UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2019
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission File Number	Exact name of registrant as specified in its charter, principal office and address and telephone number	State of incorporation or organization	I.R.S. Employer Identification No.
001-36867	**Allergan plc** Clonshaugh Business and Technology Park Coolock, Dublin, D17 E400, Ireland (862) 261-7000	Ireland	98-1114402
001-36887	**Warner Chilcott Limited** Victoria Place, 5th Floor Hamilton HM 10 Bermuda (441) 295-2244	Bermuda	98-0496358

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Allergan plc Ordinary Shares, $0.0001 par value	AGN	New York Stock Exchange
Floating rate notes due 2020	AGN20A	New York Stock Exchange
0.500% notes due 2021	AGN21	New York Stock Exchange
1.500% notes due 2023	AGN 23A	New York Stock Exchange
1.250% notes due 2024	AGN 24A	New York Stock Exchange
2.625% notes due 2028	AGN28	New York Stock Exchange
2.125% notes due 2029	AGN29	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Allergan plc	Yes ☒	No ☐
Warner Chilcott Limited	Yes ☒	No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Allergan plc	Yes ☐	No ☒
Warner Chilcott Limited	Yes ☐	No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Allergan plc	Yes ☒	No ☐
Warner Chilcott Limited	Yes ☒	No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Allergan plc	Yes ☒	No ☐
Warner Chilcott Limited	Yes ☒	No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Allergan plc	☐
Warner Chilcott Limited	☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Allergan plc	Large accelerated filer	☒	Accelerated filer	☐
	Non-accelerated filer	☐	Smaller reporting company	☐
	Emerging growth company	☐		
Warner Chilcott Limited	Large accelerated filer	☐	Accelerated filer	☐
	Non-accelerated filer	☒	Smaller reporting company	☐
	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Allergan plc	Yes ☐	No ☒
Warner Chilcott Limited	Yes ☐	No ☒

The aggregate market value of the voting and non-voting stock held by non-affiliates of Allergan plc as of June 30, 2019, based upon the last sale price reported for such date on the New York Stock Exchange, was $54.8 billion. The calculation of the aggregate market value of voting and non-voting stock excludes Class A ordinary shares of Allergan plc held by executive officers, directors, and stockholders that the registrant concluded were affiliates of Allergan plc on that date.

Number of shares of Allergan plc's Ordinary Shares outstanding on February 12, 2020: 329,002,015

This Annual Report on Form 10-K is a combined report being filed separately by two different registrants: Allergan plc and Warner Chilcott Limited. Warner Chilcott Limited is an indirect wholly owned subsidiary of Allergan plc. The information in this Annual Report on Form 10-K is equally applicable to Allergan plc and Warner Chilcott Limited, except where otherwise indicated. Warner Chilcott Limited meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-K and, to the extent applicable, is therefore filing this form with a reduced disclosure format.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information required by Part III of this Annual Report on Form 10-K ("Annual Report") is incorporated by reference from the Allergan plc proxy statement to be filed pursuant to Regulation 14A with respect to the Registrant's 2020 Annual General Meeting of Shareholders or, alternatively included in amendment to this Form 10-K which will be filed within 120 days of the Regisrant's fiscal year ended December 31, 2019.

ALLERGAN PLC

WARNER CHILCOTT LIMITED

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PART I

ITEM 1. *BUSINESS*

Explanatory Note

This Annual Report on Form 10-K is a combined annual report being filed separately by two registrants: Allergan plc and its indirect wholly-owned subsidiary, Warner Chilcott Limited. Each registrant hereto is filing on its own behalf all the information contained in this annual report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representations as to any such information.

Company History

Allergan plc was incorporated in Ireland on May 16, 2013 as a private limited company and re-registered effective September 20, 2013 as a public limited company. Except where otherwise indicated, and excluding certain insignificant cash and non-cash transactions at the Allergan plc level, the consolidated financial statements and disclosures are for two separate registrants, Allergan plc and Warner Chilcott Limited. The results of Warner Chilcott Limited are consolidated into the results of Allergan plc. Due to the de minimis activity between Allergan plc and Warner Chilcott Limited, references throughout this document relate to both Allergan plc and Warner Chilcott Limited. Refer to "Note 3 —Reconciliation of Warner Chilcott Limited results to Allergan plc results" in the accompanying "Notes to the Consolidated Financial Statements" in this document for a summary of the details on the differences between Allergan plc and Warner Chilcott Limited.

Allergan plc ordinary shares are traded on the NYSE under the ticker symbol "AGN." Pursuant to Rule 12g-3(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Allergan plc's ordinary shares are deemed to be registered under Section 12(b) of the Exchange Act, and Allergan plc is subject to the informational requirements of the Exchange Act, and the rules and regulations promulgated thereunder.

On June 25, 2019, the Company announced that it entered into a transaction agreement (the "AbbVie Agreement") under which AbbVie Inc. ("AbbVie"), a global, research-driven biopharmaceutical company, would acquire Allergan plc in a stock and cash transaction (the "AbbVie Transaction"), valued at $188.24 per Allergan share, or approximately $63.0 billion, based on AbbVie's then-current stock price at the time the AbbVie Transaction was announced. At the closing of the proposed AbbVie Transaction, Company shareholders will receive 0.8660 shares of AbbVie common stock and $120.30 in cash for each of their existing shares. On October 14, 2019, the Company's shareholders voted to approve the AbbVie Transaction. The AbbVie Transaction is subject to customary regulatory approvals and other customary closing conditions.

On October 25, 2019, in connection with the AbbVie Transaction, AbbVie commenced offers to exchange all Allergan Senior Notes issued by Allergan and maturing from September 15, 2020 through March 15, 2045 for up to approximately $19.6 billion aggregate principal amount of new notes to be issued by AbbVie and cash. In conjunction with the exchange offer, AbbVie solicited and obtained consents from eligible holders of the Allergan Senior Notes to amend each of the indentures governing the Allergan Senior Notes to eliminate substantially all of the restrictive covenants in such indentures and eliminate any guarantees of the related Allergan Senior Notes. Consummation of the exchange offer is conditioned upon, among other things, the closing of the AbbVie Transaction. The exchange offers are expected to close, and such amendments are expected to become operative, on or about the closing date of the AbbVie Transaction.

On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into definitive agreements to divest (a) brazikumab, an IL-23 inhibitor currently being evaluated in a phase IIb/III study as a potential treatment for Crohn's Disease and in a phase II study for ulcerative colitis, and (b) Zenpep®, a product approved for treating exocrine pancreatic insufficiency due to cystic fibrosis and other conditions, and Viokace®, another pancreatic enzyme preparation. These agreements were made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. Nestle SA will acquire Zenpep® and Viokace®. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, the closing of the divestitures of Zenpep® and Viokace® is contingent upon receipt of of U.S. Federal Trade Commission approval, and closings of both divestitures are contingent upon the closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

References throughout to "we," "our," "us," the "Company" or "Allergan" refer to financial information and transactions of Watson Pharmaceuticals, Inc. prior to January 23, 2013, Allergan Finance, LLC from January 23, 2013 until October 1, 2013 and Allergan plc and Warner Chilcott Limited subsequent to October 1, 2013.

References throughout to "Ordinary Shares" refer to Allergan plc's ordinary shares, par value $0.0001 per share.

This discussion contains forward-looking statements that are subject to known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied by such forward-looking statements. These risks, uncertainties and other factors include, among others, those identified under "Risk Factors" in this Annual Report and in other reports we have filed with the U.S. Securities and Exchange Commission ("SEC").

Business Overview

Allergan plc is a global pharmaceutical leader. Allergan is focused on developing, manufacturing and commercializing branded pharmaceutical, device, biologic, surgical and regenerative medicine products for patients around the world. Allergan markets a portfolio of leading brands and best-in-class products primarily focused on four key therapeutic areas including medical aesthetics, eye care, central nervous system and gastroenterology. As a part of its approach to deliver innovation for better patient care, Allergan has built one of the broadest pharmaceutical and device research and development pipelines in the industry. The Company has operations in more then 100 countries. Warner Chilcott Limited is an indirect wholly-owned subsidiary of Allergan plc and has the same principal business activities.

Allergan plc's principal executive offices are located at Clonshaugh Business and Technology Park, Coolock, Dublin, Ireland and our administrative headquarters are located at 5 Giralda Farms, Madison, NJ 07940. Our Internet website address is www.allergan.com. We do not intend this website address to be an active link or to otherwise incorporate by reference the contents of the website into this report. Our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and all amendments thereto, are available free of charge on our Internet website. These reports are posted on our website as soon as reasonably practicable after such reports are electronically filed with the SEC. The public may read and copy any materials that we file with the SEC electronically through the SEC website (www.sec.gov). The information contained on the SEC's website is not incorporated by reference into this Form 10-K and should not be considered to be part of this Form 10-K. Within the Investors section of our website, we provide information concerning corporate governance, including our Corporate Governance Guidelines, Board Committee Charters and Composition, Code of Conduct and other information. Refer to "ITEM 1A. RISK FACTORS-CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS" in this document.

