Endo International plc

Q4 and Full Year 2015 Earnings Report

February 29, 2016

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Forward Looking Statements; Non-GAAP Financial Measures

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Today's Agenda

- Endo's Transformation in 2015
  - Review of Q4 and Full Year 2015 Financial Results
- Endo's Execution & Growth in 2016: Key Priorities
- 2016 Financial Guidance
- Q&A

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Endo's Transformation in 2015

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Endo's Transformation in 2015: Key Milestones Achieved

U.S. Branded Pharma

- Acquired Auxilium, revitalizing product portfolio and establishing robust, de-risked R&D pipeline
- Secured FDA approval for BELBUCA™
- Extended Voltaren® Gel licensing agreement, including Authorized Generic (AG)
- Received favorable OPANA® ER IP ruling
- Drove 4% full year underlying revenue growth

U.S. Generics

- Acquired Par Pharmaceutical, creating Top 4* U.S. generics company
  - Established critical mass in Gx product portfolio and tripled size of R&D pipeline
  - Focus on FTF / Paragraph IV, higher barrier-to-entry and alternative dosage products
- Continued to optimize generics business operations
- Drove 11% full year underlying revenue growth

Int'l

- Rebased emerging market businesses for growth
  - Focused Litha on core pharmaceutical business through product acquisitions and key divestitures
- Drove 6% full year underlying revenue growth

Corporate Structure & Strategy

- Divested AMS Men's Health business in line with specialty pharma focus
- Continued to build out and enhance Irish infrastructure
- Generated strong underlying cash flow from operations in line with expectations
  - Underlying CFO expected to approximate adj. net income, excluding mesh liability and M&A / restructuring costs
- Established basis for future double-digit organic growth and expanded margins

** Source: IMS Health December 2015 MAT; assumes TEVA acquisition of Allergan generics business*

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Strong Performance in Q4 and FY 2015 (Continuing Operations)*

(US $M except EPS)	Q4 2015	Y/Y Growth %	FY 2015	Y/Y Growth %
Revenue	$1,074	62%	$3,269	37%
Reported (GAAP) EPS	$1.97	NM	($1.52)	NM
Adjusted Net Income	$307	101%	$933	63%
Adjusted Diluted EPS	$1.36	42%	$4.66	28%

** Continuing operations includes Endo and Par and excludes AMS*

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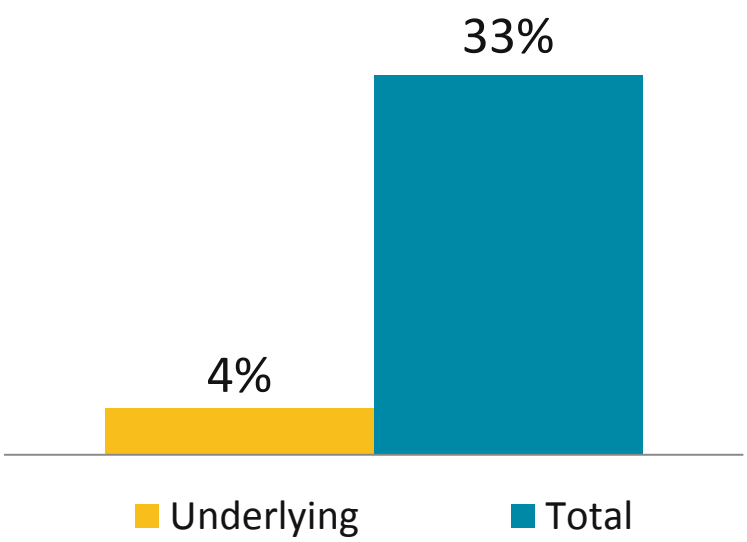
U.S. Branded Pharmaceuticals: A Rebuilt Portfolio

U.S. Branded Pharmaceuticals
FY 2015 Revenue Growth vs. PY*



***Underlying growth includes Auxilium *pro forma* results and "same store sales" for 2014 acquisitions. Underlying growth excludes LIDODERM® and Actavis Royalty.**

- Strong XIAFLEX® performance in 2015 in line with expectations
  - Grew FY2015 revenue (+35%) and demand (+37%)
  - Q4 2015 US revenue of ~$50 million (+10% YoY)
- BELBUCA™ launched in February 2016 with significantly expanded pain field force and strong patient access
- Voltaren® Gel exclusive licensing agreement extended through 2023
  - 15% YoY growth and annual sales of >$200 million for the first time in 2015
  - Includes rights to any future AG product
- Continuing support for OPANA® ER
  - Supplemental request for abuse deterrent formulation label has been submitted to and accepted by FDA

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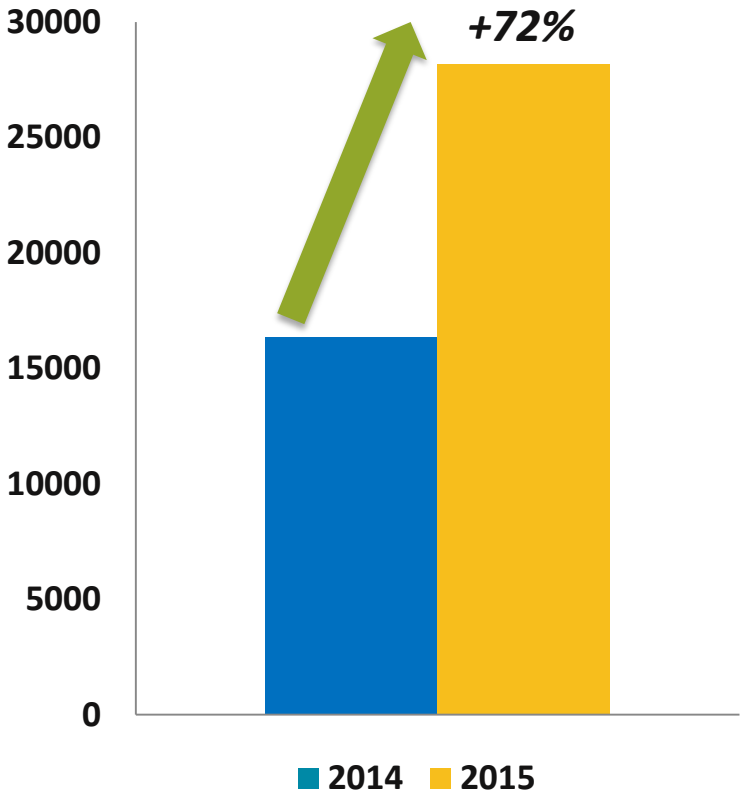
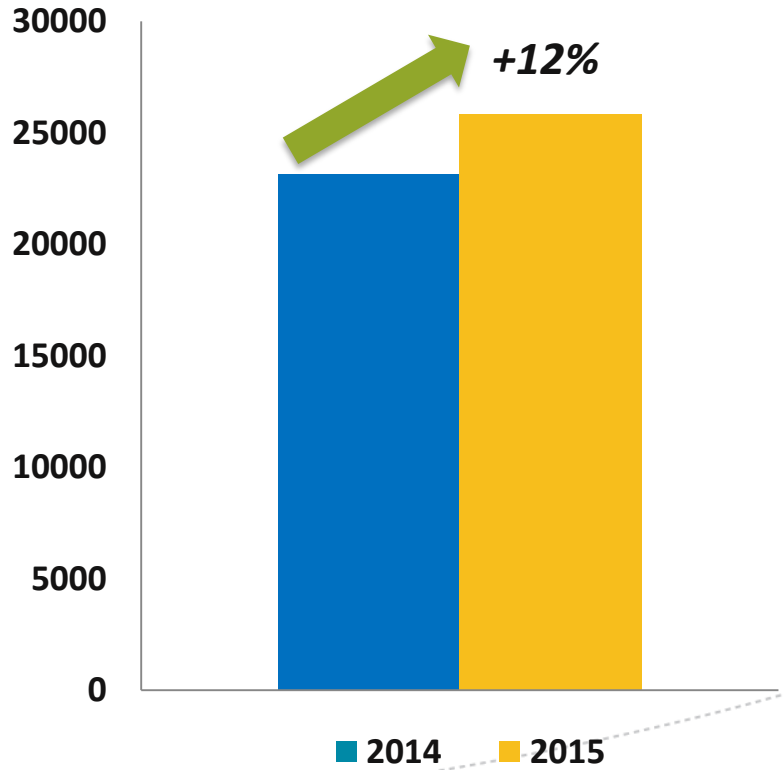
U.S. Branded Pharmaceuticals: XIAFLEX® Continues Strong Performance

