of time.

5. Represents amounts attributable to our global supply chain initiative to improve efficiencies throughout the Company.

6. Amounts recorded in net revenues and cost of goods sold represents the operating results from Western European assets sold in Q2 14. Amounts also included in cost of sales and R&D represents the income resulting from the write-off of contingent consideration associated with impaired assets. The contingent consideration income in cost of sales of $21.0 relates to the impairment of an intangible asset of $25.0, which resulted in a net loss of $4.0. The contingent consideration income in R&D of $16.0 relates to the impairment of an IPR&D project for $18.0, which resulted in a net loss of $2.0. Other amounts included in asset sales, impairments and contingent consideration adjustments, net are the impairment of the Pharmatech assets held for sale (including the impairment of goodwill) of $189.9, the impairment of IPR&D projects due to fourth quarter FDA correspondence and the abandonment of these projects of $85.0, the impairment of currently marketed products due to the shortening of the expected cash flow period of $89.0, the impairment of fixed assets at sites the Company closed in 2014 of $11.7 and other miscellaneous transactions.

7. Amount primarily represents revaluation of deferred tax liablities relating to Irish assets due to change in applicable tax law of $42.0, offset by the renewal of R&D credits impacting pre-acquistion periods of $13.0 and tax-related restructuring costs of $5.0.

ACTAVIS PLC
January 1, 2014 -December 31, 2014
(In millions)

Description	Pre-tax Adjustment	After-tax Adjustment	Line item	Segment
Amortization expense [(1)]	**$ 2,597.5**	**$ 2,315.6**	Amortization	
Legal matters [(2)]				
	$ (1.0)	$ (1.0)	General and administrative	North American Generic and International
	168.5	140.6	General and administrative	North American Brand
Total legal matters	**167.5**	**139.6**		
Acquisition and licensing [(3)]				
Revenue recognition adjustment resulting for acquisition accounting	$ 16.4	$ 12.9	Net revenue	North American Generic and International
Amortization of inventory step-up	110.6	88.2	Cost of goods sold	North American Generic and International
Amortization of inventory step-up and other acquisition accounting	875.8	790.3	Cost of goods sold	North American Brand
Contingent consideration fair value adjustments	6.0	3.7	Cost of goods sold	North American Brand
Contingent consideration fair value adjustments	6.0	6.0	Cost of goods sold	North American Generic and International
Acquisition accounting fair market value adjustment to stock-based compensation	7.8	4.8	Cost of goods sold	North American Brand
Acquisition, integration & restructuring expenses	18.4	13.2	Cost of goods sold	North American Brand
Acquisition, integration & restructuring expenses	(1.3)	(1.3)	Cost of goods sold	North American Generic and International
Upfront option payment	40.0	40.0	Research and development	
Acquisition accounting fair market value adjustment to stock-based compensation	66.8	45.8	Research and development	
Brand related milestone payments	27.0	22.0	Research and development	
Acquisition, integration & restructuring expenses	28.1	22.1	Research and development	
Acquisition related settlements	0.3	0.2	Research and development	
Contingent consideration fair value adjustments	(42.5)	(31.6)	Research and development	
Acquisition accounting fair market value adjustment to stock-based compensation	46.2	30.2	Selling and marketing	North American Brand
Contract termination payment	10.0	6.2	Selling and marketing	North American Brand
Acquisition, integration & restructuring expenses	2.4	2.4	Selling and marketing	North American Generic and International
Acquisition, integration & restructuring expenses	49.6	31.6	Selling and marketing	North American Brand
Acquisition accounting fair market value adjustment to stock-based compensation	161.6	102.6	General and administrative	North American Brand
Foreign currency impact on acquisition related liabilities	19.2	13.2	General and administrative	North American Generic and International
Acquisition related costs	99.1	82.1	General and administrative	North American Brand
Acquisition related costs	15.8	15.8	General and administrative	North American Generic and International
Contract termination costs	38.9	25.3	General and administrative	North American Brand
Acquisition, integration & restructuring expenses	117.4	78.4	General and administrative	North American Brand
Acquisition, integration & restructuring expenses	33.4	26.5	General and administrative	North American Generic and International
Acquisition related payment for the release of trading restrictions	(5.0)	(5.0)	Other income	
Amortization of bridge loan financing fees	73.6	73.6	Other income	
Debt premium amortization	(32.6)	(25.2)	Interest	
Total acquisition and licensing	**1,789.0**	**1,474.0**		
Accretion expense [(4)]				
Accretion expense	$ 5.1	$ 3.4	Cost of goods sold	North American Brand
Accretion expense	15.3	10.4	Research and development	
Accretion expense	0.4	0.4	General and administrative	North American Brand
Total accretion expense	**20.8**	**14.2**		
Global supply chain [(5)]				
Severance, accelerated depreciation, facility decommissioning and product transfer costs	$ 45.9	$ 29.9	Cost of goods sold	North American Generic and International
Accelerated depreciation and product transfer costs	1.8	1.6	Research and development	
Accelerated depreciation and severance costs	6.4	6.1	General and administrative	North American Generic and International
Total global supply chain	**54.1**	**37.6**		
Loss on asset sales and impairments [(6)]				
Operating results for assets held for sale	$ (231.9)	$ (231.9)	Net revenue	North American Generic and International
Operating results for assets held for sale	194.4	194.4	Cost of goods sold	North American Generic and International
Write-off of contingent consideration	(21.0)	(21.0)	Cost of goods sold	North American Brand
Operating results for assets held for sale	2.7	2.7	Research and development	
Write-off of contingent consideration	(40.7)	(40.7)	Research and development	
Operating results for assets held for sale	26.6	26.6	Selling and marketing	North American Generic and International
Operating results for assets held for sale	6.9	6.9	General and administrative	North American Generic and International
Costs associated with holding assets out for sale	5.7	6.0	General and administrative	North American Generic and International
Loss (gain) on asset sales and impairments, net	749.6	694.6	Asset sales, impairments, and contingent consideration adjustment, net	
Loss (gain) on asset sales	14.1	11.8	Other income (expense)	
Total asset sales and impairments	**706.4**	**649.4**		
Non-recurring (gains) losses [(7)]				
Regulation change relating to the U.S. Pharma fee	$ 105.0	$ 105.0	Selling and marketing	North American Brand
Regulation change relating to the U.S. Pharma fee	10.8	10.8	Selling and marketing	North American Generic and International
Other	(1.4)	(0.9)	General and administrative	North American Generic and International
Gain on extinguishment of debt	(29.9)	(28.9)	Other income (expense)	
Discrete tax items	-	26.8	Provision(benefit) for income taxes	
Total Non-recurring (gains) losses	**84.5**	**112.8**		
Totals by segment and P&L line item	**$ 5,419.8**	**$ 4,743.2**		