Business Development

2019 Business Developments

The following transaction was completed in the year ended December 31, 2019.

Acquisitions

Envy Medical, Inc.

On March 26, 2019, the Company acquired Envy Medical, Inc. ("Envy"), a privately held medical aesthetics company that specializes in non-surgical, non-invasive skin resurfacing systems for an acquisition accounting purchase price of $81.4 million, which includes $67.4 million of product rights and other intangibles, $34.1 million of goodwill and other assets and liabilities. The transaction was treated as a business combination. The acquisition combines Envy's skin care product portfolio with the Company's leading medical aesthetics business.

2018 Business Developments

The following are the transactions that were completed or announced in the year ended December 31, 2018.

Licenses and Asset Acquisitions

Bonti, Inc.

On October 24, 2018, the Company acquired Bonti, Inc. ("Bonti"), a privately held clinical-stage biotechnology company focused on the development and commercialization of novel, fast-acting neurotoxin programs for aesthetic and therapeutic applications, for $195.0 million upfront plus contingent consideration of up to $90.0 million which may be recorded if the corresponding events become probable The transaction was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $196.6 million was recorded as a component of R&D expense in the year ended December 31, 2018.

Elastagen Pty Ltd

On April 6, 2018, the Company completed the acquisition of Elastagen Pty Ltd, a clinical stage medical company developing medical and cosmetic treatments including recombinant human tropoelastin, the precursor of elastin, which will be combined with Allergan's existing fillers product lines. The transaction was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $96.1 million was recorded as a component of R&D expense during the year ended December 31, 2018. Under the terms of the agreement, Elastagen Pty Ltd is eligible to receive additional contingent consideration of up to $165.0 million which may be recorded if the corresponding events become probable.

Repros Therapeutics, Inc.

On January 31, 2018, the Company completed the acquisition of Repros Therapeutics, Inc., which was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $33.2 million was recorded as a component of R&D expense during the year ended December 31, 2018.

Divestitures

Anti-Infectives Business Classified as Held for Sale

As of December 31, 2018, the Company had concluded that its Anti-Infectives business met the criteria for held for sale based on management's intent and ability to divest the business within the next twelve months. Assets held for sale also include miscellaneous properties. As of June 30, 2019, as a result of the proposed AbbVie Transaction, the Company concluded that the Anti-Infectives business no longer met the criteria for held for sale. The Anti-Infectives intangible assets and inventory were reclassified to held in use at the lower of their carrying amount before the assets were recorded as held for sale less any amortization that would have been recognized had the assets been continuously classified as held and used, or their fair value at the date of the subsequent decision not to sell. As a result of the reclassification, the Company recorded a charge of $129.6 million, primarily related to amortization that would have been recorded if the assets were held and used, within Assets, sales and impairments, net for the nine month period the assets were held for sale.

Aclaris Therapeutics, Inc.

On November 30, 2018, the Company divested Rhofade® to Aclaris Therapeutics, Inc. Under the terms of the agreement, the purchase price included an upfront cash payment, a potential development milestone payment for an additional dermatology product, and tiered payments based on annual net sales of Rhofade®, which had a fair value estimated to be $51.8 million as of December 31, 2019. As a result of this transaction, the Company recorded a net loss of $266.2 million which is included as a component of "Asset sales and impairments, net" for the year ended December 31, 2018.

Almirall, S.A.

On September 20, 2018, the Company completed the sale of five medical dermatology products (Aczone®, Tazorac®, Azelex®, Cordran® Tape and Seysara™) in the U.S. to Almirall, S.A. Allergan concluded that these assets constituted a business. As part of the sale, the Company received cash consideration of $550.0 million and is eligible to receive a contingent payment of up to an additional $100.0 million in the event that net sales of the divested products in a specified calendar year exceed a sales target, to which no fair value has been ascribed. As a result of this transaction, the Company recorded a net gain of $129.6 million included as a component of "other income / (expense), net".

2017 Business Developments

The following are the transactions that were completed or announced in the year ended December 31, 2017.

Acquisitions

Keller Medical, Inc.

On June 23, 2017, the Company acquired Keller Medical, Inc. ("Keller"), a privately held medical device company and developer of the Keller Funnel® (the "Keller Acquisition"). The Keller Acquisition combined the Keller Funnel® with the Company's leading breast implants business.

Zeltiq® Aesthetics, Inc.

On April 28, 2017, the Company acquired Zeltiq® Aesthetics, Inc. ("Zeltiq") for an acquisition accounting purchase price of $2,405.4 million (the "Zeltiq Acquisition"). Zeltiq was focused on developing and commercializing products utilizing its proprietary controlled-cooling technology platform (Coolsculpting®). The Zeltiq Acquisition combined Zeltiq's body contouring business with the Company's leading portfolio of medical aesthetics.

LifeCell Corporation

On February 1, 2017, the Company acquired LifeCell Corporation ("LifeCell"), a regenerative medicine company, for an acquisition accounting price of $2,883.1 million (the "LifeCell Acquisition"). The LifeCell Acquisition combined LifeCell's novel, regenerative medicines business, including its high-quality and durable portfolio of dermal matrix products, with the Company's leading portfolio of medical aesthetic products, breast implants and tissue expanders. The LifeCell Acquisition expanded the Company's medical aesthetics portfolio by adding Alloderm® and Strattice®.

Licenses and Other Transactions Accounted for as Asset Acquisitions

Lyndra, Inc.

On July 31, 2017, the Company entered into a collaboration, option and license agreement with Lyndra, Inc. ("Lyndra") to develop orally administered ultra-long-acting (once-weekly) products for the treatment of Alzheimer's disease and an additional, unspecified indication. The total upfront payment of $15.0 million was included as a component of R&D expense in the year ended December 31, 2017. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The future option exercise payments, if any, and any future success based milestones relating to the licensed products of up to $85.0 million will be recorded if the corresponding events become probable.

Editas Medicine, Inc.

On March 14, 2017, the Company entered into a strategic alliance and option agreement with Editas Medicine, Inc. ("Editas") for access to early stage, first-in-class eye care programs. Pursuant to the agreement, Allergan made an upfront payment of $90.0 million for the right to license up to five of Editas' gene-editing programs in eye care, including its lead program for Leber Congenital Amaurosis ("LCA"). Under the terms of the agreement, if an option is exercised, Editas is eligible to receive contingent research and development and commercial milestones plus royalties based on net sales. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The total upfront payment of $90.0 million was included as a component of R&D expense in the year ended December 31, 2017. The future option exercise payments, if any, and any future success based milestones relating to the licensed products will be recorded if the corresponding events become probable.

In the year ended December 31, 2018, the Company exercised a $15.0 million option to develop and commercialize EDIT-101 globally for the treatment of LCA10 which was included as a component of R&D expense. Additionally, Editas has exercised its option to co-develop and share equally in the profits and losses from EDIT-101 in the United States. Editas received an additional $25.0 million milestone, which was included as a component as R&D expense in the year ended December 31, 2018, as the Food and Drug Administration ("FDA") accepted the Investigational New Drug Application ("IND") for EDIT-101.

Assembly Biosciences, Inc.

On January 9, 2017, the Company entered into a licensing agreement with Assembly Biosciences, Inc. ("Assembly") for the worldwide rights to Assembly's microbiome gastrointestinal development programs. Under the terms of the agreement, the Company made an upfront payment to Assembly of $50.0 million for the exclusive, worldwide rights to develop and commercialize certain development compounds. Additionally, Assembly will be eligible to receive success-based development and commercial milestone payments plus royalties based on net sales. The Company and Assembly will generally share development costs through proof-of-concept ("POC") studies, and Allergan will assume all post-POC development costs. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The total upfront payment of $50.0 million was included as a component of R&D expense in the year ended December 31, 2017 and the future success based milestone payments of up to $2,771.0 million, including amounts for additional development programs not committed to as of December 31, 2017, will be recorded if the corresponding events become probable.

Lysosomal Therapeutics, Inc.

On January 9, 2017, the Company entered into a definitive agreement for the option to acquire Lysosomal Therapeutics, Inc. ("LTI"). LTI is focused on innovative small-molecule research and development in the field of neurodegeneration, yielding new treatment options for patients with severe neurological diseases. Under the agreement, Allergan acquired an option right directly from LTI shareholders to acquire LTI for $150.0 million plus future milestone payments following completion of a Phase Ib trial for LTI-291 as well as an upfront research and development payment. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The aggregate upfront payment of $145.0 million was recorded as a component of R&D expense in the year ended December 31, 2017. The Company did not exercise its option and on January 2, 2019, the option agreement with LTI was terminated.