Peyronie's Disease
FY2015 Demand Vials



Dupuytren's Contracture
FY2015 Demand Vials



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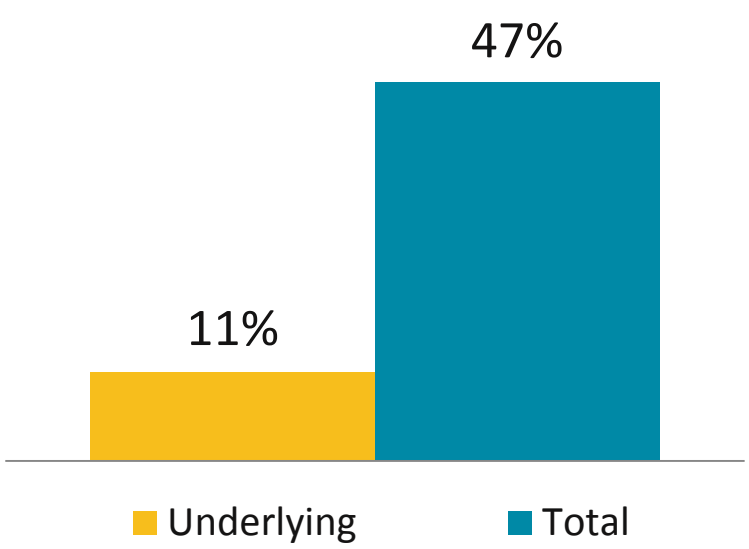
U.S. Generic Pharmaceuticals: Driving Organic Growth

U.S. Generic Pharmaceuticals
FY 2015 Revenue Growth vs. PY*



***Underlying growth includes "same store sales" for 2014 acquisitions and excludes sales of LIDODERM® AG and Legacy Par.**

- Strong legacy Par performance in Q4
  - Base business and new launch products outperformed internal expectations
- Legacy Qualitest portfolio in Q4
  - Impacted by volume loss and pricing pressure in competitive markets
  - Mild cold and flu season a factor
- Full year 11% underlying growth driven entirely by volume
- 2015 preliminary estimate shifted based on actual legacy Qualitest Q4 sales
  - Non-recurring charges
  - Higher than anticipated rebates and chargebacks
- Launched 16 generic products and filed 7 ANDAs in 2015
  - One full quarter of Par contribution
- Portfolio optimization process ongoing

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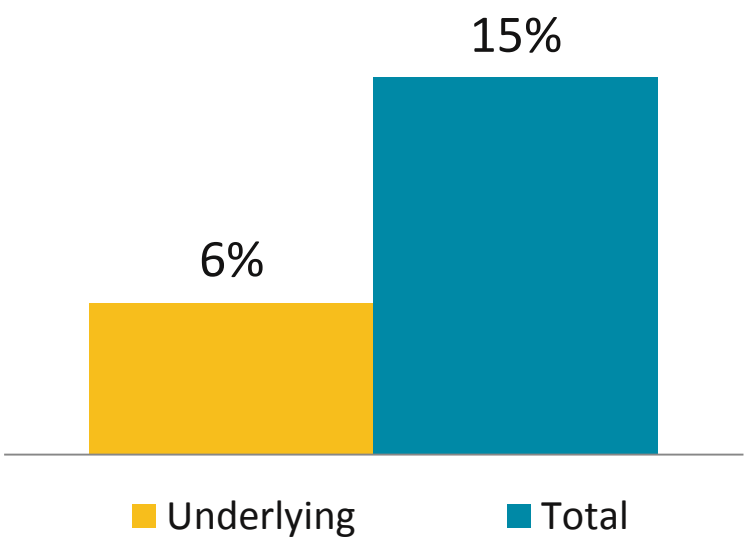
International Pharmaceuticals: Rebased Business in 2015

International Pharmaceuticals
FY 2015 Revenue Growth vs. PY*



***Underlying growth on CER basis, includes "same store sales" for Aspen acquisition and excludes Litha divested / discontinued products.**

- Paladin: solid performance
  - Supported by Antizol® and recent launches of Iclusig®and Monurol®
  - Offset by competitive entrants and expected loss of exclusivity on select products
- Somar: on-track with expectations
  - Growth driven by new products, increase in generics market and private label products
- Litha: growth driven by sharpened pharmaceuticals focus
  - Acquisition of Aspen portfolio brought in 60 new products and 70 R&D programs
  - Divestiture of non-core product lines closed in early 2016
- Reported performance impacted by stronger U.S. dollar

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Q4 and FY 2015 Segment Revenues Continue to Grow

(US $M)	Q4 2015	Y/Y Growth %	FY 2015	Y/Y Growth %
U.S. Branded Pharmaceuticals	$379	54%	$1,285	33%
U.S. Generic Pharmaceuticals	$609	81%	$1,672	47%
International Pharmaceuticals	$85	7%	$312	15%
Total	**$1,074**	**62%**	**$3,269**	**37%**

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Strong Performance in Full Year 2015 (Adjusted Continuing Operations)

(US $M)	FY 2014	FY 2015	Growth
Revenue	$2,381	3,269	37%
Gross Margin	60.8%	62.8%	198 bps
Operating Income	$919	1,343	46%
Net Income	$572	$933	63%
Effective Tax Rate	20.5%	4.1%	(1,640 bps)
EPS	$3.64	$4.66	28%

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Strong Underlying Cash Flow from Operations in 2015

($M)	Q1	Q2	Q3	Q4	2015
Reported Cash Flow from Operations	**($90)**	**$13**	**($100)**	**$239**	**$62**
Non-Core Cash Outlays & Receipts:					
Mesh Liability & Other Litigation*	$131	$265	$130	$173	$699
M&A & Financing Related Costs*	$56	$36	$156	$54	$302
Restructuring & Integration Costs*	$12	$20	$28	$13	$73
Federal Tax Refunds Received	-	-	($84)	($72)	($156)
Total:	$199	$321	$230	$168	$918
Adjusted Net Income	**$228**	**$226**	**$215**	**$306**	**$975**

** Not all inclusive; pre-tax totals; for more information and full details, please see Endo's Form 10-K*

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Q4 2015 Mesh Legal Liability Update

Mesh Liability Cash Call (Pre-Tax, $M)		
Product Liability Accrual (9/30/15)	$1,403	Initial Master Settlement Agreements (MSAs) resolving ~46,600 claims
Q4 2015 Payments from QSF	($151)	
Additional Product Liability Accrual (Q4 2015)	$834	$834 accrual consists of two segments: • $401: elimination of kick-out factor • $433: new additional settlements, claims
Total Product Liability Accrual as of 12/31/15	$2,086	
Amount Funded in QSF as of 12/31/15	($579)	
Total Remaining Mesh Liability Accrual PRE-TAX Cash Call	**$1,507**	Current MSA total: ~49,000 claims
Total Remaining Mesh Liability Accrual POST-TAX Cash Call	**~$575**	• ***2016: $150-250 post-tax cash call*** • ***2017: $325-425 post-tax cash call*** • Benefits from expected tax refund

Endo is taking an aggressive approach to litigating / managing remaining claims

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ASTORA Women's Health Update

- Successful divestiture of AMS Men's Health business in 2015
- Launched strategic process for AMS Women's Health – now ASTORA Women's Health – in 2015
  - Resulted in formal bids for ASTORA
- Endo has now determined the best strategy is to wind down ASTORA business operations based on:
  - Evolving product liability landscape around vaginal mesh
  - Ability to reduce the potential for product liability related to future mesh implants
- Supporting physician transition plans to alternative products
- Will cease business operations by March 31, 2016

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Continuing Endo's Transformation: Focus on Execution & Growth in 2016

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Endo's Execution & Growth in 2016: Key Priorities for the Year