Explanation of reconciling items to arrive at non-GAAP financial results:

1. Includes amortization of acquired intangibles including product rights.

2. Includes charges related to the accrual and settlement of litigation related matters, if any.

3. Amount included in revenues is the adjustment relating to the amount recognized in Europe resulting from acquisition accounting of deferred revenues of $16.4. Amount in cost of goods sold includes amortization of the Forest ($751.0), Durata ($1.5), Warner Chilcott ($232.9) and Silom ($1.0) acquisition related inventory step ups and other of $986.4, the purchase accounting impact on stock-based compensation associated with the Forest acquisition of $7.8, the fair value adjustment of contingent consideration for marketed products of $12.0 and restructuring and integration costs associated with the Forest and Warner Chilcott acquisitions of $17.1, including severance and severance related charges of $12.9. Amount in research and development includes the payment associated with the option to acquire Rhythm of $40.0, the purchase accounting impact on stock-based compensation associated with the Forest and Furiex acquisitions of $66.8, contractual milestone payments of $27.0, the fair market value adjustments relating to contingent consideration liabilities assumed as part of acquisition accounting, which created income in the period of $42.5, and other restructuring and acquisition related charges associated with the Forest, Durata, Furiex and Warner Chilcott acquisitions of $28.4, including severance and severance related charges of $28.1. Amount in selling and marketing includes the purchase accounting impact on stock-based compensation associated with the Forest acquisition of $46.2 and integration and restructuring costs related to the Forest and Warner Chilcott acquisitions of $52.0, including severance and severance related charges relating to Forest of $45.3, and the termination costs relating to the Company's co-promotion agreements with Valeant of $10.0. Amount in general and administrative includes the purchase accounting impact on stock-based compensation associated with the acquisitions of Forest, Durata and Furiex of $161.6, contract termination costs associated with acquired leases in the Forest acquisition $38.9, fees associated with the pending Allergan transaction of $17.8, costs associated with the acquisitions of Forest, Durata, Furiex and Warner Chilcott of $244.4, which includes success fees associated with the acquisition of Forest and Furiex of $24.3, severance and severance related charges of $88.1, financing-related charges of $9.3 and other costs associated with the acquisitions of $122.7, acquisition related fees in association with the Silom acquisition of $3.5 and the foreign currency impact of contingent consideration of $19.2. Amount in interest expense includes the amortization of the fair value step up of senior secured notes assumed as part of the Forest ($20.4) and Warner Chilcott ($12.2) acquisitions. Amount in other income (expense) includes the amortization expenses relating to the bridge loan commitments entered into in connection with the proposed Allergan transaction of $47.8 and the acquisition of Forest Laboratories of $25.8, offset, in part, by fees received by former Legacy Actavis shareholders to end their restricted trading window of $5.0.