Other Transactions

Saint Regis Mohawk Tribe

On September 8, 2017, the Company entered into an agreement with the Saint Regis Mohawk Tribe, under which the Saint Regis Mohawk Tribe obtained the rights to Orange Book-listed patents covering Restasis® (Cyclosporine Ophthalmic Emulsion) 0.05%, and the Company was granted exclusive licenses under the patents related to the product. Pursuant to the agreement, the Company paid the Saint Regis Mohawk Tribe an upfront payment of $13.8 million, which was recorded as a component of cost of sales in the year ended December 31, 2017.

During the years ended December 31, 2019 and 2018, the Company paid royalties to the Saint Regis Mohawk Tribe of $10.1 million and $15.0 million, respectively, which were recorded within cost of sales. As of December 31, 2019, the Company has no future royalty obligations to the Saint Regis Mohawk Tribe.

Business Description

The Company markets brand pharmaceutical products and medical devices, including aesthetic products, under brand names through programs that are designed to generate physician and consumer loyalty. During the second quarter of 2019, the Company changed the operational and management structure for its in-development calcitonin gene-related peptide ("CGRP") receptors, Ubrogepant and Atogepant. These development products were previously reported within the US Specialized Therapeutics segment and have been transferred to the US General Medicine segment to align these development products with the Company's management structure and reporting. The revenues and cost of sales related to these products in prior periods were zero and any selling and marketing expenses and general and administrative expenses were de minimis, and therefore it was not necessary to recast prior periods.

As a result of the differences between the types of products we market and/or distribute, we operate and manage our business in three distinct operating segments: US Specialized Therapeutics, US General Medicine and International. The operating segments are organized as follows:

- The US Specialized Therapeutics segment includes sales and expenses relating to branded products within the U.S., including Medical Aesthetics, Medical Dermatology through September 20, 2018, Eye Care and Neuroscience and Urology therapeutic products.
- The US General Medicine segment includes sales and expenses relating to branded products within the U.S. that do not fall into the US Specialized Therapeutics business units, including Central Nervous System, Gastrointestinal, Women's Health, Anti-Infectives and Diversified Brands.
- The International segment includes sales and expenses relating to products sold outside the U.S.

Business Strategy

We apply four key strategies to achieve growth for our US Specialized Therapeutics, US General Medicine and International businesses: (i) internal development of differentiated and high-demand products, (ii) investing behind key marketed brands, (iii) establishment of strategic alliances and collaborations and (iv) acquisition of products and companies that complement our current business.

Based upon business conditions, our financial strength and other factors, we regularly reexamine our business strategies and may change them at any time. Refer to "ITEM 1A. RISK FACTORS —Risks Related to Our Business" in this document.

As of December 31, 2019, our portfolio of products within the US Specialized Therapeutics, US General Medicine and International segments include the following products with sales in excess of $200.0 million:

Product	Therapeutic Area	Active Ingredient	Therapeutic Classification
Alloderm®	Medical Aesthetics	Tissue	Skin graft
Alphagan®/Combigan®	Eye Care	Brimonidine tartrate	Selective alpha2 agonist
Armour Thyroid®	Diversified Brands	levothyroxine and liothyronine	Hypothyroidism
Botox® Cosmetics	Facial Aesthetics	Onabotulinumtoxin A	Acetylcholine release inhibitor
Botox® Therapeutics	Neuroscience and Urology	Botulinum toxin	Musculoskeletal agent
Breast Implants	Plastic Surgery	Silicone	Reconstructive plastic surgery
Bystolic®/Byvalson®	Diversified Brands	Nebivolol	Hypertension
Carafate®/Sulcrate®	Gastrointestinal	Sucralfate	Ulcerative colitis
Coolsculpting®	Medical Aesthetics	Medical device	Body contouring
Juvederm® Collection	Facial Aesthetics	Hyaluronic acid	Fillers
Linzess®/Constella®	Gastrointestinal	Linaclotide	Irritable bowel syndrome
Lo Loestrin®	Women's Health	Ethinyl estradiol and norethindrone	Oral contraceptive
Lumigan®/Ganfort®	Eye Care	Bimatoprost	Prostaglandin analogue
Ozurdex®	Eye Care	Dexamethasone	Intravitreal eye implant
Restasis®	Eye Care	Cyclosporine	Topical immunomodulator
Viibryd®/Fetzima®	Central Nervous System	Vilazodone HCl/Levomilnacipran	Major depressive disorders
Vraylar®	Central Nervous System	Cariprazine HCl	Schizophrenia, bipolar mania
Zenpep®	Gastrointestinal	Pancrelipase	Exocrine pancreatic insufficiency

Our portfolio of products also includes eye drops, including Optive and Refresh, with net sales in excess of $200.0 million in 2019.

On December 23, 2019, the Company received approval from the U.S. Food and Drug Administration (FDA) for the Company's New Drug Application (NDA) for UBRELVY™ (ubrogepant) for the acute treatment of migraine with or without aura in adults. UBRELVY™ is a first-in-class oral calcitonin gene-related peptide ("CGRP") receptor antagonist (gepant) for the treatment of migraine attacks once they start.

On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into a definitive agreement to divest Zenpep® and Viokace®. This agreement was made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. The closing of the divestitures of Zenpep® and Viokace® are contingent upon receipt of U.S. Federal Trade Commission approval, closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

Businesses

Our US Specialized Therapeutics business offers certain of our branded products within the U.S., including Medical Aesthetics, Medical Dermatology through September 20, 2018, Eye Care and Neuroscience and Urology therapeutic products.

Our US General Medicine business is focused on newly developed pharmaceutical products, which are normally patented or have market exclusivity. These patented and off-patent trademarked products are branded pharmaceutical products, and as a result of patents or other market exclusivity are generally offered by a single provider when first introduced to the market. We market a number of branded products to physicians, hospitals, and other customers that we serve as well as the end patient.

Our International segment offers a wide array of branded products, including aesthetics products, outside of the United States.

Net revenues in our segments, including % of total net revenues, consisted of the following for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2019		Year Ended December 31, 2018		Year Ended December 31, 2017	
	Net Revenue	% of Total Net Revenue	Net Revenue	% of Total Net Revenue	Net Revenue	% of Total Net Revenue
US Specialized Therapeutics	$ 6,820.0	42.4%	$ 6,920.3	43.8%	$ 6,803.6	42.7%
US General Medicine	5,834.9	36.3%	5,322.9	33.7%	5,796.2	36.4%
International	3,402.0	21.1%	3,504.7	22.2%	3,319.5	20.8%
Other	32.0	0.2%	39.5	0.3%	21.4	0.1%
Total	$ 16,088.9	100.0%	$ 15,787.4	100.0%	$ 15,940.7	100.0%

Business Strategies

Our US Specialized Therapeutics business is focused on maintaining a leading position in the therapeutic areas in which we participate within the U.S. market. Our sales and marketing efforts focus on targeted activities, including direct-to-consumer advertising to increase consumer awareness of our products and also to engage specialty physicians and surgeons through our sales professionals and other programs to ensure they are fully informed about our product offerings. For reimbursed products, we also contract with payors to ensure that our products are widely available to patients.

In our US General Medicine business, we market our branded products through our active sales professionals in the United States. Our sales and marketing efforts focus on both general practitioners and specialty physicians who specialize in the diagnosis and treatment of particular medical conditions. We also conduct targeted activities, including direct-to-consumer advertising to increase consumer awareness of our products. We believe that our current sales force structure gives us a competitive advantage in launching and promoting products due to our ability to reach a larger target audience of both general practitioners and specialists. For reimbursed products, we also contract with payors to ensure that our products are widely available to patients.

Our International business is focused on maintaining a leading position by offering a consistent and reliable supply of quality branded and aesthetic products in key markets. We have maintained an ongoing effort to enhance efficiencies and reduce costs in our manufacturing operations.

Research and Development

We devote significant resources to the R&D of branded products, biosimilars and proprietary drug delivery technologies. R&D activities are expensed as incurred and consist of self-funded R&D costs, the costs associated with work performed under collaborative R&D agreements, regulatory fees, and acquisition and license related milestone payments, if any.

Our R&D strategy focuses on the following product development areas:

- the application of proprietary drug-delivery technology for new product development in specialty areas;
- the acquisition of mid-to-late development-stage brand drugs;
- early stage collaboration arrangements; and
- the development of sustained-release, semi-solid, liquid, oral transmucosal, transdermal, gel, injectable, and other drug delivery technologies and the application of these technologies to proprietary drug forms.