1. Strong commercial launch of BELBUCA™
2. Continued growth for XIAFLEX® in approved indications
3. Generics integration and continued growth
4. Advancement of XIAFLEX® R&D pipeline
5. Continued Par pipeline momentum and productivity
6. Continued de-levering
7. Underlying growth in emerging markets

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Focus on Value Creation
BELBUCA™ Launch Underway

Product Profile

- First and only buprenorphine buccal film for chronic pain
- Combines proven efficacy & established safety profile of buprenorphine with a novel delivery system that adds convenience and flexibility
- Seven dosage strengths, allowing for flexible dosing and individualized treatment

Launch Preparation

- Launched in February 2016
- More than doubled pain sales force
- 2/3 of commercial patient lives covered at launch
- Priced competitively with Butrans®, NUCYNTA® ER, OxyContin® and OPANA® ER

Optimistic About Product Potential & Growth

- 21.2 million Long Acting Opioid (LAO) total Rxs annually*
- LAO market = $4.7 billion annually*
- Endo projects sales of BELBUCA™ to be **>$250M** in 2019

*Source: IMS Health data, Last Twelve Months ended November 30, 2015

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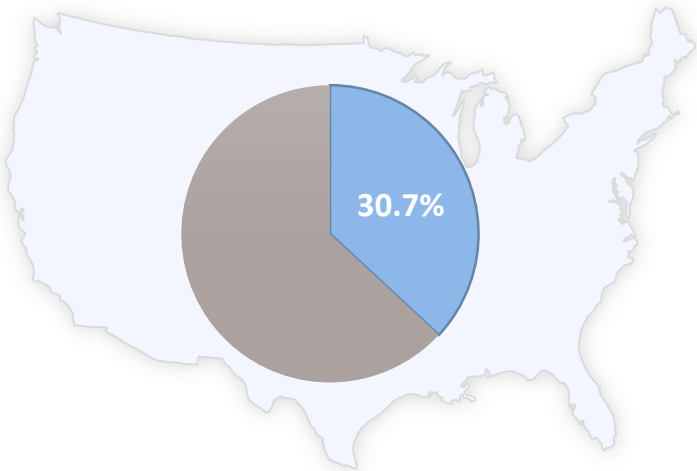
Focus on Value Creation
BELBUCA™ Positioned to Address Chronic Pain Burden

Prevalence in the U.S. population is 30.7%

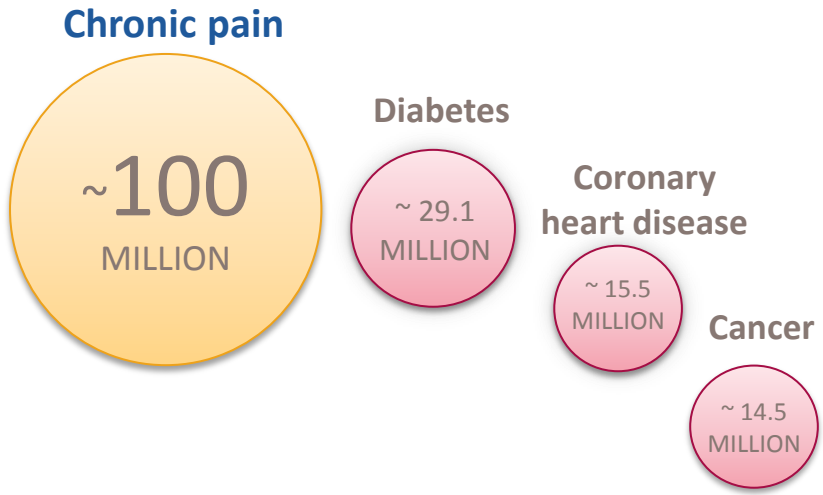
Prevalence of chronic pain* in the U.S.



*Defined as a ≥6-month duration of pain.

Exceeding that of diabetes, heart disease, and cancer combined

Incidence of chronic diseases
(Number of Americans affected)



Sources: Institute of Medicine; American Heart Association; CDC, Circulation; J Pain; American Cancer Society
Population-weighted point prevalence of chronic pain in a cross-sectional, internet-based survey self-reported chronic pain in US adults conducted from mid-December 2008 through mid-February 2009 with 27,035 number of respondents.

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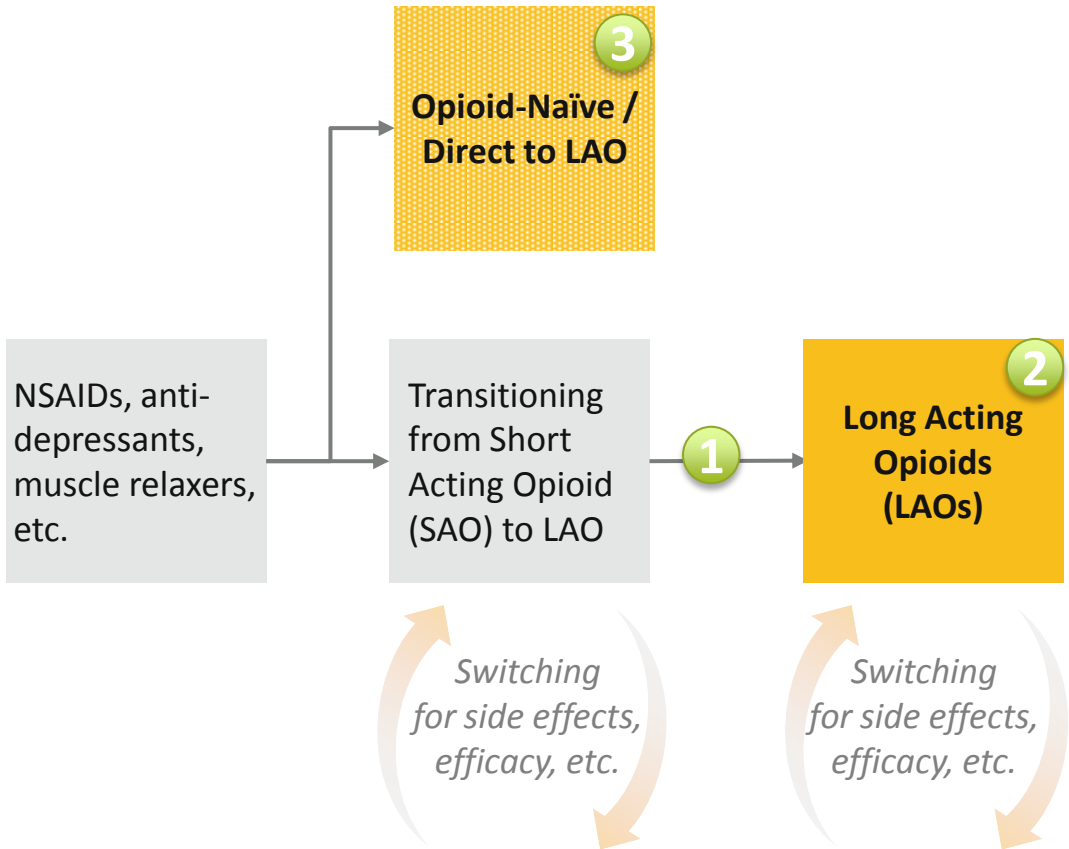
Focus on Value Creation
BELBUCA™ Treatment Pathways & Transition



Summary of Pathways

1. **Transitioning from SAO to LAO**
2. Switching within LAOs
3. Opioid-naïve / Direct to LAO

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Focus on Value Creation
XIAFLEX®: Building a $1 Billion Franchise

Currently Approved Indications

- XIAFLEX® for Peyronie's Disease and Dupuytren's Contracture:
  - FY 2015 demand growth of 37% over FY 2014
  - Continuing momentum in 2016 – expect double-digit growth over planning horizon
  - Represent market growth opportunities: both conditions currently underdiagnosed and undertreated; multi-pronged sales, marketing & engagement campaigns kicking off in Q1

Near-Term R&D Pipeline

- Cellulite: Productive FDA meeting in December 2015
  - Phase 2b clinical trial initiated
  - Partnership discussions ongoing
- Adhesive Capsulitis: FDA meeting expected in Q1 2016
  - Trial initiation based on outcome of that discussion
- Dupuytren's Nodules: Productive FDA meeting in January 2016
  - Progressing toward registration trial

