

Endo International plc

Q1 2017 Earnings Report

May 9, 2017



Forward Looking Statements; Non-GAAP Financial Measures

This presentation contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Canadian securities legislation. Statements including words such as “believes,” “expects,” “anticipates,” “intends,” “estimates,” “plan,” “will,” “may,” “look forward,” “intend,” “guidance,” “future projects” or similar expressions are forward looking statements. Because these statements reflect our current views, expectations and beliefs concerning future events, these forward looking statements involve risks and uncertainties. Although Endo believes that these forward looking statements and information are based upon reasonable assumptions and expectations, readers should not place undue reliance on them, or any other forward looking statements or information in this news release. Investors should note that many factors, as more fully described in the documents filed by Endo with securities regulators in the United States and Canada including under the caption “Risk Factors” in Endo’s Form 10-K, Form 10-Q and Form 8-K filings, as applicable, with the Securities and Exchange Commission and with securities regulators in Canada on System for Electronic Document Analysis and Retrieval (“SEDAR”) and as otherwise enumerated herein or therein, could affect Endo’s future financial results and could cause Endo’s actual results to differ materially from those expressed in any forward looking statements. The forward looking statements in this presentation are qualified by these risk factors. Endo assumes no obligation to publicly update any forward looking statements, whether as a result of new information, future developments or otherwise, except as may be required under applicable securities law.

This presentation may refer to non-GAAP financial measures, including, among others, adjusted diluted EPS and adjusted EBITDA, that are not prepared in accordance with accounting principles generally accepted in the United States and that may be different from non-GAAP financial measures used by other companies. Investors are encouraged to review Endo’s current report on Form 8-K furnished to the SEC for Endo’s reasons for including those non-GAAP financial measures in this presentation. Except as noted on Form 8-K, reconciliation of non-GAAP financial measures to the nearest comparable GAAP amounts have been provided within the appendix at the end of this presentation.

Today's Agenda

- Overview & Q1 2017 Snapshot
- Q1 2017 Business Unit Performance
 - U.S. Generic Pharmaceuticals
 - U.S. Branded Pharmaceuticals
 - International Pharmaceuticals
- Q1 2017 Financial Results
 - Refinancing – new debt maturities
- 2017 Financial Guidance – Update

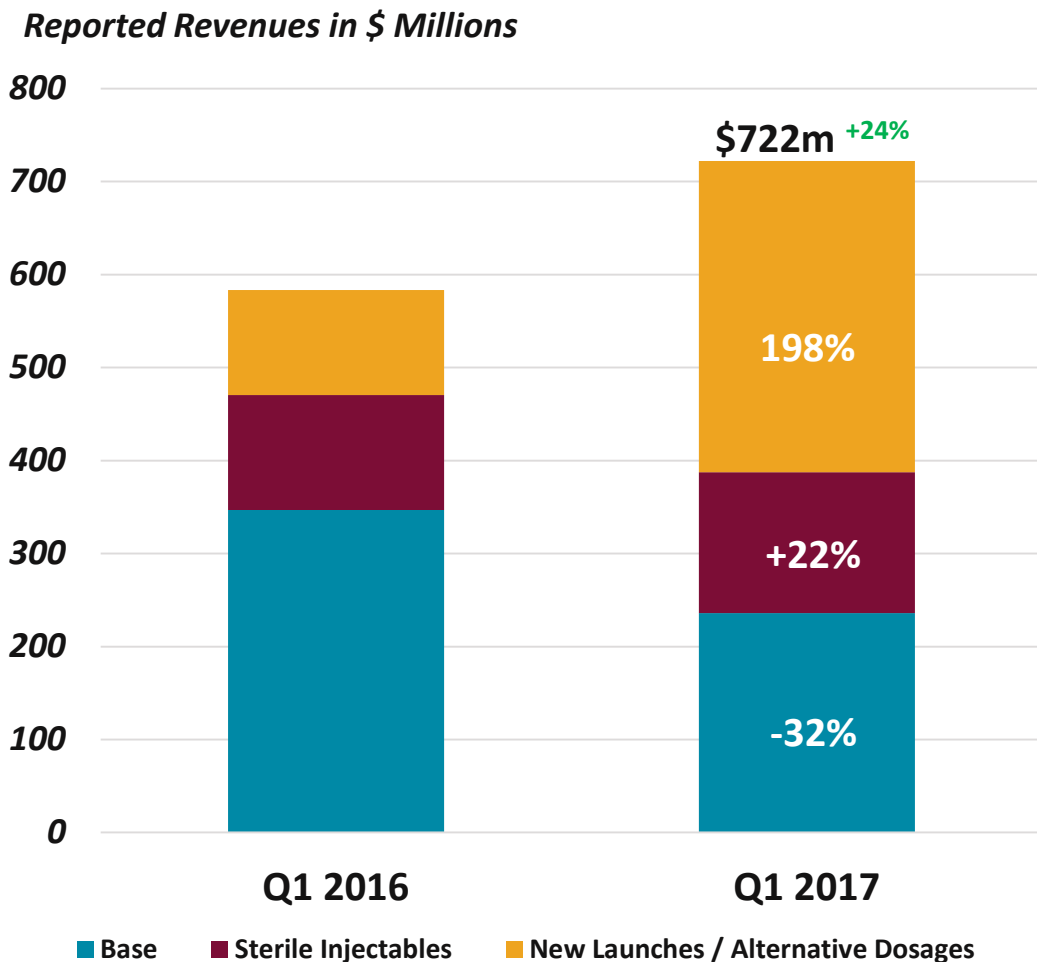
Overview

- A sharpened focus on operational execution drives first-quarter performance
- Delivered strong top- and adjusted bottom-line Q1 2017 results
- Significant adjusted EBITDA growth in Q1 2017 driven by sales growth and savings from previously announced restructurings
- Reaffirming full-year 2017 Revenue, adjusted EBITDA and adjusted diluted EPS guidance

Q1 2017 Snapshot

Revenue (US \$M)	Q1 2017	Q1 2016	Y/Y Growth %
U.S. Generic Pharmaceuticals	\$722	\$583	24%
U.S. Branded Pharmaceuticals	\$250	\$309	(19%)
International Pharmaceuticals	\$65	\$71	(8%)
Total	\$1,038	\$964	8%

Q1 2017 Performance: U.S. Generic Pharmaceuticals



Strong performance driven by Sterile Injectables & New Launches / Alternative Dosages

- **Sterile Injectables:**
 - Vasostrict® grew 24% vs. prior year
- **New launches / Alt Dosages:**
 - Strong performance of New Launches with the Q4'16 launches of quetiapine ER and ezetimibe; continued uptake of KCl powder
 - Launched 4 products in Q1'17
- **Base business:**
 - Declined 32% vs. prior year, due in part, to annualization of 2016 competitive events and product discontinuances; Price erosion in line with our previous expectations

U.S. Generics: 2017 Progress and Select Milestones

Operational Execution

YTD Progress & 2017 Scorecard

- 8 launches year-to-date
- 6 regulatory submissions year-to-date
- Expect >20 product launches with estimated market value: \$6bn*
- Expect to file ~20 ANDA filings
- Expect unapproved sources of ADRENALIN® to vacate the market by 2H'17
- Expect majority share of the KCl powder market

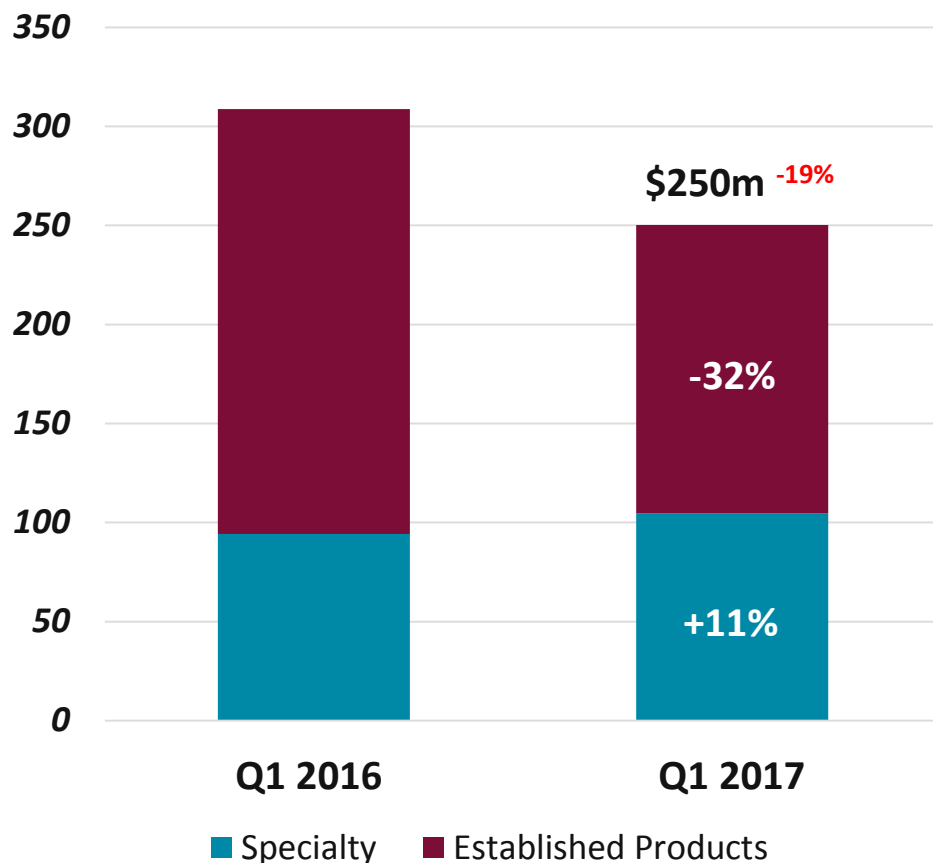
Select Potential FTF/FTM Opportunities

Pipeline & Disclosed Litigation

- **SABRIL® (vigabatrin for oral solution)** – received FDA approval – launch in 2017
- **PYLERA® (bismuth subcitrate potassium; metronidazole; tetracycline)** – settled pursuant to confidential terms
- **KUVAN® (sapropterin)** – settled for 10/01/20 date-certain launch
- **CIPRODEX® (ciprofloxacin; dexamethasone otic suspension)** – settled for a date-certain entry in 2020
- **MITIGARE® (colchicine capsules)** – settled pursuant to confidential terms
- **DEXILANT® (dexlansoprazole)** – received FDA approval – settled pursuant to confidential terms
- **ZORTRESS® (everolimus)** – favorable District Court decision
- **GATTEX® (teduglutide)** – our first ANDA filing for a polypeptide