As of December 31, 2019, we are developing a number of products, some of which utilize novel drug delivery systems, through a combination of internal and collaborative programs including but not limited to the following:

Product	Therapeutic Area	Indication	Expected Launch Year	Phase
Bimatoprost SR	Eye Care	Glaucoma	2020	Review
Abicipar	Eye Care	Age Related Macular Degeneration	2020	Review
Atogepant	Central Nervous System	Prophylaxis Migraine	2021	III
Presbysol	Eye Care	Presbyopia	2021	III
Cenicriviroc	Gastrointestinal	NASH	2022	III
Brimonidine DDS	Eye Care	Geographic Atrophy	2023	II
Relamorelin	Gastrointestinal	Gastroparesis	2024	III
Botox	Medical Aesthetics	Platysma/Masseter	2025/2024	II
Abicipar	Eye Care	Diabetic Macular Edema	2025	II

In addition to the projects listed in the table above, the Company continues to develop brazikumab, a gastrointestinal development project for indications of Crohn's disease and ulcerative colitis. On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into a definitive agreement to divest brazikumab. This agreement was made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

As of December 31, 2019, we conducted the majority of our branded drug delivery R&D activities in Irvine, California. We are presently developing a number of products through a combination of internal and collaborative programs.

Financial Information About Segments and Geographic Areas

The Company evaluates segment performance based on segment contribution. Segment contribution for our segments represents net revenues less cost of sales (defined below), selling and marketing expenses, and select general and administrative expenses. The Company does not evaluate the following items at the segment level:

- Revenues and operating expenses within cost of sales, selling and marketing expenses, and general and administrative expenses that result from the impact of corporate initiatives. Corporate initiatives primarily include integration, restructuring, divestitures, acquisitions, certain milestones and other shared costs.
- General and administrative expenses that result from shared infrastructure, including certain expenses located within the United States.
- Other select revenues and operating expenses including R&D expenses, amortization, IPR&D impairments, goodwill impairments and asset sales and impairments, net as not all such information has been accounted for at the segment level, or such information has not been used by all segments.
- Total assets including capital expenditures.

The Company defines segment net revenues as product sales and other revenue derived from our products or licensing agreements.

Cost of sales within segment contribution includes standard production and packaging costs for the products we manufacture, third-party acquisition costs for products manufactured by others, profit-sharing or royalty payments for products sold pursuant to licensing agreements and finished goods inventory reserve charges. Cost of sales within segment contribution excludes non-standard production costs, such as non-finished goods inventory obsolescence charges, manufacturing variances and excess capacity utilization charges, where applicable. Cost of sales does not include amortization or impairment costs for acquired product rights or other acquired intangibles.

Selling and marketing expenses consist mainly of personnel-related costs, product promotion costs, distribution costs, professional service costs, insurance, depreciation and travel costs.

General and administrative expenses consist mainly of personnel-related costs, facilities costs, transaction costs, insurance, depreciation, litigation costs and professional services costs which are general in nature and attributable to the segment.

Customers

In US Specialized Therapeutics, US General Medicine and International operations, we sell our brand and aesthetic products primarily to drug wholesalers, retailers and distributors, including national retail drug and food store chains, hospitals, clinics, mail order retailers, government agencies and managed healthcare providers such as health maintenance organizations and other institutions. Certain medical aesthetic products and devices are also sold directly to physicians.

Sales to certain of our customers within the U.S. and Canada accounted for 10% or more of our annual revenues during the past three years. The following table illustrates customers and the respective percentage of revenues which they comprised in each of the last three years:

Customer	2019	2018	2017
McKesson Corporation	25%	25%	23%
Cardinal Health, Inc.	24%	23%	19%
AmerisourceBergen Corporation	22%	22%	19%

Our significant customers comprise a large part of the distribution network for pharmaceutical products in North America. As a result, a small number of large wholesaler distributors control a significant share of the market for our products. No customer in a country outside the U.S. and Canada had 10% or more of global sales.

The loss of any of these customers could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Competition

The pharmaceutical industry is highly competitive. In our US Specialized Therapeutics, US General Medicine and International businesses, we compete with different companies to develop competitive products, in certain product categories, and within each applicable product category, upon dosage strengths and drug delivery systems. Our competitors include the major brand name manufacturers of pharmaceutical products. In addition to product development, other competitive factors in the pharmaceutical industry include product quality, price, reputation, service and access to proprietary and technical information. It is possible that developments by others will make our products or technologies noncompetitive or obsolete.

Competing in the brand and aesthetic product business requires us to identify and successfully bring to market new products embodying technological innovations. Successful marketing of brand and aesthetic products depends primarily on the ability to communicate the effectiveness, safety and value of these products to healthcare professionals in private practice and group practices and to receive formulary status from managed care organizations. We anticipate that our brand and aesthetic product offerings will support our existing areas of therapeutic focus. Based upon business conditions and other factors, we regularly reevaluate our business strategies and may from time to time reallocate our resources from one therapeutic area to another, withdraw from a therapeutic area or add an additional therapeutic area in order to maximize our overall growth opportunities.

Many of our competitors, except for those in the Medical Aesthetics business, have been in business for a longer period of time, have a greater number of products on the market and have greater financial and other resources than we do. When we directly compete with these companies for certain contracted business or for the same markets and/or products, their financial strength could prevent us from capturing a meaningful share of those markets.

Social Contract

In September 2016, we introduced our Social Contract with Patients, in which we pledged to invest in new and innovative treatments, make our treatments accessible and affordable to patients, provide enhanced patient assistance programs (including in some cases free medicine) to eligible patients and maintain safety reporting and quality standards. Additionally, in our Social Contract with Patients, we committed to limit price increases. If we increase prices on our products, we will limit increases to once per year, and only increase the list price of a product by single-digit percentages. Our expectation is that net price increases, which are price increases after discounts and rebates, would be in the low to mid- single digit range.

For the full-year 2019, our net price on U.S. products increased by an average 0.1 percent, and list price increases averaged 7.7 percent. The difference between the net price decreases and the list price increases is due to higher rebates and discounts.

Manufacturing, Suppliers and Materials

As of December 31, 2019, we manufactured certain of our own finished products at our plants. We also have development and manufacturing capabilities for raw material and active pharmaceutical ingredients ("API") and intermediate ingredients to support our R&D internal product development efforts in our Campbell, California, Irvine, California and Liverpool, United Kingdom locations.

We have major manufacturing sites in:

Location	State / Country
Branchburg	New Jersey / USA
Campbell	California / USA
Cincinnati	Ohio / USA
Clonshaugh	Ireland
Dublin	California / USA
Galway	Ireland
Guarulhos	Brazil
Heredia	Costa Rica
Houston	Texas / USA
Liege	Belgium
Pringy	France
Waco	Texas / USA
Westport	Ireland

Our manufacturing operations are subject to extensive regulatory oversight and could be interrupted at any time. Refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this document.

While we manufacture certain of our own finished products at our plants, we are dependent on third parties for the supply of many of our finished products. In addition, we are dependent on third parties for the supply of the raw materials necessary to develop and manufacture our commercialized products, including the API and inactive pharmaceutical ingredients used in many of these products. We are required to identify the supplier(s) of all the raw materials for our products in the drug applications that we file with the FDA in the U.S. and other regulatory authorities outside the U.S. If raw materials for a particular product become unavailable from an approved supplier specified in a drug application, we would be required to qualify a substitute supplier with the FDA and with other regulatory authorities outside the U.S., which could interrupt manufacturing of the affected product. To the extent practicable, we attempt to identify more than one supplier in each drug application. However, some raw materials are available only from a single source and, in many of our drug applications, only one supplier of raw materials has been identified, even in instances where multiple sources exist.

Furthermore, we obtain a significant portion of our raw materials from foreign suppliers. Arrangements with international raw material suppliers are subject to, among other things, FDA regulation, customs clearance, various import duties, foreign currency risk and other government clearances. Acts of governments outside the U.S. may affect the price or availability of raw materials needed for the development or manufacture of our products. In addition, any changes in patent laws in jurisdictions outside the U.S. may make it increasingly difficult to obtain raw materials for R&D prior to the expiration of the applicable U.S. or foreign patents. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business — If we are unable to obtain sufficient supplies of raw materials, our ability to deliver our products to the market may be impeded." and — "The supply of APIs into Europe may be negatively affected by regulations promulgated by the European Union." in this document.