Long-Term R&D Programs

- >12 additional potential indications, including:
  - Already opted in: Canine Lipoma, Plantar Fibromatosis, Lateral Hip Fat
  - Human Lipoma, Capsular Contracture of the Breast, Uterine Fibroids, Dercum's Disease, Knee Arthrofibrosis, Urethral Strictures, Hypertrophic Scars & Keloids and others

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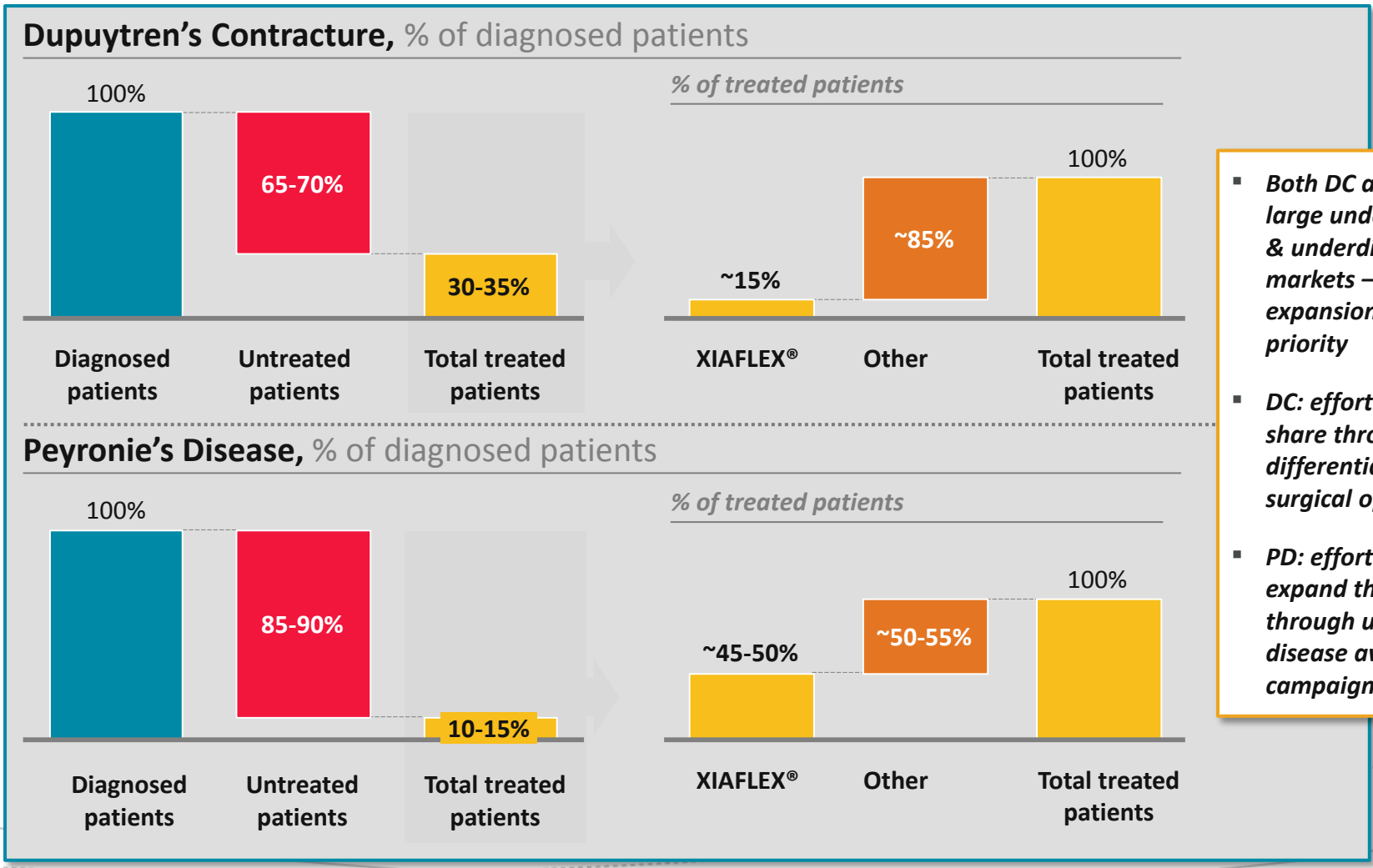
Focus on Value Creation

XIAFLEX®: Market Expansion Opportunities



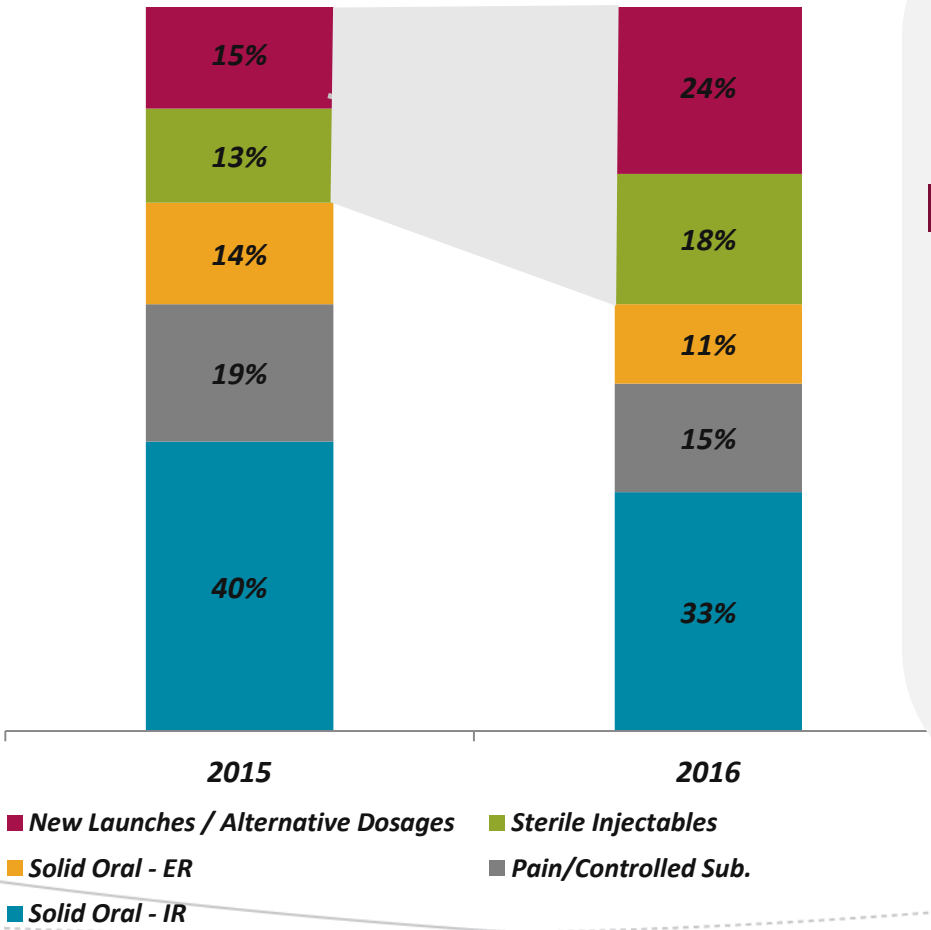
- ***Both DC and PD are large underserved & underdiagnosed markets – market expansion is a priority***
- ***DC: efforts to grow share through differentiated, non-surgical option***
- ***PD: efforts to expand the market through unbranded disease awareness campaign***

Source: Symphony claims data

Focus on Value Creation

U.S. Generics Portfolio: the High-Growth Shift

% of Total Gx Revenue (Pro Forma)* by Product Category



Key Growth Drivers

>40% *of Gx revenues projected to come from highest value, highest growth products in 2016*

New Launches & Alternative Dosages

- Differentiated, higher barrier-to-entry, higher margin products
- 2016 Outlook: Significant new launch growth projected, driven by generic Zetia® and Seroquel® XR

Sterile Injectables

- Nearly tripled in net sales since 2014
- High barrier-to-entry, high margin products with strong competitive positioning and growth potential
- 2016 Outlook: Significant double-digit growth projected with gross margins well above company average

**Includes Par full year revenue*
Alternative Dosages = Liquids, Semi-solids, Patches (incl. Lido AG), Powders, Ophthalmics, Sprays & Launches

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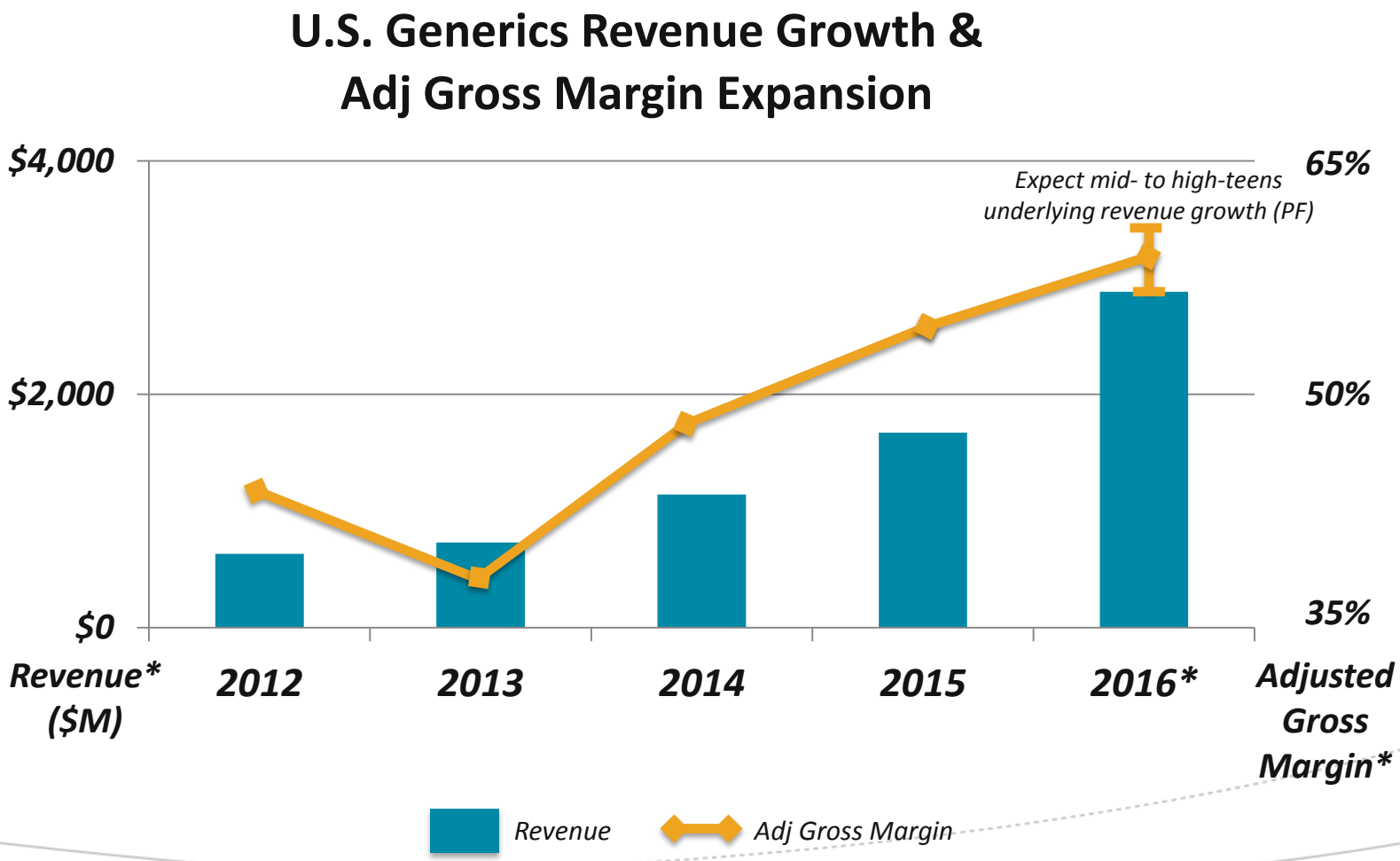
Focus on Value Creation

U.S. Generics: Continued High-Value Growth



** Estimated 2016 Generic revenues assume 15% year-over-year underlying growth versus 2015 underlying revenue with Par pro forma; 2016 adjusted gross margin is an estimate by Endo.*

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Differentiated Operating Model
XIAFLEX® R&D Pipeline

	Programs	Preclin/Phase 1	Phase 2	Phase 3	NDA / BLA
	Adhesive Capsulitis			*Patients: ~ 300k cases / year in U.S.*	
	Cellulite			*Patients: ~85-98% of post-pubertal females*	
	Dupuytren's Nodules			*Patients: ~ 2m in U.S., painful less prevalent*	
	Canine Lipoma			*High prevalence in canines*	
	Human Lipoma*			*Patients: ~ 600k in U.S.*	
	Plantar Fibromatosis			*Patients: ~ 200k in U.S.*	
Aesthetics	Lateral Hip Fat			*Patients: similar prevalence to cellulite*	
Aesthetics	Capsular Contracture, Breast*			*Patients: ~15% of breast augmentation / reconstructive surgeries*	
Aesthetics	Hypertrophic Scars & Keloids*			*Scars: ~600k* *Keloids: ~400k*	
Aesthetics	Dercum's Disease*			*Extremely rare condition*	
Therapeutics	Knee Arthrofibrosis*			*Patients: ~ 100k / year in U.S.*	
Therapeutics	Urethral Strictures*			*Patients: ~ 1% male population*	
Therapeutics	Uterine Fibroids*			*Patients: ~250k hysterectomies / myomectomies per year to treat fibroids*	

** Indicates programs in development to which Endo has not yet opted-in*

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Differentiated Operating Model
XIAFLEX® R&D Pipeline: Cellulite Phase 2b Trial

- Cellulite affects 85-98% of post-pubertal females
- There are no FDA-approved pharmacological treatments and little scientific evidence that any current treatments are beneficial
- Phase 2b trial initiated in February 2016
  - Enrolling 350 women, aged 18+
  - Up to 3 treatment sessions 21 days apart
  - 12 injections of XIAFLEX® or placebo into dimples in a treatment quadrant
  - Primary endpoint: proportion of composite responders at Day 71
    - Defined as patients with a 2-point improvement from baseline in the clinician and patient rated Photonumeric Cellulite Severity Scale (PCSS) (5-point scale)
  - Independent 5-member panel of trained aesthetic clinicians will also evaluate pre-treatment and end-of-study photos using the PCSS

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Differentiated Operating Model
U.S. Generic Pharmaceuticals Pipeline

2016

2017

>45 Launches projected, including 8 FTFs

$16B in market value

2018

2019

>65 Launches projected, including 12 FTFs

$13B in market value

Select Potential Product Launch & Market Value Highlights (2016-2019)		
First-To-Files Zetia® $2B * Seroquel® XR $1.3B *	Kuvan® $100M Zytiga® $1.1BM *(250mg)* * Ciprodex® $400M	Afinitor® $900M *(exc. 10mg)* Samsca® $100M Omidria® $24M Zortress® $83M
Limited Competition Exelon® $600M Crestor® $5.8B	Epiduo® $350M Adderal® $900M Travatan Z® $500M	
Other Potential Launches	~100 Products $15B in Market Value	*Robust growth expected in injectables*

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** Indicates partnered program*

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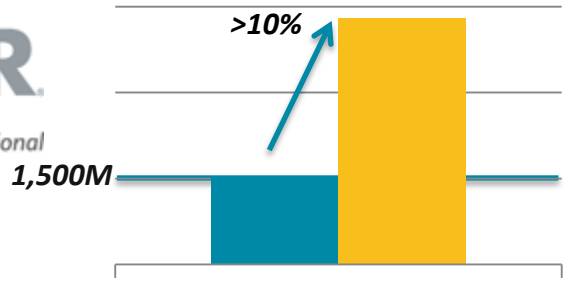
Achieving Sustainable Growth

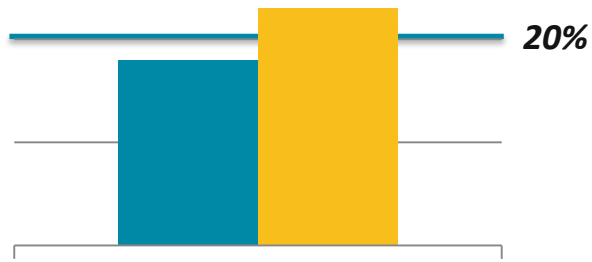
Transforming Emerging Markets, Accelerating Growth

2015: Restructured businesses for growth and profitability

SOMAR GRUPO FARMACÊUTICO
una empresa de endo internacional

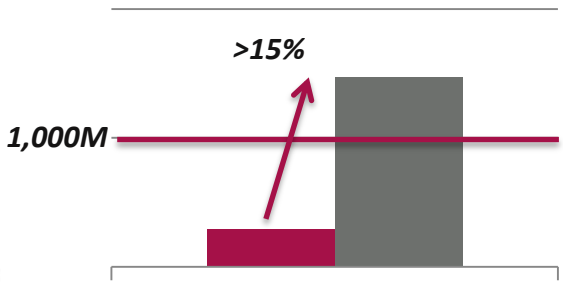


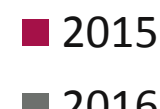
Revenue



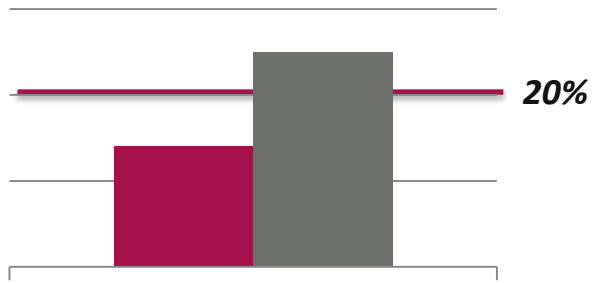
Adj Operating Margin

litha healthcare group
an endo international company





Revenue*



Adj Operating Margin

2016: Projecting improved margins and double-digit underlying growth

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** Pro forma revenue including Aspen portfolio and recent divestitures; all Local Currency*

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2016 Financial Guidance

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2016 Financial Guidance: Key Considerations

- Guidance incorporates a risk-adjusted range of scenarios around potential 2016 generic / competitive entrants for:
  - Voltaren® Gel
  - LIDODERM® AG
  - Frova®
  - Valganciclovir
  - Low Dose Hydrocodone / APAP
- Pricing headwinds in U.S. Generics expected to continue across the sector
- Current exchange rates assumed for foreign currency conversion

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2016 Financial Guidance (Continuing Operations*)

Measure	FY 2016 Guidance
Revenues	**$4.32 – $4.52B** 1H: ~22% ~24% 2H: ~54%
Adjusted Gross Margin	**63% - 65%**
Adjusted Operating Expense to Revenue Ratio	**19.5% - 20%**
Adjusted Interest Expenses	**~$455M**
Adjusted Effective Tax Rate	**9% - 11%**
Adjusted Diluted EPS	**$5.85 - $6.20** 1H: ~18% ~25% 2H: ~57%
Reported (GAAP) EPS	**$2.25 - $2.60**
Weighted Average Diluted Shares Outstanding	**~224M**

** Continuing Operations includes Endo and Par and excludes ASTORA (formerly known as AMS Women's Health); 1H and 2H %s based on midpoint of guidance range*

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2016 & Beyond: The Endo Growth Story

A Leading Global Specialty Pharma Co

- Enhanced corporate profile, scope, size and manufacturing capabilities fuel robust and sustainable growth:
  - U.S. Branded Pharmaceuticals
  - U.S. Generic Pharmaceuticals (Top 4 U.S. business by market share*)
  - International Pharmaceuticals

Focus on Value Creation

- 2016 guidance: Adjusted EPS **$5.85 to $6.20**
- Strong commercial launch for BELBUCA™
- Continued growth for XIAFLEX®
- Continued growth for the Par product portfolio

Differentiated Operating Model

- No product >6% of overall revenue
  - Focus on differentiated and specialty products with strong IP positions, alternative dosages / delivery systems
- Strong, expanding and de-risked R&D pipeline capable of fueling long-term organic growth

Achieving Sustainable Growth

- Double-digit underlying revenue growth
- Increasing operating margins
- Favorable effective tax rate projected leading to strong cash flow conversion
- Underlying cash flow expected to lead to de-levering back to 3-4x net debt to adjusted EBITDA in 2016

endo

** Source: IMS Health December 2015 MAT; assumes TEVA acquisition of Allergan generics business*

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Q&A

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Appendix

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Q4 and FY 2014 and 2015 Income Statement (Adjusted Continuing Operations*)

($M except Shares and EPS)	Q4 2014	Q4 2015	Y/Y Change Favorable / (Unfavorable)	FY 2014	FY 2015	Y/Y Change Favorable / (Unfavorable)
Revenues	$663	$1,074	62%	$2,381	$3,269	37%
Gross Margin	$390	$650	67%	$1,447	$2,052	42%
% of Revenues	*58.8%*	*60.5%*		*60.8%*	*62.8%*	
Operating Expenses	$144	$237	(65%)	$528	$709	34%
% of Revenues	*21.7%*	*22.1%*		*22.2%*	*21.7%*	
Operating Income	$245	$413	69%	$920	$1,343	46%
% of Revenues	*37.0%*	*38.5%*		*38.6%*	*41.1%*	
Tax Rate (Continuing Ops)	20%	(6%)		21%	4%	170 bps
Adjusted Net Income	$153	$307	101%	$572	$933	63%
Adjusted EPS	$0.96	$1.36	42%	$3.64	$4.66	28%
Adjusted Diluted Shares (M)	159.2	225.3		156.7	200.4	
Reported (GAAP) EPS	$0.12	$1.97	NM	$0.40	($1.52)	NM

** Continuing Operations includes Endo and Par and excludes AMS and HealthTronics*

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Cash Conversion Cycle

We use days sales outstanding (DSO), days payable outstanding (DPO) and days inventory on hand (DIO), 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 December 31 (in thousands, except ratios):

	2015	2014
Total revenues	$ 1,073,697	$ 662,877
DSO:		
Accounts receivable, net of allowance (1)	$ 995,077	$ 1,118,720
Less: Returns and allowances	(356,932)	(174,941)
Less: Rebates	—	(209,370)
Less: Chargebacks	—	(206,819)
Less: Other sales deductions	—	(25,313)
Accounts receivable, adjusted for non-cash items	$ 638,145	$ 502,277
Total revenues per day	$ 11,671	$ 7,205
DSO	55	70
DPO:		
Accounts payable	$ 344,267	$ 294,001
Plus: Accrued rebates and chargebacks paid in cash	349,991	298,577
Accounts payable, adjusted for rebates	$ 694,258	$ 592,578
Total revenues per day	$ 11,671	$ 7,205
DPO	59	82
DIO:		
Inventories, net	$ 744,665	$ 414,995
Plus: Long-term inventory	24,891	—
Less: Inventory step-up	(117,179)	(22,945)
Inventory, adjusted for long-term and non-cash items	$ 652,377	$ 392,050
Total revenues per day	$ 11,671	$ 7,205
DIO	56	54
Cash conversion cycle	52	42

(1) We have classified certain revenue reserves as reductions from Accounts receivable on our Consolidated Balance Sheets as of December 31, 2015. For additional information on this reclassification see Note 2. Summary of Significant Accounting Policies in our 2015 Annual Report on Form 10-K.

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Reconciliation of Non-GAAP Measures

Three Months Ended December 31, 2015 (unaudited)	Actual Reported (GAAP)	Adjustments		Non-GAAP Adjusted
REVENUES	$ 1,073,697	$ —		$ 1,073,697
COSTS AND EXPENSES:				
Cost of revenues	810,068	(386,617)	(1)	423,451
Selling, general and administrative	212,014	(17,913)	(2)	194,101
Research and development	43,989	(1,016)	(3)	42,973
Litigation-related and other contingencies, net	17,207	(17,207)	(4)	—
Asset impairment charges	139,859	(139,859)	(5)	—
Acquisition-related and integration items	54,073	(54,073)	(6)	—
OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS	$ (203,513)	$ 616,685		$ 413,172
INTEREST EXPENSE, NET	123,018	(1,965)	(7)	121,053
LOSS ON EXTINGUISHMENT OF DEBT	25,595	(25,595)	(8)	—
OTHER EXPENSE, NET	1,102	1,173	(9)	2,275
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ (353,228)	$ 643,072		$ 289,844
INCOME TAX BENEFIT	(796,937)	779,351	(10)	(17,586)
INCOME FROM CONTINUING OPERATIONS	$ 443,709	$ (136,279)		$ 307,430
DISCONTINUED OPERATIONS, NET OF TAX	(562,302)	560,762	(11)	(1,540)
CONSOLIDATED NET (LOSS) INCOME	$ (118,593)	$ 424,483		$ 305,890
Less: Net loss attributable to noncontrolling interests	(130)	—		(130)
NET (LOSS) INCOME ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (118,463)	$ 424,483		$ 306,020
DILUTED EARNINGS PER SHARE DATA ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS:				
Continuing operations	$ 1.97			$ 1.36
Discontinued operations	(2.50)			—
DILUTED (LOSS) EARNINGS PER SHARE	$ (0.53)			$ 1.36
DILUTED WEIGHTED AVERAGE SHARES	225,321			225,321

Notes to reconciliation of our GAAP statements of operations to our adjusted statements of operations:

1. To exclude amortization of commercial intangible assets related to developed technology of $227,543, a fair value step-up in inventory and certain excess manufacturing costs that will be eliminated pursuant to integration plans of $117,681, certain separation benefits and other costs incurred in connection with continued efforts to enhance the Company's operations of $40,304 and accruals for milestone payments to partners of $1,089.
2. Primarily to exclude certain separation benefits and other costs incurred in connection with continued efforts to enhance the Company's operations of $14,834 .
3. Primarily to exclude milestone payments to partners of $1,003.
4. To exclude the net impact of certain litigation charges.
5. To exclude asset impairment charges.
6. To exclude acquisition and integration costs of $36,112, primarily associated with the Par acquisition and a net increase in the fair value of contingent consideration of $17,961.
7. To exclude debt abandonment costs.
8. To exclude a loss on extinguishment of debt in connection with debt refinancing activity.
9. Primarily to exclude foreign currency impact related to the re-measurement of intercompany debt instruments of $1,130.
10. Reflects tax savings from acquired tax attributes and the effect of the pre-tax adjustments above at applicable rates. Additionally, included within this amount is an adjustment to exclude the tax benefit related to Mesh product liability including the worthless stock deduction realized in Q4.
11. Primarily to exclude certain items related to the Astora business reported as Discontinued operations, net of tax, most notably the litigation charges related to vaginal mesh cases of $834.0 million.

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Reconciliation of Non-GAAP Measures

Three Months Ended December 31, 2014 (unaudited)	Actual Reported (GAAP)	Adjustments		Non-GAAP Adjusted
REVENUES	$ 662,877	$ —		$ 662,877
COSTS AND EXPENSES:				
Cost of revenues	374,180	(101,063)	(1)	273,117
Selling, general and administrative	134,653	(8,502)	(2)	126,151
Research and development	30,543	(12,402)	(3)	18,141
Litigation-related and other contingencies	34,999	(34,999)	(4)	—
Asset impairment charges	22,542	(22,542)	(5)	—
Acquisition-related and integration items	9,765	(9,765)	(6)	—
OPERATING INCOME FROM CONTINUING OPERATIONS	$ 56,195	$ 189,273		$ 245,468
INTEREST EXPENSE, NET	59,589	(885)	(7)	58,704
LOSS ON EXTINGUISHMENT OF DEBT	105	(105)	(8)	—
OTHER INCOME, NET	(13,596)	8,613	(9)	(4,983)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ 10,097	$ 181,650		$ 191,747
INCOME TAX (BENEFIT) EXPENSE	(9,384)	48,234	(10)	38,850
INCOME FROM CONTINUING OPERATIONS	$ 19,481	$ 133,416		$ 152,897
DISCONTINUED OPERATIONS, NET OF TAX	(72,724)	105,193	(11)	32,469
CONSOLIDATED NET (LOSS) INCOME	$ (53,243)	$ 238,609		$ 185,366
Less: Net income attributable to noncontrolling interests	240	242	(12)	482
NET (LOSS) INCOME ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (53,483)	$ 238,367		$ 184,884
DILUTED EARNINGS PER SHARE DATA ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS:				
Continuing operations	$ 0.12			$ 0.96
Discontinued operations	(0.46)			0.20
DILUTED (LOSS) EARNINGS PER SHARE	$ (0.34)			$ 1.16
DILUTED WEIGHTED AVERAGE SHARES	159,213			159,213

Notes to reconciliation of our GAAP statements of operations to our adjusted statements of operations:

1. To exclude amortization of commercial intangible assets related to developed technology of $70,914 and a fair value step-up in inventory of $25,493 and accruals for milestone payments to partners of $4,656.
2. Primarily to exclude certain separation benefits and other costs incurred in connection with continued efforts to enhance the company's operations.
3. To exclude milestone payments to partners of $12,165 and adjustments to accruals for other costs incurred in connection with continued efforts to enhance the Company's operations of $237.
4. To exclude the impact of certain net litigation charges.
5. To exclude asset impairment charges.
6. To exclude acquisition and integration costs associated with the Paladin, Boca, Somar, DAVA, Auxilium and other acquisitions.
7. To exclude additional non-cash interest expense.
8. To exclude a loss on extinguishment of debt in connection with debt refinancing activity.
9. To exclude adjustments to the gain on sale of certain early-stage drug discovery and development assets of $1,200 and foreign currency impact related to the remeasurement of intercompany debt instruments of $7,413.
10. Primarily to reflect the cash tax savings from acquired tax attributes and the tax effect of the pre-tax adjustments above at applicable tax rates.
11. Primarily to exclude certain items related to the AMS business, including litigation charges related to vaginal mesh cases, reported as Discontinued operations, net of tax.
12. To exclude the impact of the portion of certain of the above adjustments attributable to noncontrolling interests.

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Reconciliation of Non-GAAP Measures

Twelve Months Ended December 31, 2015 (unaudited)	Actual Reported (GAAP)	Adjustments		Non-GAAP Adjusted
REVENUES	$ 3,268,718	$ —		$ 3,268,718
COSTS AND EXPENSES:				
Cost of revenues	2,075,651	(858,931)	(1)	1,216,720
Selling, general and administrative	741,304	(125,679)	(2)	615,625
Research and development	102,197	(9,200)	(3)	92,997
Litigation-related and other contingencies, net	37,082	(37,082)	(4)	—
Asset impairment charges	1,140,709	(1,140,709)	(5)	—
Acquisition-related and integration items	105,250	(105,250)	(6)	—
OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS	$ (933,475)	$ 2,276,851		$ 1,343,376
INTEREST EXPENSE, NET	373,214	(8,267)	(7)	364,947
LOSS ON EXTINGUISHMENT OF DEBT	67,484	(67,484)	(8)	—
OTHER EXPENSE, NET	63,691	(58,802)	(9)	4,889
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ (1,437,864)	$ 2,411,404		$ 973,540
INCOME TAX (BENEFIT) EXPENSE	(1,137,465)	1,177,770	(10)	40,305
(LOSS) INCOME FROM CONTINUING OPERATIONS	$ (300,399)	$ 1,233,634		$ 933,235
DISCONTINUED OPERATIONS, NET OF TAX	(1,194,926)	1,236,760	(11)	41,834
CONSOLIDATED NET (LOSS) INCOME	$ (1,495,325)	$ 2,470,394		$ 975,069
Less: Net loss attributable to noncontrolling interests	(283)	—		(283)
NET (LOSS) INCOME ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (1,495,042)	$ 2,470,394		$ 975,352
DILUTED EARNINGS PER SHARE DATA ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS:				
Continuing operations	$ (1.52)			$ 4.66
Discontinued operations	(6.07)			0.21
DILUTED (LOSS) EARNINGS PER SHARE	$ (7.59)			$ 4.87
DILUTED WEIGHTED AVERAGE SHARES	197,100			200,438

Notes to reconciliation of our GAAP statements of operations to our adjusted statements of operations:

1. To exclude amortization of commercial intangible assets related to developed technology of $561,302, a fair value step-up in inventory and certain excess manufacturing costs that will be eliminated pursuant to integration plans of $249,464, accruals for milestone payments to partners of $6,955 and certain separation benefits and other costs incurred in connection with continued efforts to enhance the Company's operations of $41,210.
2. Primarily to exclude certain separation benefits and other costs incurred in connection with continued efforts to enhance the Company's operations of $84,197 and a charge of $37,603 related to the acceleration of Auxilium employee equity awards at closing.
3. To exclude milestone payments to partners.
4. To exclude the net impact of certain litigation charges.
5. To exclude asset impairment charges.
6. To exclude acquisition and integration costs of $170,890, primarily associated with the Par acquisition, offset by a net decrease in the fair value of contingent consideration of $(65,640).
7. To exclude non-cash interest expense of $1,633 and debt abandonment costs of $6,634.
8. To exclude a loss on extinguishment of debt in connection with debt refinancing activity.
9. Primarily to exclude unused financing commitments of $78,352, other than temporary impairment of equity investment of $18,869, the foreign currency impact related to the re-measurement of intercompany debt instruments of $(25,121) and amounts related to the settlement of certain pre-acquisition items associated with our Auxilium subsidiary of $(12,500).
10. Reflects tax savings from acquired tax attributes and the effect of the pre-tax adjustments above at applicable rates. Additionally, included within this amount is an adjustment to exclude the tax benefit related to Mesh product liability including the worthless stock deduction realized in Q4.
11. Primarily to exclude certain items related to the Astora business reported as Discontinued operations, net of tax, most notably the litigation charges related to vaginal mesh cases of $1,107.8 million.

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Reconciliation of Non-GAAP Measures

Twelve Months Ended December 31, 2014 (unaudited)	Actual Reported (GAAP)	Adjustments		Non-GAAP Adjusted
REVENUES	$ 2,380,683	$ —		$ 2,380,683
COSTS AND EXPENSES:				
Cost of revenues	1,231,497	(298,199)	(1)	933,298
Selling, general and administrative	567,986	(115,477)	(2)	452,509
Research and development	112,708	(37,424)	(3)	75,284
Litigation-related and other contingencies, net	42,084	(42,084)	(4)	—
Asset impairment charges	22,542	(22,542)	(5)	—
Acquisition-related and integration items	77,384	(77,384)	(6)	—
OPERATING INCOME FROM CONTINUING OPERATIONS	$ 326,482	$ 593,110		$ 919,592
INTEREST EXPENSE, NET	227,114	(12,192)	(7)	214,922
LOSS ON EXTINGUISHMENT OF DEBT	31,817	(31,817)	(8)	—
OTHER INCOME, NET	(32,324)	18,192	(9)	(14,132)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ 99,875	$ 618,927		$ 718,802
INCOME TAX EXPENSE	38,267	108,780	(10)	147,047
INCOME FROM CONTINUING OPERATIONS	$ 61,608	$ 510,147		$ 571,755
DISCONTINUED OPERATIONS, NET OF TAX	(779,792)	887,887	(11)	108,095
CONSOLIDATED NET (LOSS) INCOME	$ (718,184)	$ 1,398,034		$ 679,850
Less: Net income attributable to noncontrolling interests	3,135	1,817	(12)	4,952
NET (LOSS) INCOME ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (721,319)	$ 1,396,217		$ 674,898
DILUTED EARNINGS PER SHARE DATA ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS:				
Continuing operations	$ 0.40			$ 3.64
Discontinued operations	(5.00)			0.67
DILUTED (LOSS) EARNINGS PER SHARE	$ (4.60)			$ 4.31
DILUTED WEIGHTED AVERAGE SHARES	156,730			156,730

Notes to reconciliation of our GAAP statements of operations to our adjusted statements of operations:

1. To exclude amortization of commercial intangible assets related to developed technology of $218,712, a fair value step-up in inventory of $65,582 and accruals for milestone payments to partners of $13,905.
2. To exclude certain separation benefits and other costs incurred in connection with continued efforts to enhance the Company's operations of $26,205, a charge for an additional year of the branded prescription drug fee in accordance with IRS regulations issued in the third quarter of 2014 of $24,972, accruals for excise tax payments of $54,300 and a charge of $10,000 related to the non-recoverability of certain non-trade receivables that did not relate to our core operating activities.
3. To exclude milestone payments to partners of $37,869 and adjustments to accruals for other costs incurred in connection with continued efforts to enhance the Company's operations of $(445).
4. To exclude the impact of certain net litigation charges.
5. To exclude asset impairment charges.
6. To exclude acquisition and integration costs of associated with the Paladin, Boca, Somar, DAVA, Auxilium and other acquisitions.
7. To exclude additional non-cash interest expense.
8. To exclude a loss on extinguishment of debt in connection with debt refinancing activity.
9. To exclude the net gain on sale of certain early-stage drug discovery and development assets of $5,200, foreign currency impact related to the remeasurement of intercompany debt instruments of $13,153 and other miscellaneous expense of ($161).
10. Primarily to reflect the cash tax savings from acquired tax attributes and the tax effect of the pre-tax adjustments above at applicable tax rates.
11. To exclude certain items related to the AMS and Healthtronics businesses, including litigation charges related to vaginal mesh cases, reported as Discontinued operations, net of tax.
12. To exclude the impact of the portion of certain of the above adjustments attributable to noncontrolling interests.

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Reconciliation of Non-GAAP Measures

Reconciliation of Net (Loss) Income to Pro Forma Adjusted EBITDA

	Endo Year Ended December 31, 2015	Par Period from January 1, 2015 to September 24, 2015	Pro Forma Year Ended December 31, 2015
Net (loss) income	$ (1,495,042)	$ 68,211	$ (1,426,831)
Income tax	(1,137,465)	(6,680)	(1,144,145)
Interest expense, net	373,214	99,658	472,872
Depreciation and amortization	621,200	142,471	763,671
Inventory step-up	249,464	-	249,464
EBITDA	(1,388,629)	303,660	(1,084,969)
Other (income) expense, net	63,691	-	63,691
Loss on extinguishment of debt	67,484	-	67,484
Stock-based compensation	44,136	23,576	67,712
Acceleration of Auxilium equity awards at closing	37,603	-	37,603
Asset impairment charges	1,140,709	-	1,140,709
Acquisition-related and integration items	105,250	8,249	113,499
Certain litigation-related charges, net	37,082	12,288	49,370
Upfront and milestone payments to partners	16,155	-	16,155
Separation benefits and other cost reduction initiatives	121,039	531	121,570
Other charges	579	(781)	(202)
Discontinued operations, net of tax	1,194,926	-	1,194,926
Net income attributable to noncontrolling interests	(283)	-	(283)
Management fee	-	2,654	2,654
Special dividend equivalent bonus	-	17,185	17,185
Projected synergies*	92,000	-	92,000
Adjusted EBITDA	$ 1,531,742	$ 367,362	$ 1,899,104

**Projected synergies to be recognized during the year ended December 31, 2016*

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Reconciliation of Non-GAAP Measures

Reconciliation of Projected GAAP Diluted Earnings Per Share from Continuing Operations to Adjusted Diluted Earnings Per Share from Continuing Operations Guidance for 2016

	Year Ending December 31, 2016				
		Lower End			Upper End
Projected GAAP diluted earnings per ordinary share from continuing operations	$	2.25	To	$	2.60
Upfront and milestone-related payments to partners		0.02			0.02
Amortization of commercial intangible assets and fair value inventory step-up		3.58			3.58
Acquisition related, integration and restructuring charges and certain excess costs that will be eliminated pursuant to integration plans		0.32			0.32
Tax effect of pre-tax adjustments at the applicable tax rates and certain other expected cash tax savings as a result of acquisitions		(0.32)			(0.32)
Projected Adjusted diluted earnings per ordinary share from continuing operations	$	5.85	To	$	6.20

The Company's guidance is being issued based on certain assumptions including:

- Certain of the above amounts are based on estimates and there can be no assurance that Endo will achieve these results

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Endo International plc

Q4 and Full Year 2015 Earnings Report

February 29, 2016

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