Q1 2017 Performance: U.S. Branded Pharmaceuticals

Reported Revenues in \$ Millions



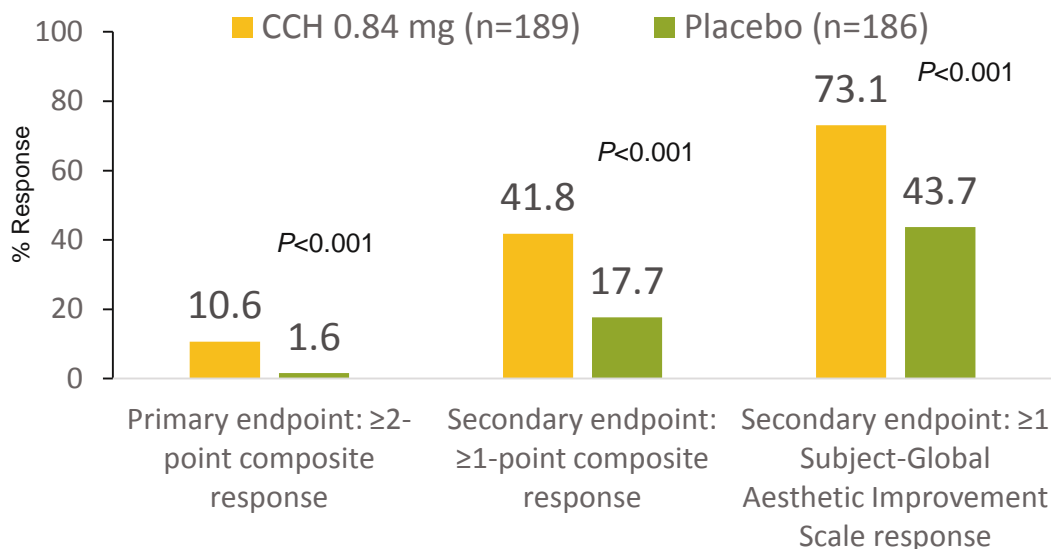
Specialty:

- +11% driven by XIAFLEX® (+12%) and SUPPRELIN® LA (+11%)
- Now expect FY'17 Specialty products to grow high-single to low-double digit
- Expect FY'17 XIAFLEX® to grow high-single to low-double digit

Established Products:

- -32% driven by Q1 2016 LOE of VOLTAREN® Gel and FROVA®, continued erosion of pain products, and the Q3 2016 divestiture of STENDRA®

Highly statistically significant positive Ph2b results in patients with Cellulite



CCH: 2-Pt Composite Response



Day 1
Pre-Treatment

Day 71
28 Days Post-Treatment

CCH: 1-Pt Composite Response



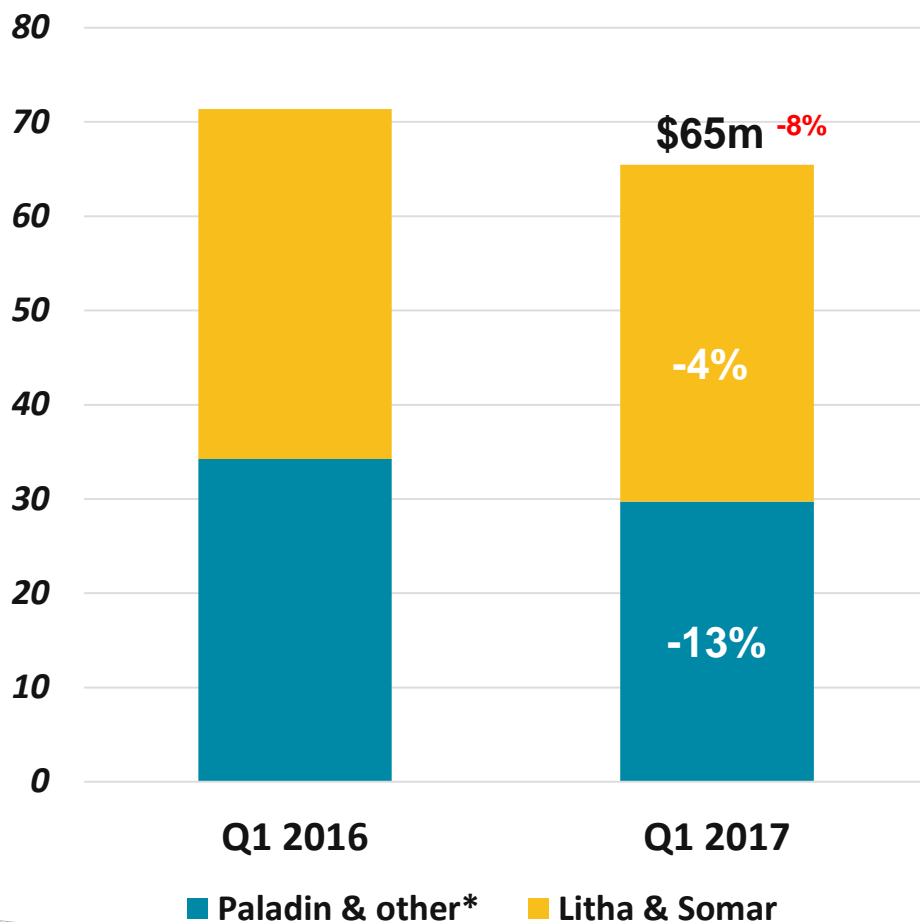
Day 1
Pre-Treatment

Day 71
28 Days Post-Treatment

- Data presented at Aesthetica Super Symposium (American Society of Plastic Surgeons) and American Academy of Dermatology (AAD)
- Plans to initiate Ph3 in 2H 2017
- Commercial assessment ongoing – we are preparing to successfully launch and commercialize XIAFLEX[®] for cellulite

Q1 2017 Performance: International Pharmaceuticals

Reported Revenues in \$ Millions



- **Paladin: Q1'17: \$26m**
 - Declined 3% - better than expected due to delayed competition on certain products
 - Expect 2017 sales to decline double-digit due to LOE, but solid gross margin in the high 50%'s
- **Litha & Somar: Q1'17: \$36m**
 - Decision to divest Litha – close expected in Q2'17
 - Due diligence progressing for potential Somar divestiture

Q1 2017: Financial Results

(Continuing Operations*)

(US \$M, except EPS)	Q1 2017		Q1 2016	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Revenue	\$1,038	\$1,038	\$964	\$964
Gross Margin	35.5%	61.1%	28.5%	59.5%
Operating Income (Loss)	(\$67)	\$437	(\$93)	\$359
(Loss) Income from Continuing Operations	(\$165)	\$275	(\$89)	\$241 ⁽¹⁾
Effective Tax Rate	6.7%	15.7%	57%	3.4% ⁽¹⁾
Diluted Income (Loss) per share	(\$0.74)	\$1.23	(\$0.40)	\$1.08 ⁽¹⁾
Weighted Average Diluted Shares Outstanding	223	223	222	223

⁽¹⁾ See FN 13 of the Non-GAAP Reconciliations in Exhibit 99.1 to the 8-K filed May 9, 2017 for the impact of the SEC's recently updated guidance on Non-GAAP measures issued in May 2016

* Continuing Operations includes Endo and Par and excludes ASTORA (formerly known as AMS Women's Health)



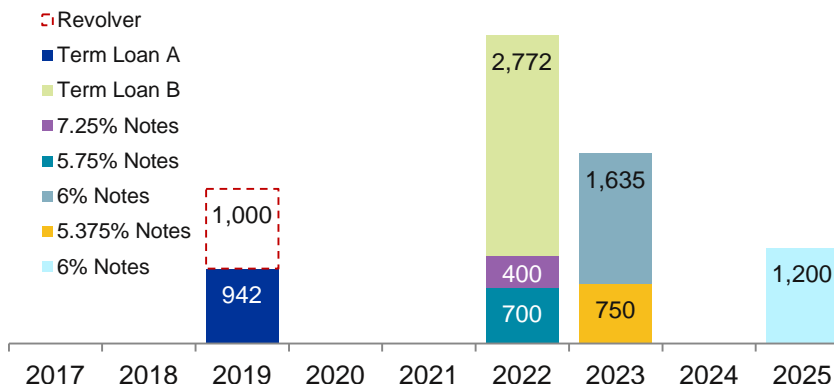
Debt Refinancing Results in Enhanced Operational Flexibility

Summary

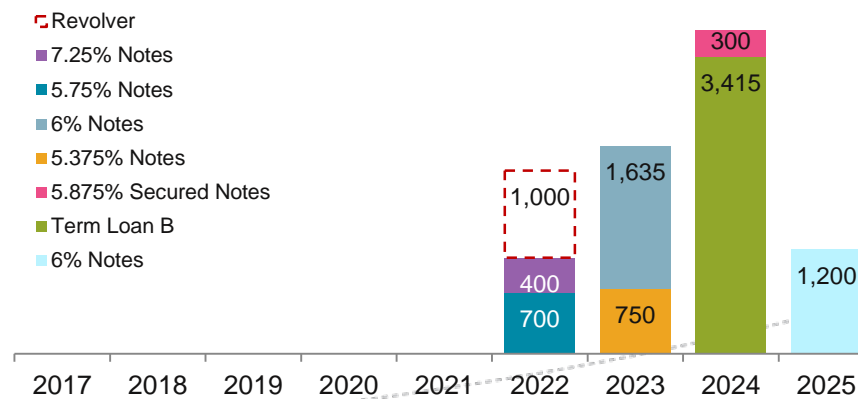
- In April 2017, Endo announced debt refinancing
 - Issued a new ~\$3.4billion 7-year covenant-lite Term Loan B (TLB) due 2024;
 - New \$1.0 billion revolving credit facility maturing in 2022;
 - \$300 million Senior Secured Notes due 2024

- Proceeds:
 - Repay Term Loan A due 2019 and TLB due 2022
 - No expected maturities before 2022 while reducing 2022 debt by approximately ~\$2.8 billion

Maturity Profile prior to Refinancing (\$ millions)



Maturity Profile after Refinancing (\$ millions)



2017 Financial Guidance (Continuing Operations*)

Measure	FY 2017 Financial Guidance
Revenue	\$3.45B - \$3.60B
Adjusted EBITDA	\$1.50B - \$1.58B
Adjusted Diluted EPS	\$3.45 - \$3.75
GAAP Diluted (Loss) per share	\$(0.80) - \$(0.50)

The Company's 2017 financial guidance is based on the following assumptions:

- Adjusted gross margin of approximately 62.5% to 63.5%
- Adjusted operating expenses as a percentage of revenues to be approximately 22.5% to 23.0%
- Adjusted interest expense of approximately \$490 million to \$500 million
- Adjusted effective tax rate of approximately 13.0% to 14.0%
- Adjusted diluted EPS and GAAP Diluted (Loss) per share from continuing operations assumes full-year adjusted diluted shares outstanding of approximately 224 million shares and 223 million shares, respectively.
- Phasing: ~52% of revenue and ~53% of adjusted diluted EPS in H1'17

Note: FY'17 net cash tax receipts of approximately \$15 million



* Continuing Operations includes Endo and Par and excludes ASTORA (formerly known as AMS Women's Health)

2017: Cash Flow Update

\$ in Millions

		FY 2017 Guidance	
	Q1 2017	Low	High
Adjusted EBITDA Range	\$478	\$1,500	\$1,580
Cash Interest	(\$177)	~(\$465)	
Changes in Working Capital and Other Assets & Liabilities	\$168	\$200	
Cash Taxes, net refund (payments)	\$2	~\$15	
Milestone/Commercial Payments	(\$3)	~(\$40)	
Restructuring and Integration Related Costs ^[1]	(\$38)	~(\$80)	
Cash Flow from Operations – Pre-Mesh and Other Settlements	\$429	~\$1,130	~\$1,210
Non-Mesh Settlement Payments ^[2]	(\$10)	~(\$50)	
Cash Distributions to Settle Mesh Claims and Related Legal Expenses ^[3]	(\$252)	~(\$975)	
Cash Flow from Operations	\$168	~\$105	~\$185
Change in Restricted Cash	\$4	~\$270	
Capital Expenditures	(\$27)	~(\$130)	
Other ^[4]	(\$8)	~(\$45)	
Cash Flow Prior to Debt Payments^[5]	\$137	~\$200	~\$280

Cash into the QSF and paid mesh legal expenses: Q1 '17 \$248 FY '17 \$705M

^[1] FY '17 Guidance includes restructuring and integration related costs of ~\$30M of restructuring expenses related primarily to the Pain/Branded Restructuring, ~\$20M of Severance costs related to the Corporate and R&D restructuring, ~\$20M in restructuring costs related to the Generics restructuring and rationalization, ~\$10M in costs associated with the shutdown of the ASTORA Women's Health

^[2] "Non-Mesh Settlement Payments" represent additional legal settlements and expenses that Endo paid in Q1 '17 and expects to pay in FY '17

^[3] "Cash Distributions to Settle Mesh Claims and Related Legal Expenses" for Q1 '17 and FY '17 represents direct payments and payments from Qualified Settlement Funds to settle mesh product liabilities, as well as mesh related legal expenses

^[4] "Other" FY'17 includes proceeds from the divestiture of Litha Products and the Charlotte manufacturing facility, as well as contingent consideration payments

^[5] Q1 "Cash Flow Prior to Debt Payments" includes \$8.6M related to Litha, which is classified as "Movement in cash held for sale" on the Statement of Cash Flows



Q&A



Appendix



Cash Conversion Cycle

We use days sales outstanding (DSO), days inventory outstanding (DIO) and days payable outstanding (DPO), the sum of which is the cash conversion cycle, to evaluate our working capital performance. The following table summarizes the details of the financial metrics used to calculate these working capital performance statistics for the quarters ended March 31, 2017, December 31, 2016 and December 31, 2015 (in thousands except for ratios):

	March 31, 2017	December 31, 2016	December 31, 2015
Total Revenue	\$ 1,037,600	\$ 1,241,513	\$ 1,073,697
DSO:			
Accounts Receivable, net of allowance	\$ 689,602	\$ 992,153	\$ 1,014,808
Less: Returns and allowances	(321,408)	(332,455)	(356,932)
Accounts Receivable, adjusted for non-cash items	<u>\$ 368,194</u>	<u>\$ 659,698</u>	<u>\$ 657,876</u>
Total revenues per day	\$ 11,529	\$ 13,495	\$ 11,671
DSO	32	49	56
DIO:			
Inventories, net	\$ 549,138	\$ 555,671	\$ 752,493
Plus: Long-term inventory	24,923	22,705	24,891
Less: Inventory step-up	(538)	(652)	(111,190)
Inventory, adjusted for long-term and non-cash items	<u>\$ 573,523</u>	<u>\$ 577,724</u>	<u>\$ 666,194</u>
Total revenues per day	\$ 11,529	\$ 13,495	\$ 11,671
DIO	50	43	57
DPO:			
Trade Accounts Payable	\$ 97,681	\$ 126,712	\$ 146,450
Plus: Accrued Royalties and Partner Payables	130,380	191,433	138,622
Plus: Accrued Rebates and Chargebacks paid in cash	235,590	260,798	350,479
Trade Accounts Payable, adjusted for royalties and rebates	<u>\$ 463,651</u>	<u>\$ 578,943</u>	<u>\$ 635,551</u>
Total revenues per day	\$ 11,529	\$ 13,495	\$ 11,671
DPO	40	43	54
Cash Conversion Cycle	<u>42</u>	<u>49</u>	<u>59</u>

Reconciliation of Non-GAAP Measures

The following table provides a reconciliation of Net loss attributable to Endo International plc (GAAP) to Adjusted EBITDA (non-GAAP) for the three months ended March 31, 2017 and 2016 (in thousands):

	Three Months Ended March 31,	
	2017	2016
Net loss attributable to Endo International plc (GAAP)	\$ (173,828)	\$ (133,869)
Income tax benefit	(11,928)	(118,715)
Interest expense, net	111,999	116,793
Depreciation and amortization (17)	284,109	233,434
EBITDA (non-GAAP)	\$ 210,352	\$ 97,643
Inventory step-up and other cost savings (2)	\$ 115	\$ 68,476
Upfront and milestone-related payments (3)	3,095	1,417
Inventory reserve increase from restructuring (4)	—	26,927
Royalty obligations (5)	—	(7,750)
Separation benefits and other restructuring (6)	22,670	11,529
Charges for litigation and other legal matters (7)	936	5,200
Asset impairment charges (8)	203,962	129,625
Acquisition-related and integration costs (9)	4,696	23,228
Fair value of contingent consideration (10)	6,184	(10,674)
Share-based compensation	19,493	14,317
Other income, net (18)	(2,037)	(1,907)
Other adjustments	97	(7,178)
Discontinued operations, net of tax (14)	8,405	45,108
Net income attributable to noncontrolling interests (15)	—	(2)
Adjusted EBITDA (non-GAAP)	\$ 477,968	\$ 395,959

Reconciliation of Non-GAAP Measures

Three Months Ended March 31, 2017

	Total revenues	Cost of revenues	Gross margin	Gross margin %	Total operating expenses	Operating expense to revenue %	Operating (loss) income from continuing operations	Operating margin %	Other non-operating expense, net	(Loss) income from continuing operations before income tax	Income tax (benefit) expense	Effective tax rate	(Loss) income from continuing operations	Discontinued operations, net of tax	Net (loss) income attributable to Endo International plc (15)	Diluted (loss) income per share from continuing operations (16)
Reported (GAAP)	\$1,037,600	\$ 668,962	\$ 368,638	36%	\$ 436,027	42%	\$ (67,389)	(6)%	\$ 109,962	\$ (177,351)	\$ (11,928)	7%	\$ (165,423)	\$ (8,405)	\$ (173,828)	\$ (0.74)
Items impacting comparability:																
Amortization of intangible assets (1)	—	(263,134)	263,134		—		263,134		—	263,134	—		263,134	—	263,134	1.18
Inventory step-up and other cost savings (2)	—	(115)	115		—		115		—	115	—		115	—	115	—
Upfront and milestone-related payments (3)	—	(669)	669		(2,426)		3,095		—	3,095	—		3,095	—	3,095	0.01
Separation benefits and other restructuring (6)	—	(1,661)	1,661		(21,009)		22,670		—	22,670	—		22,670	—	22,670	0.10
Charges for litigation and other legal matters (7)	—	—	—		(936)		936		—	936	—		936	—	936	—
Asset impairment charges (8)	—	—	—		(203,962)		203,962		—	203,962	—		203,962	—	203,962	0.91
Acquisition-related and integration costs (9)	—	—	—		(4,696)		4,696		—	4,696	—		4,696	—	4,696	0.02
Fair value of contingent consideration (10)	—	—	—		(6,184)		6,184		—	6,184	—		6,184	—	6,184	0.03
Other (12)	—	—	—		—		—		935	(935)	—		(935)	—	(935)	—
Tax adjustments (13)	—	—	—		—		—		—	—	63,189		(63,189)	—	(63,189)	(0.28)
Exclude discontinued operations, net of tax (14)	—	—	—		—		—		—	—	—		—	8,405	8,405	—
After considering items (non-GAAP)	<u>\$1,037,600</u>	<u>\$ 403,383</u>	<u>\$ 634,217</u>	<u>61%</u>	<u>\$ 196,814</u>	<u>19%</u>	<u>\$ 437,403</u>	<u>42%</u>	<u>\$ 110,897</u>	<u>\$ 326,506</u>	<u>\$ 51,261</u>	<u>16%</u>	<u>\$ 275,245</u>	<u>\$ —</u>	<u>\$ 275,245</u>	<u>\$ 1.23</u>

Reconciliation of Non-GAAP Measures

Three Months Ended March 31, 2016

	Total revenues	Cost of revenues	Gross margin	Gross margin %	Total operating expenses	Operating expense to revenue %	Operating (loss) income from continuing operations	Operating margin %	Other non-operating expense, net	(Loss) income from continuing operations before income tax	Income tax (benefit) expense	Effective tax rate	(Loss) income from continuing operations	Discontinued operations, net of tax	Net (loss) income attributable to Endo International plc (15)	Diluted (loss) income per share from continuing operations (16)
Reported (GAAP)	\$ 963,539	\$ 688,705	\$ 274,834	29%	\$ 367,426	38%	\$ (92,592)	(10)%	\$ 114,886	\$ (207,478)	\$ (118,715)	57%	\$ (88,763)	\$ (45,108)	\$ (133,869)	\$ (0.40)
Items impacting comparability:																
Amortization of intangible assets (1)	—	(211,669)	211,669		—		211,669		—	211,669	—		211,669	—	211,669	0.96
Inventory step-up and other cost savings (2)	—	(67,126)	67,126		(1,350)		68,476		—	68,476	—		68,476	—	68,476	0.31
Upfront and milestone-related payments (3)	—	(667)	667		(750)		1,417		—	1,417	—		1,417	—	1,417	0.01
Inventory reserve increase from restructuring (4)	—	(26,927)	26,927		—		26,927		—	26,927	—		26,927	—	26,927	0.12
Royalty obligations (5)	—	7,750	(7,750)		—		(7,750)		—	(7,750)	—		(7,750)	—	(7,750)	(0.03)
Separation benefits and other restructuring (6)	—	—	—		(11,529)		11,529		—	11,529	—		11,529	—	11,529	0.05
Charges for litigation and other legal matters (7)	—	—	—		(5,200)		5,200		—	5,200	—		5,200	—	5,200	0.02
Asset impairment charges (8)	—	—	—		(129,625)		129,625		—	129,625	—		129,625	—	129,625	0.58
Acquisition-related and integration costs (9)	—	—	—		(23,228)		23,228		—	23,228	—		23,228	—	23,228	0.10
Fair value of contingent consideration (10)	—	—	—		10,674		(10,674)		—	(10,674)	—		(10,674)	—	(10,674)	(0.05)
Non-cash and penalty interest charges (11)	—	—	—		—		—		(4,092)	4,092	—		4,092	—	4,092	0.02
Other (12)	—	—	—		8,350		(8,350)		(1,319)	(7,031)	—		(7,031)	—	(7,031)	(0.03)
Tax adjustments (13)	—	—	—		—		—		—	—	127,214		(127,214)	—	(127,214)	(0.58)
Exclude discontinued operations, net of tax (14)	—	—	—		—		—		—	—	—		—	45,108	45,108	—
After considering items (non-GAAP)	\$ 963,539	\$ 390,066	\$ 573,473	60%	\$ 214,768	22%	\$ 358,705	37%	\$ 109,475	\$ 249,230	\$ 8,499	3%	\$ 240,731	\$ —	\$ 240,733	\$ 1.08

Reconciliation of Non-GAAP Measures

Notes to certain line items included in the reconciliations of the GAAP financial measures to the Non-GAAP financial measures for the three months ended March 31, 2017 and 2016 are as follows:

- (1) Adjustments for amortization of commercial intangible assets included the following:

	Three Months Ended March 31,	
	2017	2016
Amortization of intangible assets excluding fair value step-up from contingent consideration	\$ 252,889	\$ 203,380
Amortization of intangible assets related to fair value step-up from contingent consideration	10,245	8,289
Total	\$ 263,134	\$ 211,669

- (2) Adjustments for inventory step-up and other cost savings included the following:

	Three Months Ended March 31,			
	2017		2016	
	Cost of revenues	Operating expenses	Cost of revenues	Operating expenses
Fair value step-up of inventory sold	\$ 115	\$ —	\$ 61,370	\$ 957
Excess manufacturing costs that will be eliminated pursuant to integration plans	—	—	5,756	393
Total	\$ 115	\$ —	\$ 67,126	\$ 1,350

- (3) Adjustments for upfront and milestone-related payments to partners included the following:

	Three Months Ended March 31,			
	2017		2016	
	Cost of revenues	Operating expenses	Cost of revenues	Operating expenses
Sales-based milestones	\$ 669	\$ —	\$ 667	\$ —
Development-based milestones	—	2,426	—	750
Total	\$ 669	\$ 2,426	\$ 667	\$ 750

- (4) To exclude charges reflecting adjustments to excess inventory reserves related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative during the three months ended March 31, 2016.

- (5) To adjust for the reversal of the remaining Voltaren® Gel minimum royalty obligations as a result of a generic entrant during the three months ended March 31, 2016.

- (6) Adjustments for separation benefits and other restructuring included the following:

	Three Months Ended March 31,			
	2017		2016	
	Cost of revenues	Operating expenses	Cost of revenues	Operating expenses
Separation benefits	\$ 1,661	\$ 19,127	\$ —	\$ 6,759
Accelerated depreciation and product discontinuation	—	398	—	4,369
Other	—	1,484	—	401
Total	\$ 1,661	\$ 21,009	\$ —	\$ 11,529

- (7) To exclude litigation settlement charges or reimbursements.

- (8) To exclude goodwill and intangible asset impairment charges. During the three months ended March 31, 2017, we recorded total impairment charges of \$204 million. Pursuant to an existing agreement with Novartis AG, Endo's subsidiary, Paladin Labs Inc., licensed the Canadian rights to commercialize serelaxin, an investigational drug for the treatment of acute heart failure (AHF). On March 22, 2017, Novartis announced that a Phase III study of serelaxin in patients with AHF failed to meet its primary endpoints. As a result, Endo has concluded that its serelaxin in-process research and development intangible asset is fully impaired resulting in a \$45 million non-cash impairment charge. As a result of the serelaxin intangible impairment, Endo assessed the recoverability of its Paladin goodwill balance and determined that the estimated fair value of the Paladin reporting unit was below its book value, resulting in a non-cash goodwill impairment charge of \$83 million. The remaining charges were the result of certain market conditions impacting the recoverability of developed technology intangible assets in Endo's U.S. Generic Pharmaceuticals segment, resulting in non-cash asset impairment charges of \$73 million.

- (9) Adjustments for acquisition and integration items primarily relate to various acquisitions, including Par Pharmaceuticals, included the following:

	Three Months Ended March 31,	
	2017	2016
Integration costs (primarily third-party consulting fees)	\$ 2,243	\$ 12,455
Transition services	—	4,849
Other	2,453	5,924
Total	\$ 4,696	\$ 23,228

- (10) To exclude the impact of changes in the fair value of contingent consideration resulting from changes in market conditions impacting the commercial potential of the underlying products.

- (11) To exclude penalty interest charges during the three months ended March 31, 2016.

- (12) Adjustments to other included the following:

	Three Months Ended March 31,			
	2017		2016	
	Operating expenses	Other non-operating expenses	Operating expenses	Other non-operating expenses
Foreign currency impact related to the re-measurement of intercompany debt instruments	\$ —	\$ (2,694)	\$ —	\$ 1,255
Other miscellaneous	—	1,759	(8,350)	64
Total	\$ —	\$ (935)	\$ (8,350)	\$ 1,319

- (13) Adjusted income taxes are calculated by tax effecting adjusted pre-tax income and permanent book-tax differences at the applicable effective tax rate that will be determined by reference to statutory tax rates in the relevant jurisdictions in which the Company operates. Adjusted income taxes include current and deferred income tax expense commensurate with the non-GAAP measure of profitability.

Separately, as a result of the SEC's guidance on Non-GAAP measures issued in May 2016, Endo is no longer excluding the non-cash deferred tax expense associated with acquired attributes in our adjusted income tax expense. This change has no impact on Endo's historic or forward looking GAAP tax or cash tax profile. The following table presents the impact of our change in policy as of the second quarter of 2016 on Adjusted Diluted EPS from Continuing Operations for the three months ended March 31, 2016:

	Three Months Ended March 31, 2016
Adjusted Diluted EPS from Continuing Operations - As Previously Reported	\$ 1.08
Amount attributable to the change in approach to Non-GAAP income taxes	(0.16)
Adjusted Diluted EPS from Continuing Operations - As Revised	\$ 0.92

- (14) To exclude the results of the businesses reported as discontinued operations, net of tax in the Condensed Consolidated Statement of Operations.

- (15) To exclude Net loss attributable to noncontrolling interests of \$2 for the three months ended March 31, 2016.

- (16) Calculated as income (loss) from continuing operations divided by the applicable weighted average share number. The applicable weighted average share number for the three months ended March 31, 2017 is 223,014 and 223,335 for the GAAP and non-GAAP EPS calculations, respectively. The applicable weighted average share number for the three months ended March 31, 2016 is 222,302 and 223,180 for the GAAP EPS and non-GAAP EPS calculations, respectively.

- (17) Depreciation and amortization per the Adjusted EBITDA reconciliations do not include certain depreciation amounts reflected in other lines of the reconciliations, including Acquisition-related and integration costs and Separation benefits and other restructuring.

- (18) To exclude Other income, net per the Condensed Consolidated Statement of Operations.

Endo International plc

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