Patents and Proprietary Rights

We believe patent protection of our proprietary products is important to our products. Our success with our branded products will depend, in part, on our ability to obtain, and successfully defend if challenged, patent or other proprietary protection for such products. We currently have a number of U.S. and foreign patents issued or pending. However, the issuance of a patent is not conclusive as to its validity or as to the enforceable scope of the claims of the patent. Accordingly, our patents may not prevent other companies from developing similar or functionally equivalent products or from successfully challenging the validity of our patents. If our patent applications are not allowed or, even if allowed, if such patents are circumvented or not upheld in a court of law or in

administrative proceedings, including oppositions, re-examinations or inter partes review ("IPR"), our ability to competitively market our patented products and technologies may be significantly reduced. Also, such patents may or may not provide competitive advantages for their respective products or they may be challenged or circumvented by competitors, in which case our ability to commercially market these products may be diminished. From time to time, we may need to obtain licenses to patents and other proprietary rights held by third parties to develop, manufacture and market our products. If we are unable to timely obtain these licenses on commercially reasonable terms, our ability to commercially market such products may be inhibited or prevented. In addition, patents covering, for example, Actonel® (certain indications), Androderm®, Carafate®, Minastrin®, Estrace® Cream, Femhrt®, INFed®, Namenda® (IR), Pylera® and Rapaflo® products have expired and we have no further patent protection on these products. Generic versions of our Minastrin® product entered the market during 2017 pursuant to settlement agreements previously entered into. Generic versions of our Estrace® product entered the market in January 2018, generic versions of our Namenda XR® product entered the market in March 2018, generic versions of our Rapaflo® product entered the market in December 2018, and a generic version of our Carafate® product entered the market in December 2019.

We also rely on trade secrets and proprietary know-how that we seek to protect, in part, through confidentiality agreements with our partners, customers, employees and consultants. It is possible that these agreements will be breached or will not be enforceable in every instance, and we will not have adequate remedies for any such breach. It is also possible that our trade secrets will otherwise become known or independently developed by competitors.

We may find it necessary to initiate litigation to enforce our patent and trademark rights, to protect our trade secrets or know-how or to determine the scope and validity of the proprietary rights of others. Litigation concerning patents, trademarks, copyrights and proprietary technologies can often be protracted and expensive and, as with litigation generally, the outcome is inherently uncertain.

Litigation alleging infringement of patents, trademarks, copyrights or other intellectual property rights may be costly and time consuming. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business — Third parties may claim that we infringe their proprietary rights and may prevent us from manufacturing and selling some of our products." and *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this document.

Government Regulation and Regulatory Matters

The following discussion focuses on key markets to the Company's overall business.

United States

All U.S. pharmaceutical manufacturers, including Allergan, are subject to extensive, complex and evolving regulation by the federal government, principally the FDA, and to a lesser extent, by the U.S. Drug Enforcement Administration ("DEA"), Occupational Safety and Health Administration and state government agencies, as well as by various regulatory agencies in foreign countries where our products or product candidates are being manufactured and/or marketed. The Federal Food, Drug, and Cosmetic Act ("FFDCA"), the Controlled Substances Act and other federal statutes and regulations govern or influence the testing, manufacturing, packing, labeling, storing, record keeping, safety, approval, advertising, promotion, sale and distribution of our products. In our international markets, the approval, manufacture and sale of pharmaceutical products is similar to that of the United States with some variations dependent upon local market dynamics.

Specialty Pharmaceuticals

In the United States, FDA approval is required before any dosage form of any new drug, including an off-patent equivalent of a previously approved drug, can be marketed. The process for obtaining governmental approval to manufacture and market pharmaceutical products is rigorous, time-consuming and costly, and the extent to which it may be affected by legislative and regulatory developments cannot be predicted. We are dependent on receiving FDA and other governmental approvals prior to manufacturing, marketing and shipping new products. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business — If we are unable to successfully develop or commercialize new products, our operating results will suffer." and "— Extensive industry regulation has had, and will continue to have, a significant impact on our business, especially our product development, manufacturing and distribution capabilities." in this document.

All applications for FDA approval must contain information relating to product formulation, raw material suppliers, stability, manufacturing processes, packaging, labeling and quality control. We file a New Drug Application ("NDA") when we seek approval for drugs with active ingredients and/or with dosage strengths, dosage forms, delivery systems or pharmacokinetic profiles that have not been previously approved by the FDA. Generally, NDAs are filed for new chemical entities or for a new dosage form of previously approved drugs.

For innovative or non-generic new drugs, an FDA-approved NDA is required before the drug may be marketed in the United States. The NDA must contain data to demonstrate that the drug is safe and effective for its intended uses and that it will be manufactured to appropriate quality standards. In order to demonstrate safety and effectiveness, an NDA generally must include or reference pre-clinical studies and clinical data from controlled trials in humans. For a new chemical entity, this generally means that lengthy, uncertain and rigorous pre-clinical and clinical testing must be conducted. For compounds that have a record of prior or current use, it may be possible to utilize existing data or medical literature and limited new testing to support an NDA. Any pre-clinical testing that we wish to rely upon for FDA action must comply with the FDA's good laboratory practice and other requirements. Clinical testing in human subjects must be conducted in accordance with the FDA's good clinical practice and other requirements. In order to initiate a clinical trial, the sponsor must submit an IND to the FDA or meet one of the narrow exemptions that exist from the IND requirement.

The FDA has the authority to either approve or not approve NDAs, and if an application is not approved, additional data (clinical, non-clinical, manufacturing or quality data, among other types of data) is generally required. In addition, the FDA may approve an NDA subject to post-approval studies or monitoring requirements, or require that other risk management measures be utilized when the product is commercialized. There are also requirements to conduct pediatric trials for all new NDAs and supplements to NDAs for pharmaceutical products that may be used in the pediatric patient population, unless a waiver or deferral applies.

Once approved, the NDA is subject to life-cycle management regulations (for example, annual reports) in order to maintain product registrations. A Supplemental New Drug Application ("sNDA") is required for changes that require FDA evaluation and/or approval prior to implementation, including the transfer of certain products from one manufacturing site to another, a change in API supplier, or a new indication or dosage form. In addition, a change in the manufacturing site for certain products may only be approved once new bioequivalency studies are conducted or other requirements are satisfied. In addition, the FDA may require post-marketing studies.

To obtain FDA approval of NDAs and sNDAs, our manufacturing procedures and operations must conform to FDA quality system and control requirements generally referred to as current Good Manufacturing Practices ("cGMP"), as defined in Title 21 of the U.S. Code of Federal Regulations, and cGMP must be adhered to throughout the life cycle of a product, as these regulations encompass all aspects of the production process from receipt and qualification of components to distribution procedures for finished products. cGMP standards are evolving standards; thus, we must continue to expend substantial time, money and effort in all production and quality control areas to maintain compliance with these standards. The evolving and complex nature of regulatory requirements, the broad authority and discretion of the FDA, and the generally high level of regulatory oversight results in the continuing possibility that we may be adversely affected by regulatory actions despite our efforts to maintain compliance with regulatory requirements.

We are subject to the periodic inspection of our facilities, procedures and operations and/or the testing of our products by the FDA, the DEA and other health authorities, which conduct periodic inspections to assess compliance with applicable regulations. In addition, in connection with its review of our applications for new products, the FDA conducts pre-approval and post-approval reviews and plant inspections to determine whether our systems and processes comply with cGMP and other FDA regulations. Among other things, the FDA may withhold approval of NDAs, sNDAs, or other product applications of a facility if deficiencies are found at that facility. Vendors that supply finished products or components to us that we use to manufacture, package and label products are subject to similar regulation and periodic inspections.

Following such inspections, the FDA may issue notices on Form 483 and Warning Letters that may require us to modify certain activities identified during the inspection. A Form 483 notice may be issued at the conclusion of an FDA inspection and lists issues the FDA investigators believe may violate cGMP or other FDA regulations. FDA guidelines specify that a Warning Letter be issued only for violations of "regulatory significance" for which the failure to adequately and promptly address the correction to the satisfaction of the FDA may be expected to result in an enforcement action.

Additionally, FDA reviews promotional and marketing materials for compliance with the FFDCA and FDA regulations. FDA may issue letters or take other enforcement action if FDA believes promotional and marketing materials do not comply with the law and regulations.

Failure to comply with FDA and other governmental regulations can result in fines, unanticipated compliance expenditures, recall or seizure of products, total or partial suspension of production and/or distribution, suspension of the FDA's review of NDAs or sNDAs or other product application enforcement actions, injunctions and criminal prosecution. Under certain circumstances, the FDA also has the authority to revoke previously granted drug approvals. Although we have internal compliance programs, if these programs do not meet regulatory agency standards or if our compliance is deemed deficient in any significant way, it could have a material adverse effect on our business. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business — Extensive industry regulation has had, and will continue to have, a significant impact on our business, especially our product development, manufacturing and distribution capabilities." in this document. The FDA can also significantly delay the approval of any pending NDA or other regulatory submissions under the Fraud, Untrue Statements of Material Facts, Bribery and Illegal Gratuities Policy Act.

Medical Devices

Medical devices are subject to regulation by the FDA, state agencies and foreign government health authorities. FDA regulations, as well as various U.S. federal and state laws, govern the development, clinical testing, manufacturing, labeling, record keeping and marketing of medical device products agencies in the United States. Our medical device product candidates, including our breast implants, must undergo rigorous clinical testing and an extensive government regulatory clearance or approval process prior to sale in the United States and other countries. The lengthy process of clinical development and submissions for clearance or approval, and the continuing need for compliance with applicable laws and regulations, require the expenditure of substantial resources. Regulatory clearance or approval, when and if obtained, may be limited in scope, and may significantly limit the indicated uses for which a product may be marketed. Cleared or approved products and their manufacturers are subject to ongoing review, and discovery of previously unknown problems with products may result in restrictions on their manufacture, sale, and/or use or require their withdrawal from the market.

Our medical device products are subject to extensive regulation by the FDA in the United States. Unless an exemption applies, each medical device we market in the United States must have a 510(k) clearance or a Premarket Approval Application ("PMA") in accordance with the FFDCA and its implementing regulations. The FDA classifies medical devices into one of three classes, depending on the degree of risk associated with each medical device and the extent of controls that are needed to ensure safety and effectiveness. Devices deemed to pose a lower risk are placed in either Class I or Class II, and devices deemed by the FDA to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices, or a device deemed to be not substantially equivalent to a previously cleared 510(k) device, are placed in Class III. In general, a Class III device cannot be marketed in the United States unless the FDA approves the device after submission of a PMA, and any changes to the device subsequent to initial FDA approval must also be reviewed and approved by the FDA. The majority of our medical device products, including our breast implants, are regulated as Class III medical devices. A Class III device may have significant additional obligations imposed in its conditions of approval, and the time in which it takes to obtain approval can be long. Compliance with regulatory requirements is assured through periodic, unannounced facility inspections by the FDA and other regulatory authorities, and these inspections may include the manufacturing facilities of our subcontractors or other third-party manufacturers. Failure to comply with applicable regulatory requirements can result in enforcement action by the FDA, which may include any of the following sanctions: warning letters or untitled letters; fines, injunctions and civil penalties; recall or seizure of our products; operating restrictions, partial suspension or total shutdown of production; refusing our request for 510(k) clearance or PMA approval of new products; withdrawing 510(k) clearance or PMA approvals that are already granted; and criminal prosecution.

A clinical trial is almost always required to support a PMA application and is sometimes required for a 510(k) premarket notification. Clinical trials generally require submission of an application for an investigational device exemption ("IDE"), which must be supported by appropriate data, such as animal and laboratory testing results, showing that it is safe to test the device in humans and that the testing protocol is scientifically sound. A study sponsor must obtain approval for its IDE from the FDA, and it must also obtain approval of its study from the Institutional Review Board ("IRB") overseeing the trial. The results of clinical testing may not be sufficient to obtain approval of the investigational device.

Once a device is approved, the manufacture and distribution of the device remains subject to continuing regulation by the FDA, including Quality System Regulation requirements, which involve design, testing, control, documentation and other quality assurance procedures during the manufacturing process. Medical device manufacturers and their subcontractors are required to register their establishments and list their manufactured devices with the FDA and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with regulatory requirements. Manufacturers must also report to the FDA if their devices may have caused or contributed to a death or serious injury or malfunctioned in a way that could likely cause or contribute to a death or serious injury, or if the manufacturer conducts a field correction or product recall or removal to reduce a risk to health posed by a device or to remedy a violation of the FFDCA that may present a health risk. Further, the FDA continues to regulate device labeling, and prohibits the promotion of products for unapproved or "off-label" uses along with other labeling restrictions. If a manufacturer or distributor fails to comply with any of these regulatory requirements, or if safety concerns with a device arise, the FDA may take legal or regulatory action, including civil or criminal penalties, suspension, withdrawal or delay in the issuance of clearances or approvals, or seizure or recall of products, any one or more of which could have a material adverse effect upon us.

Other Regulatory Requirements Applicable to Our Business

The FDA imposes a number of complex regulatory requirements on entities that advertise and promote pharmaceutical products and medical devices, including, but not limited to, standards and regulations for direct-to-consumer advertising, "off-label" promotion, industry-sponsored scientific and educational activities, and promotional activities including internet marketing. Pharmaceutical products and medical devices can only be marketed for indications approved or cleared by the FDA. Failure to comply with these regulations can result in penalties, the issuance of warning letters directing a company to correct deviations from FDA standards, a requirement that future advertising and promotional materials be pre-cleared by the FDA, and federal and state civil and criminal investigations and prosecutions.

U.S. government reimbursement programs include Medicare, Medicaid, TriCare, and State Pharmaceutical Assistance Programs established according to statute, government regulations and policy. Federal law requires all pharmaceutical manufacturers, as a condition of having their products receive federal reimbursement under Medicaid and Medicare Part B, to pay rebates to state Medicaid programs on units of their pharmaceuticals that are dispensed to Medicaid beneficiaries. With enactment of the Patient Protection and Affordable Care Act ("ACA"), as amended, manufacturer rebate liability for brand drugs increased from 15.1% to 23.1% of the Average Manufacturer Price, or the difference between the Average Manufacturer Price and the drug's Best Price (i.e., the lowest net sales price to a non-government customer during a specified period), whichever is greater. In some states, supplemental rebates are required as a condition of including the manufacturer's drug on a state's Preferred Drug List, which if agreed upon would generally permit access to a manufacturer's product without utilization management (e.g., step therapy).

The ACA prescribed that the coverage gap phase of the Medicare Part D benefit be closed such that, by 2020, beneficiaries will pay co-insurance of 25% (or co-payment equivalents) of the cost of prescription drugs dispensed to them under their applicable Medicare Part D plans, until they reach the catastrophic phase of the Medicare Part D benefit. Beginning in 2011, brand drug manufacturers were required to provide a 50% discount on their drugs while beneficiaries are in the coverage gap; the Bipartisan Budget Act of 2018, however, increased this discount to 70% beginning in 2019. Additionally, beginning in 2013, the government and Medicare Part D plan sponsors began providing additional subsidies for brand name drugs bought by seniors who enter the coverage gap. The government/sponsor share originally was designed to provide a 25% discount in the cost of drugs by 2020, however the Bipartisan Budget Act of 2018 revised this percentage down to 5%. Consequently, the combined industry discounts and government subsidies still will add up to 75% of brand name drug costs in 2020, however, pharmaceutical manufacturers are required to extend far greater discounts under this coverage gap program than originally was contemplated.

On January 21, 2016, the Centers for Medicare and Medicaid Services ("CMS") issued a final rule on the calculation of AMP, Best Price, and the Unit Rebate Amount for the Medicaid Drug Rebate Program; the final rule took effect in April 2016 (for most provisions). Allergan has implemented required changes to its Medicaid rebate calculations and policies, effective for its Q2 2016 calculations and pricing submissions. Notably, however, the Medicaid Drug Rebate Program requires compliance with complex statutory pricing formulas and requirements, and manufacturers frequently are required to adopt "reasonable assumptions," as permitted by CMS guidance, where the regulations are silent or unclear. Any changes in existing CMS guidance could affect our compliance efforts, existing reasonable assumptions, and rebate liability. We are also required to discount products to authorized users of the Federal Supply Schedule, under which additional laws and requirements apply.

The ACA also expanded the government's 340B drug discount program by adding new categories of covered entity types that are qualified to participate in the program and benefit from its deeply discounted drug pricing. The ACA also obligated the Health Resources and Services Administration (HRSA), which administers the 340B program, to update the Pharmaceutical Pricing Agreement, which each manufacturer must sign to participate in the 340B program, to require each manufacturer to offer the 340B price to covered entities if the manufacturer makes its drugs available to any other purchaser at any price, and to report statutory ceiling prices for its drugs to the government. HRSA issued this update in late 2016 and the Company subsequently signed and executed an amendment to our agreement. In addition, on January 5, 2017, HRSA finalized regulations that, among other things, implement rules regarding civil monetary penalties for knowing and intentional overcharges of 340B covered entities by pharmaceutical manufacturers; after a series of regulatory delays, these rules became effective for transactions occurring on or after January 1, 2019.

In connection with the commercialization of our products, we often are required to negotiate and enter into discount and rebate agreements for our products with government and private health insurers, including Health Maintenance Organizations ("HMOs") and Managed Care Organizations ("MCOs"). These discount and rebate agreements commonly are required to ensure the accessibility of our drugs to beneficiaries of the individual health insurance plans, whether sponsored by the government or a commercial entity. Indeed, the sale of our existing and any future products largely is dependent on the extent to which our products are covered by health insurance. Any changes to product coverage requirements, including pursuant to federal law or regulation, or government or private drug cost containment measures could have an adverse effect on our business operations.

Additionally, we may in the future -- as we have in the past -- receive requests for information, sometimes in the form of civil investigative demands or subpoenas, from the U.S. Federal Trade Commission ("FTC") and the European Commission - Competition. Any adverse outcome of these types of investigations or actions could have a material adverse effect on our business, results of operations, financial condition and cash flows. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business—Federal regulation of arrangements between manufacturers of branded and generic products could adversely affect our business." Also refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this document.

As part of the Medicare Prescription Drug and Modernization Act of 2003 ("MMA"), companies are required to file with the FTC and the Department of Justice certain types of agreements entered into between brand and generic pharmaceutical companies related to the manufacture, marketing and sale of generic versions of brand drugs. This requirement could affect the manner in which drug manufacturers resolve intellectual property litigation and other disputes with competitor pharmaceutical companies and could result generally in an increase in private-party litigation against pharmaceutical companies. The impact of this requirement, and the potential private-party lawsuits associated with arrangements between brand name and generic drug manufacturers, is uncertain and could adversely affect our business. For example, beginning in April 2013, private parties have filed lawsuits against us alleging that a settlement of a patent litigation between a subsidiary of the Company and potential generic competitor that had filed an Abbreviated New Drug Application ("ANDA") for a generic version of Loestrin® is unlawful. Those lawsuits remain pending. Refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this document.

Federal, state, local and foreign laws of general applicability, such as laws regulating working conditions, also govern us. In addition, we are subject, as are all manufacturers generally, to numerous and increasingly stringent federal, state and local environmental laws and regulations concerning, among other things, the generation, handling, storage, transportation, treatment and disposal of toxic and hazardous substances and the discharge of pollutants into the air and water. Environmental permits and controls are required for some of our operations, and these permits are subject to modification, renewal and revocation by the issuing authorities. Our environmental capital expenditures and costs for environmental compliance may increase in the future as a result of changes in environmental laws and regulations or increased manufacturing activities at any of our facilities. We could be adversely affected by any failure to comply with environmental laws, including the costs of undertaking a clean-up at a site to which our wastes were transported.

European Union

We encounter similar regulatory and legislative issues in most other countries, including countries that are members of the European Union (the "EU"). Pharmaceutical manufacturers are regulated in the EU by the European Medicines Agency (the "EMA") and national health authorities. All manufacturers are required to submit medicinal products, including generic versions of previously approved products and new strengths, dosages and formulations of previously approved products, to the EMA and/or its member states for review and marketing authorization before such products are placed on the market in the EU.

Marketing authorizations are granted to applicants after the relevant health authority issues a positive assessment of quality, safety and efficacy of the product. In order to receive such assessment, applicants must submit applications, which must contain or reference the results of pre-clinical tests, pharmaceutical tests, and clinical trials with respect to originator products. All of these tests or trials must be conducted in accordance within European regulations and must allow the reviewing body to evaluate the quality, safety and efficacy of the medicinal product.

In addition to obtaining marketing authorization for each product, all member states require that a manufacturer's facilities obtain approval from the national authority. The EU has a code of good manufacturing practices that each manufacturer must follow and comply with. Regulatory authorities in the EU may conduct inspections of the manufacturing facilities to review procedures, operating systems and personnel qualifications. Refer to "ITEM 1A. — RISK FACTORS — Risks Related to Our Business — The supply of APIs into Europe may be negatively affected by regulations promulgated by the European Union." in this document.

In the EU, member states regulate the pricing of pharmaceutical products, and in some cases, the formulation and dosing of products. This regulation is handled by individual member state national health services. These individual regulatory bodies can result in considerable price differences and product availability among member states. The implementation of tendering systems for the pricing of pharmaceuticals in several countries generally impacts drug pricing; generally "tendering" refers to a system that requires bids to be submitted to the relevant national health services organizations by competing manufacturers to be the exclusive, or one of a few, supplier(s) of a product for such tender.

Further, faced with major budget constraints, many European countries have resorted to price cuts or claim-back schemes that affect both innovative and generic pharmaceuticals. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business—Global economic conditions could harm us." in this document.

Medical device products that are marketed in the European Union must comply with the requirements of the Medical Device Directive (the "MDD"), as implemented in the national legislation of the European Union member states. The MDD, as implemented, provides for a regulatory regime with respect to the design, manufacture, clinical trials, labeling and adverse event reporting for medical devices to ensure that medical devices marketed in the European Union are safe and effective for their intended uses. Medical devices that comply with the MDD, as implemented, are entitled to bear a Conformité Européenne ("CE") marking evidencing such compliance and may be marketed in the European Union. Failure to comply with these domestic and international regulatory requirements could affect our ability to market and sell our products in these countries. For example, following the non-renewal of our textured breast implant CE Mark licenses in Europe pending the request for additional information by LNE-GMED, the notified body responsible for certification of our breast implants, Allergan suspended sales of textured breast implants in Europe and withdrew the remaining textured breast implants then on the market in Europe in the fourth quarter of 2018. The MDD will be superseded by new legislation, the Medical Device Regulation (the "MDR"), which will come into effect in May 2020. The MDR will essentially operate in the same way as the MDD to ensure a harmonized approach in the European Union to ensuring the safety and performance of medical devices, and failure to comply with the MDR could affect our ability to market and sell our products in the European Union member states.

Canada

In Canada, pharmaceutical manufacturers are regulated by the Therapeutic Products Directorate (the "TPD") which derives its authority from the Canadian federal government under the Food and Drugs Act and the Controlled Drug and Substances Act. The TPD evaluates and monitors the safety, effectiveness and quality of pharmaceutical products. Products are officially approved for marketing in Canada following receipt of a market authorization, or "Notice of Compliance" (a "NOC"), which is subject to the Food and Drug Regulations. Issuance of a NOC for generic drug products is also subject to the Patented Medicines (Notice of Compliance) Regulations (the "NOC Regulations") under the Patent Act.

The NOC Regulations allow branded drug marketers to list patents that contain a claim for a medicinal ingredient, a claim for the formulation containing the medicinal ingredient, a claim for the dosage form, or a claim for the use of the medicinal ingredient in their branded drug on a patent register maintained by the TPD. In its abbreviated new drug submission, a generic applicant must address each patent listed against the reference product by making at least one statutory allowed allegation (for example, alleging that the patent is invalid or would not be infringed). If the generic applicant alleges invalidity or non-infringement, it must provide the branded manufacturer with an explanation of its allegations. Upon receipt of the explanation, the branded manufacturer may commence an action against the generic applicant in the Federal Court of Canada for a declaration that the making, constructing, using or selling of the generic applicant's drug would infringe any patent that is subject of an allegation. The NOC Regulations prohibits the Minister of Health from issuing an NOC to the generic applicant that is a party to the action, for a 24-month period from the day on which the action is brought, until the action is determined by the court. The branded manufacturer who brought the action, may also renounce application of the 24-month period but this could allow for early market entry, subject to data protection and the generic applicant's willingness to launch at risk.

Facilities, procedures, operations and/or testing of products are subject to periodic inspection by Health Canada and the Health Products and Food Branch Inspectorate. In addition, Health Canada conducts pre-approval and post-approval reviews and plant inspections to determine whether our systems are in compliance with the good manufacturing practices in Canada, Drug Establishment Licensing requirements and other provisions of the NOC Regulations. Competitors are subject to similar regulations and inspections.

Each Canadian province and territory also provides a comprehensive public drug program, which controls drug pricing and reimbursement and is responsible for ensuring eligible patients receive drugs through public funding. The provinces and territories in Canada operate drug benefit programs through which eligible recipients receive drugs through public funding; these drugs are listed on provincial or territorial Drug Benefit Formularies ("Formularies"). Eligible recipients include seniors, persons on social assistance, low-income earners, and those with certain specified conditions or diseases. Formulary listings are also used by private payors to reimburse generic products. To be listed in a Formulary, drug products must have been issued a NOC and must comply with each jurisdiction's individual review process. Currently, Canada's provinces and territories are looking at national competitive bidding processes/tendering of drugs, which may affect the sustainability of the industry and the supply of pharmaceuticals.

Finally, Canada has reached a trade agreement with the European Union (the "Comprehensive Economic and Trade Agreement") in which it has implemented a form of patent term extensions and certain procedural amendments to the NOC Regulations. Canada is further involved in trade negotiations with ten Pacific countries (the "Comprehensive and Progressive Agreement for Trans-Pacific Partnership"), which could lead to further changes to Canada's intellectual property framework and affect our business.

Environmental Matters

We are subject to federal, state, and local environmental laws and regulations in the United States and abroad. Our environment, health and safety group monitors our operations around the world, providing us with an overview of regulatory requirements and overseeing the implementation of our standards for compliance. We believe that our operations comply in all material respects with applicable environmental laws and regulations in each jurisdiction where we have a business presence, and we periodically audit our manufacturing and R&D facilities for compliance with all federal, state and local environmental laws and regulations. Although we continue to make capital expenditures for environmental protection, we do not anticipate any significant expenditure in order to comply with such laws and regulations that would have a material impact on our earnings or competitive position. We are not aware of any pending litigation or significant financial obligations arising from current or past environmental practices that are likely to have a material adverse effect on our financial position. We cannot assure, however, that environmental problems relating to facilities owned or operated by us will not develop in the future, and we cannot predict whether any such problems, if they were to develop, could require significant expenditures on our part.

Climate change presents risks to our operations, including the potential for additional regulatory requirements and associated costs, and the potential for more frequent and severe weather events and water availability challenges that may impact our facilities and those of our suppliers. These potential risks are integrated into the Company's business planning including investment in reducing energy, water use and greenhouse gas emissions. We cannot provide assurance that physical risks to our facilities and supply chain due to climate change will not occur in the future; however we do not believe these risks are material to our business at this time.

In addition, we are unable to predict what legislation or regulations may be adopted or enacted in the future with respect to environmental protection and waste disposal. Refer to "ITEM 1A. RISK FACTORS — Risks Related to Our Business — Our business will continue to expose us to risks of environmental liabilities." in this document.

Seasonality

Consistent with the United States pharmaceutical industry, our business experiences seasonality, with the first quarter of each year typically being the lowest revenue quarter for our products. In addition, our aesthetics products, including our Botox® cosmetic indications, have tended to be marginally higher during the second and fourth quarters, presumably in advance of the summer vacation and holiday seasons. Fluctuations of our sales are also impacted by the effect of promotional activity, which cause non-seasonal variability in sales trends.

Backlog

As a result of the extent of our supply chain, backlog of orders is not material to our business.

Employees

As of December 31, 2019, we had approximately 17,400 employees. Of our employees, approximately 2,400 were engaged to support R&D functions, 4,900 supported Cost of Goods Sold functions, 8,700 supported sales, marketing and distribution functions, and 1,400 supported administrative functions.

ITEM 1A. ***RISK FACTORS***

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Any statements made in this report that are not statements of historical fact or that refer to estimated or anticipated future events are forward-looking statements, as contemplated in the Private Securities Litigation Reform Act of 1995. We have based our forward-looking statements on management's beliefs and assumptions based on information available to our management at the time these statements are made. Such forward-looking statements reflect our current perspective of our business, future performance, existing trends and information as of the date of this filing. These include, but are not limited to, our beliefs about future revenue and expense levels and growth rates, prospects related to our strategic initiatives and business strategies, including the integration of, and synergies associated with, strategic acquisitions, express or implied assumptions about government regulatory action or inaction, anticipated product approvals and launches, business initiatives and product development activities, assessments related to clinical trial results, product performance and competitive environment, and anticipated financial performance.

Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "plan," "intend," "could," "would," "should," "estimate," "continue," or "pursue," or the negative or other variations thereof or comparable terminology, are intended to identify forward-looking statements. The statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. We caution the reader that these statements are based on certain assumptions, risks and uncertainties, many of which are beyond our control.

In addition, certain important factors may affect our actual operating results and could cause such results to differ materially from those expressed or implied by forward-looking statements. We believe the risks and uncertainties discussed under the section entitled "Risks Related to Our Business," and other risks and uncertainties detailed herein and from time to time in our SEC filings, may cause our actual results to vary materially from those anticipated in any forward-looking statement.

We operate in a rapidly changing environment that involves a number of risks and uncertainties, some of which are beyond our control. The following discussion highlights some of these risks and speaks as of the date of this document, including the assets held for sale. These and other risks could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Risks Related to Our Business

The AbbVie Transaction is subject to customary closing conditions, including conditions related to required regulatory approvals, and may not be completed on a timely basis, or at all.

The completion of the AbbVie Transaction is subject to a number of customary conditions and there can be no assurance that the conditions to the closing of the AbbVie Transaction will be satisfied or waived (to the extent permitted by law). The failure to satisfy the required conditions could delay the completion of the AbbVie Transaction for a significant period of time or prevent the completion from occurring at all. These closing conditions include certain antitrust related approvals, including (i) that all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, in connection with the AbbVie Transaction having expired or having been terminated, and termination or expiration of any agreement between Allergan and AbbVie, on the one hand, and the U.S. Federal Trade Commission or the Antitrust Division of the U.S. Department of Justice, on the other hand, not to consummate the AbbVie Transaction, (ii) all required clearances of any governmental entity having been obtained and remaining in full force and effect and all applicable waiting periods having expired, lapsed or been terminated (as appropriate), in each case in connection with the AbbVie Transaction, under the antitrust laws of the U.S., European Union, China, Brazil, Canada, Israel, Mexico, Japan, South Africa, South Korea, Turkey and the United Kingdom (only in the event of any exit by the United Kingdom from, or suspension or termination of its membership in, the European Union such that a United Kingdom governmental entity has jurisdiction to review the acquisition under antitrust laws) (each a "Required Antitrust Jurisdiction)", (iii) to the extent (a) the AbbVie Transaction constitutes a concentration within the scope of Article 6(1)(c) of the Council EC Merger Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentrations between undertakings in respect of the AbbVie Transaction (the "EC Merger Regulation") or otherwise is a concentration that is subject to the EC Merger Regulation, the European Commission having decided to allow the closing of the AbbVie Transaction, and (b) that all or part of the AbbVie Transaction is referred by the European Commission to the relevant authority of one or more member countries of the European Economic Area, such relevant authority(ies) (in the case of a partial referral in conjunction with a final decision of the European Commission) having issued a final decision or decisions which satisfies (or together satisfy) the prior clause (a). The governmental agencies from which the parties are seeking certain approvals related to these conditions have broad discretion in administering the governing regulations. As a condition to their approval of the AbbVie Transaction, agencies may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of the combined company's business after the closing. Such requirements, limitations, costs or restrictions

could delay or prevent the consummation of the AbbVie Transaction or have a material adverse effect on the combined company's business and results of operations.

In addition, the closing conditions include other legal and regulatory conditions, such as (i) the sanction by the Irish High Court of the AbbVie Transaction and registration of the court order with the Irish Registrar of Companies, (ii) the approval by the New York Stock Exchange of the listing of all of the shares of AbbVie common stock to be issued in connection with the AbbVie Transaction, and (iii) (a) no order, writ, decree, judgment or injunction (whether temporary or permanent) having been issued, promulgated, made, rendered or entered into by any court or other tribunal of competent jurisdiction, and (b) no law (excluding any antitrust law other than those of a Required Antitrust Jurisdiction) having been enacted, issued, promulgated, enforced or entered and continuing in effect and, in each case of clauses (a) and (b), that restrains, enjoins, makes illegal or otherwise prohibits the consummation of the AbbVie Transaction. On September 11, 2019, Allergan received a letter on behalf of a purported shareholder alleging that Allergan violated the federal securities laws by issuing allegedly misleading disclosures in connection with the acquisition (the "Makowsky Demand"). Between September 20 and September 26, 2019, four shareholder class actions and one individual action were filed against Allergan and its board of directors (and in some cases AbbVie and its acquisition subsidiary), generally alleging that Allergan and its board of directors violated the federal securities laws by issuing allegedly misleading disclosures in the proxy statement in connection with the acquisition. The plaintiffs have since voluntarily dismissed their claims in 4 of the actions. The remaining lawsuit, captioned Swei v. Allergan plc, et al., 2-19-cv-18166 (the "Swei Action"), filed in the U.S. District Court for the District of New Jersey seeks among other things, to enjoin the consummation of the AbbVie Transaction. Allergan believes that the claims alleged in the Makowsky Demand and the Swei Action are without merit. Allergan cannot predict the outcome of, or estimate the possible loss or range of loss from, these matters.

It is possible that additional lawsuits arising out of or relating to the AbbVie Transaction may be filed in the future. There can be no assurances that we will be successful in the outcome of any potential future lawsuits challenging the AbbVie Transaction. An adverse ruling in any such lawsuit may delay or prevent the AbbVie Transaction from being completed.

The AbbVie Transaction is also subject to other customary closing conditions, including: (i) the AbbVie Agreement not having been terminated in accordance with its terms, (ii) the accuracy of each party's representations and warranties made in the AbbVie Agreement, subject to specified materiality standards, (iii) the absence of a material adverse effect with respect to each party since June 25, 2019 and (iv) the performance and compliance by each party of all of its obligations and compliance with all of its covenants under the AbbVie Agreement in all material respects. There can be no assurance that the conditions to completion of the AbbVie Transaction will be satisfied or waived or that the AbbVie Transaction will be completed within the expected time frame, or at all.

Failure to consummate the AbbVie Transaction could negatively impact the share price and the future business and financial results of Allergan.

If the AbbVie Transaction is not consummated, the ongoing business of Allergan may be adversely affected and, without realizing any of the potential benefits of having consummated the AbbVie Transaction, Allergan will be subject to a number of risks, including the following:

- