Endo International plc

Q3 2019
Earnings Report

November 5, 2019

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Forward Looking Statements; Non-GAAP Financial Measures

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Today's Agenda

- Overview
- Q3 2019 Segment Results
- Milestones and Pipeline
- 2019 Financial Guidance
- Q&A

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Overview

- During the quarter, continued strong growth in Branded Pharmaceuticals - Specialty portfolio (+18% year-over-year) and Sterile Injectables (+11% year-over-year). This was led by our XIAFLEX®, VASOSTRICT® and APLISOL® products
- Q3’19 enterprise revenues of $729 million and adjusted EBITDA of $321 million were in-line with expectations
- Updating full-year 2019 guidance, narrowing expected ranges for revenue, adjusted diluted net income per share from continuing operations and adjusted EBITDA
- Settled MDL Track 1 opioid cases for $10 million and up to $1 million of products

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Q3 2019 Snapshot

Revenue (US $M)	Q3 2019	Q3 2018
Branded Pharmaceuticals	$217	$220
Sterile Injectables	$264	$237
Generic Pharmaceuticals	$218	$258
International Pharmaceuticals	$ 30	$ 30
Total	**$729**	**$745**
Adjusted EBITDA	**$321**	**$328**

Table may not total due to rounding

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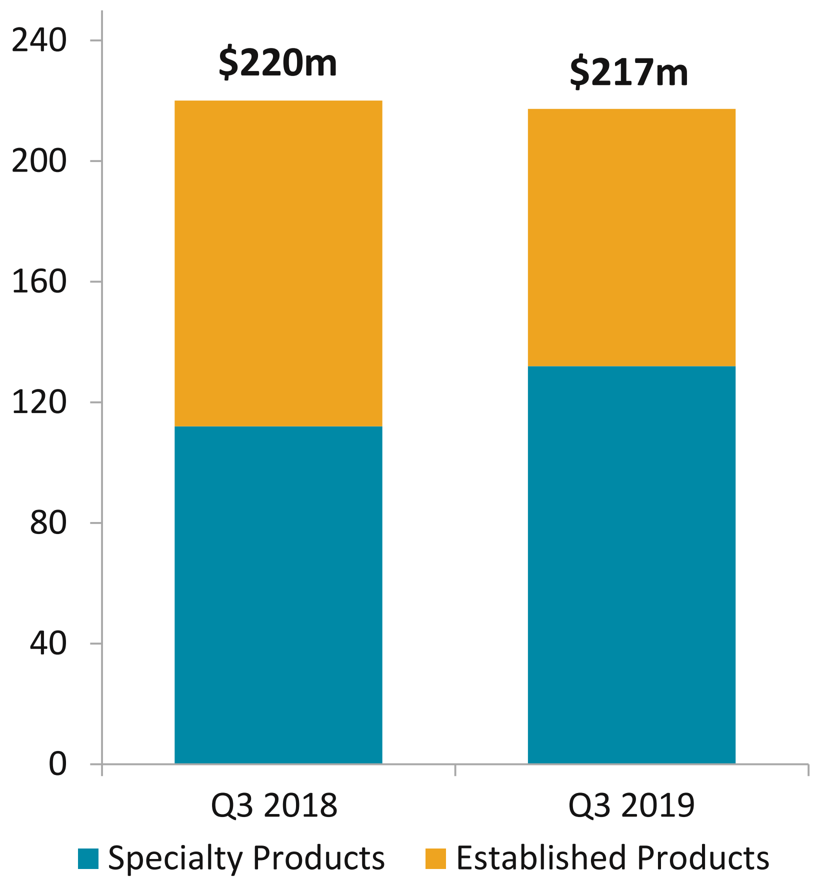
Q3 2019 Performance: Branded Pharmaceuticals

Reported Revenues in $ Millions



Specialty Products

- 18% Y-o-Y growth in Specialty Products
  - 29% XIAFLEX® Y-o-Y growth
- Now expect FY’19 Specialty Products revenue growth of mid teens percentage range (vs. low double digit percentage range before)
- Now expect FY’19 XIAFLEX® growth to be approximately 20 percent (vs. mid to high teens percentage range before)