4. Amount includes accretion of acquisition related contingent consideration based upon the passage of time.

5. Represents amounts attributable to our global supply chain initiative to improve efficiencies throughout the Company.

6. Amounts recorded in net revenues and selling and marketing includes the operating results from Western European assets held for sale in Q1 14 and subsequently sold in Q2 14. Amounts in cost of sales represents the operating results from Western European assets held for sale in Q1 14 and subsequently sold in Q2 14. Also included in cost of sales is the income resulting from the write-off of contingent consideration of $21.0 associated with an underlying impairment ($25.0) of intangible assets, which resulted in a net loss of $4.0. Amounts included in research and development includes the operating results from Western European assets held for sale in Q1 14 and subsequently sold in Q2 14. R&D also includes the write-off of contingent consideration associated with R&D projects that were impaired or not currently being continued which resulted in income of $40.7. When combined with the loss on the underlying intangible assets, the net impact for the period was a gain of $7.6. Amounts in general and administrative expenses represents the operating results from Western European assets held for sale in Q1 14 and subsequently sold in Q2 14, as well as costs associated with disposing of the entities of $5.7. Amount in asset sales, impairments and contingent consideration adjustments, net includes the impairment of IPR&D resulting from the abandonment of projects in connection with the Forest acquisition as the Company reviewed all ongoing R&D projects of both legacy Forest and Actavis and aligned strategic priorities. The net impact was an impairment of IPR&D assets of $165.0. Also included in asset sales, impairments and contingent consideration adjustments, net is the impairment of acquired IPR&D of $259.3 resulting from both results of the studies and the sale of certain projects, the impairment of an intangible asset of $25.0, the impairment of the Pharmatech assets held for sale (including the impairment of goodwill) of $189.9, the impairment of currently marketed products due to the shortening of the expected cash flow period of $89.0, the impairment of assets held for sale / sold in our Lincolnton and Corona manufacturing facilities of $13.4, the impairment of fixed assets associated with our operations of $21.5 and the impairment of intangible assets for discontinued products of $1.5, offset, in part, by gains on the assets while they were held for sale of Foshan and Western Europe due to movements in working capital in the period ($5.6) as well as miscellaneous gains for assets sold. Included in other income (expense) is the net loss associated with the Q2 14 sale of our Western European infrastructure based on the allocation of consideration to the assets sold and the supply agreement entered into at the time of sale of $20.9, a gain on the sale of our investment in Columbia Laboratories Inc. of $4.3 and a milestone receipt under a prior year sale of a business.

7. Amount in selling and marketing includes a charge for an additional year of the non-tax deductible Branded Prescription Drug Fee in accordance with final regulations issued in the third quarter of 2014 by the Interna Revenue Service. Amount in other income (expense) represents the gain associated with the extinguishment of the Company's former 7.75% senior notes of $29.9. Provision (benefit) for income tax primarily includes the impact of discrete tax items during the period, including, a revaluation of deferred tax liabilities relating to Irish assets due to change in applicable tax law of $42.0, offset by the renewal of R&D credits impacting pre-acquisition periods of $13.0.