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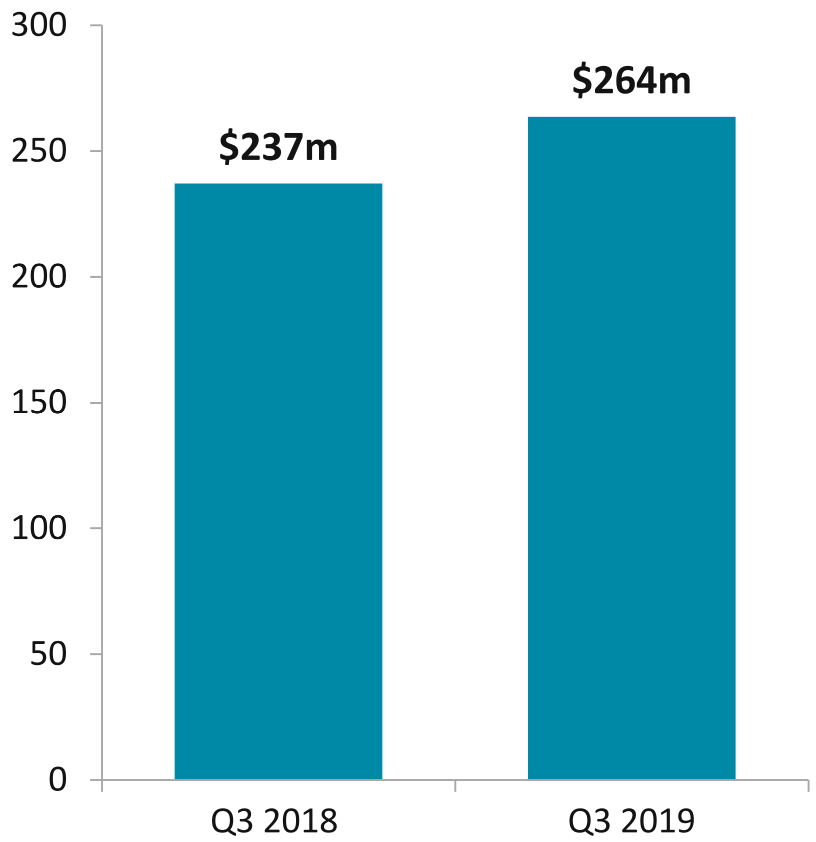
Q3 2019 Performance: Sterile Injectables

Reported Revenues in $ Millions



Sterile Products

- 11% Y-o-Y growth reflects VASOSTRICT®, ADRENALIN® and APLISOL® increases
  - 15% VASOSTRICT® Y-o-Y growth
  - 14% ADRENALIN® Y-o-Y growth
  - 76% APLISOL® Y-o-Y growth due to non-recurring wholesalers' restocking following temporary supply shortage
- Continue to expect FY'19 Sterile Injectables revenues to grow in the high single to low double digit percentage range
- Continue to expect FY'19 VASOSTRICT® revenues to grow by low double digit percentage

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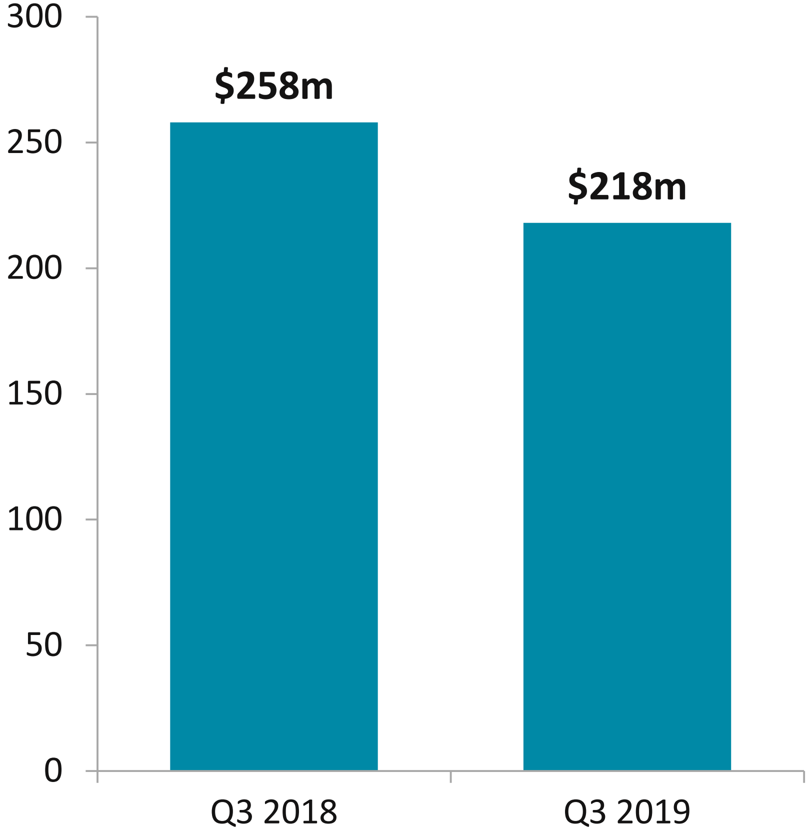
Q3 2019 Performance: Generic Pharmaceuticals

Reported Revenues in $ Millions



Generics

- Decrease in revenue primarily attributable to anticipated competitive pressures
- Partially offsetting the decrease was the benefit of product launches including, among others, colchicine tablets
  - Colchicine 3Q'19 revenues of $48m
- Continue to expect FY'19 Generic Pharmaceuticals revenues to decline by mid to high teens percentage range

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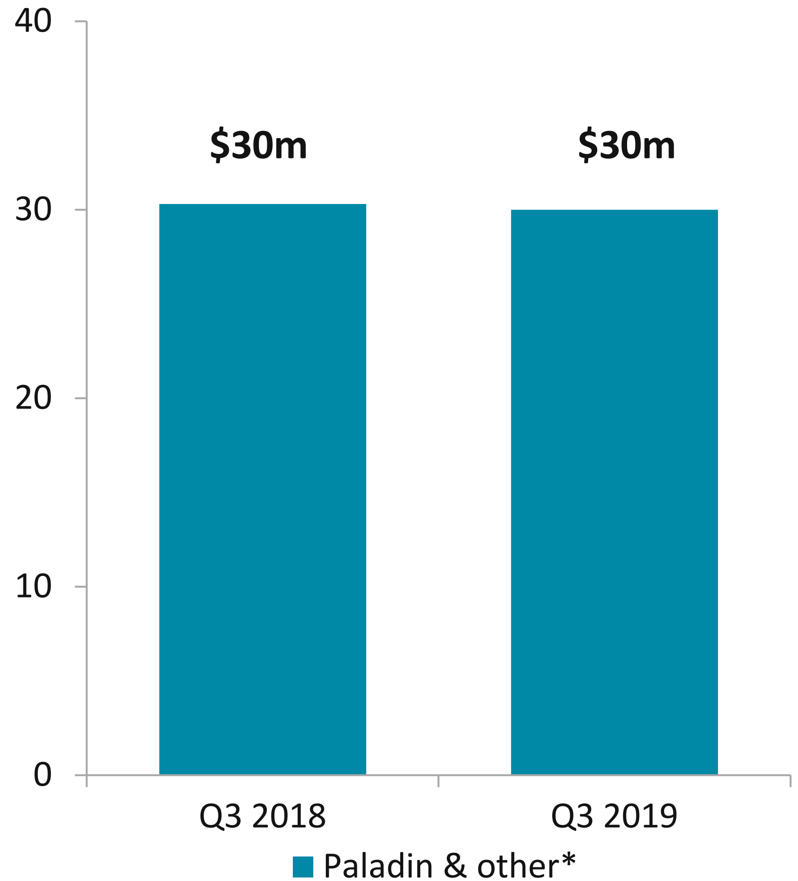
Q3 2019 Performance: International Pharmaceuticals

Reported Revenues in $ Millions



* Includes sales from Endo Ventures Limited and Par UK

International

- Q3’19 performance broadly in line with prior year performance due to delayed generic competition
- Continue to expect FY’19 International Pharmaceuticals revenues to decline by ~20%

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Milestones and Pipeline

- Submitted CCH for Cellulite BLA to U.S. FDA in September 2019
- Expect ~15 Sterile, Generic and International launches in 2019
- Launched 11 products year to date
- Expect 1st Nevakar launch in late 2020

Pipeline & Select FTF/FTM Settlements Estimated Launches late ’19 and beyond

~65 ANDAs Filed w/FDA

~1/2 ANDA’s FTF/FTM

~55 Projects in Development

Opportunistic Business Development

Product	FY’18 IQVIA/Brand Sales	Settlement
DEXILANT® (dexlansoprazole)	~$1,200m	Confidential terms
AFINITOR® (everolimus)	~$800m	Confidential terms
AMITIZA® (lubiprostone)	~$500m	Q1 2021
CIPRODEX® (ciprofloxacin; dexamethasone otic suspension)	~$470m	2020
KUVAN® (sapropterin)	~$433m	Q4 2020
GATTEX® (teduglutide)*	~$350m	Confidential terms

*GATTEX® LTM brand sales as of 6/30/18

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Q3 2019: Financial Results (Continuing Operations*)

(USD, $, and Shares in millions)	US GAAP		Non-GAAP	
	Q3 ’19	Q3 ’18	Q3 ’19	Q3 ’18
Total Revenues, net	$729	$745	$729	$745
Gross Margin %	46.6%	44.6%	64.9%	66.9%
Operating Income (loss)	$129	($13)	$294	$299
(Loss) Income	($41)	($146)	$138	$165
Effective Tax Rate	72.1%	(2.1%)	11.2%	3.1%
Diluted Net (Loss) Income per Share	($0.18)	($0.65)	$0.60	$0.71
Weighted Average Diluted Shares Outstanding	227	224	231	232

* Continuing Operations excludes ASTORA (formerly known as AMS Women’s Health)

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2019 Financial Guidance - Updated (Continuing Operations*)

Measure	Current (Aug'19)	Updated (Nov'19)
Total Revenues, net	$2.76B – $2.96B	$2.86B – $2.89B
Adjusted EBITDA	$1.24B – $1.34B	$1.26B – $1.30B
Adjusted Diluted Net Income per Share	$2.00 – $2.25	$2.10 – $2.25

The Company's 2019 Updated Financial Guidance is Based on the Following Assumptions:

- Adjusted gross margin of approximately 64.7% to 65.7% (prev. 65.0% to 66.0%)
- Adjusted operating expenses as a percentage of revenue to be approximately 25.0% (prev. 24.5% to 25.0%)
- Adjusted interest expense of approximately $540 million (prev. $550 million to $560 million)
- Adjusted effective tax rate of approximately 16.5% (prev. 17.5% to 18.5%)
- Full-year adjusted diluted shares outstanding of approximately 234 million

* Continuing Operations excludes ASTORA (formerly known as AMS Women's Health)

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2019 Segment Guidance

Segment	YOY % Change in Revenues	Adjusted Gross Margin %
Branded Pharmaceuticals	Flat to Low single digit growth	Low 80's
Sterile Injectables	High single to low double digit growth	High 70's
Generic Pharmaceuticals	Mid to High teens decline	Low to mid 30's
International Pharmaceuticals	~ 20% decline	Low 50's

The Company's 2019 Segment Guidance is Based on the Following Assumptions:

- Branded Specialty Product Portfolio revenues expected to grow mid teens percentage (vs. low double digit percentage before)
- XIAFLEX® revenues expected to grow approximately 20 percent (vs. mid to high teens percentage before)
- VASOSTRICT ® revenues expected to grow low double digit percentage

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2019 Unrestricted Cash Flow Prior to Debt Payments

US $M	Q3'19 YTD	FY 2019 Guidance (Updated)		FY 2019 Guidance (Prior)	
	Actual	Low	High	Low	High
Adjusted EBITDA Range	**$963**	**$1,260**	**$1,300**	**$1,240**	**$1,340**
Cash Interest	($437)	*~($560)*		*~($560)*	
Changes in Net Working Capital[1]	($13)	*~($70)*		*~($70)*	
Changes in Other Assets and Liabilities	($3)	*~($20)*		*~($20)*	
Contingent Consideration	($19)	*~($25)*		*~($25)*	
Cash Taxes, net refund (payments)	($3)	*~($10)*		*~($10)*	
Milestone/Commercial Payments	($4)	*~($25)*		*~($25)*	
Restructuring and Other[5]	($17)	*~($20)*		*~($20)*	
Cash Flow from Operations – Pre-Mesh and Other Settlements	**$467**	**~$530**	**~$570**	**~$510**	**~$610**
Non-Mesh Settlement Payments, net[2]	($48)	*~($120)*		*~($120)*	
Cash Distributions to Settle Mesh Claims[3]	($300)	*~($400)*		*~($500)*	
Cash Flow from Operations	**$119**	**~$10**	**~$50**	**~($110)**	**~($10)**
Change in Restricted Cash - Mesh Related	$79	*~$100*		*~$40*	
Capital Expenditures	($51)	*~($95)*		*~($95)*	
Other[4]	($26)	*~($35)*		*~($35)*	
Borrowings from Revolving Credit Facility	$300	*~$300*		*~$300*	
Unrestricted Cash Flow Prior to Debt Payments	**$421**	**~$280**	**~$320**	**~$100**	**~$200**

Cash into the mesh QSF and paid mesh legal expenses:
YTD Q3'19: (~$221M)
FY'19: Updated Guidance (~$300M)

[1] "Changes in Net Working Capital" defined as changes in Accounts Receivable adjusted for non-cash items, plus changes in Inventory adjusted for long-term and non-cash items, less changes in Accounts Payable adjusted for Royalties and Rebates (additional detail available in earnings release.

[2] "Non-Mesh Settlement Payments" represent legal settlements that Endo paid YTD Q3 2019 and expects to be paid during in remainder of 2019.

[3] "Cash Distributions to Settle Mesh Claims" represents expected direct payments and payments from Qualified Settlement Funds to settle mesh product liabilities, as well as mesh related legal expenses.

[4] "Other" includes contingent consideration for certain products, financing fees, and certain other items.

[5] "Restructuring and Other" includes restructuring and other non-recurring projects.

Table may not total due to rounding

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Our Strategic Priorities

1
Reshape our Organization for Success

- **Simplify** our business through process and technology enhancements
- **Drive** productivity improvements
- **Leverage** the new Endo Culture to develop, retain and attract top talent

2
Build Our Portfolio and Capabilities for the Future

- **Expand** the breadth of our Sterile Injectables portfolio
- **Invest** in the continued growth of our highly focused Specialty portfolio
- **Strengthen** our Generics business portfolio and profile for the future
- **Execute** to flawlessly bring the first injectable treatment for cellulite to market

3
Drive Margin Expansion and De-Lever

- **Drive** EBITDA margin improvements through operational execution and continuous improvements
- **De-lever** 3-4x range over time; committed to a highly disciplined capital allocation approach
- **Accelerate** return to EBITDA dollar growth through smart business development

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Q&A

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Appendix

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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 September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018, and September 30, 2018 (in thousands except for ratios):

		Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018
	Total Revenue	**$ 729,426**	**$ 699,727**	**$ 720,411**	**$ 786,389**	**$ 745,466**
DSO	•Accounts Receivable, net of allowance	$ 420,195	$ 442,078	$ 487,974	$ 470,570	$ 467,156
	•Less: Returns and allowances	$ (208,264)	$ (217,902)	$ (223,156)	$ (236,946)	$ (250,637)
	Accounts Receivable, adjusted for non-cash items	$ 211,931	$ 224,176	$ 264,818	$ 233,624	$ 216,519
	Total revenues per day	*$ 7,929*	*$ 7,689*	*$ 8,005*	*$ 8,548*	*$ 8,103*
	DSO	**27**	**29**	**33**	**27**	**27**
DIO	•Inventories, net	$ 338,513	$ 335,890	$ 331,391	$ 322,179	$ 332,787
	•Plus: Long-term inventory	$ 23,680	$ 22,877	$ 9,853	$ 8,114	$ 13,306
	•Less: Inventory step-up	$ -	$ -	$ -	$ -	$ (71)
	Inventory, adjusted for long-term and non-cash items	$ 362,193	$ 358,767	$ 341,244	$ 330,293	$ 346,022
	Total revenues per day	*$ 7,929*	*$ 7,689*	*$ 8,005*	*$ 8,548*	*$ 8,103*
	DIO	**46**	**47**	**43**	**39**	**43**
DPO	•Trade Accounts Payable	$ 110,074	$ 120,366	$ 97,592	$ 96,024	$ 106,321
	•Plus: Accrued Royalties and Partner Payables	$ 111,347	$ 106,305	$ 103,649	$ 122,028	$ 103,673
	•Plus: Accrued Rebates and Chargebacks paid in cash	$ 141,762	$ 125,752	$ 121,139	$ 147,831	$ 154,319
	Trade Accounts Payable, adjusted for royalties and rebates	$ 363,183	$ 352,423	$ 322,380	$ 365,883	$ 364,313
	Total revenues per day	*$ 7,929*	*$ 7,689*	*$ 8,005*	*$ 8,548*	*$ 8,103*
	DPO	**46**	**46**	**40**	**43**	**45**
	Cash Conversion Cycle	**27**	**30**	**35**	**23**	**24**

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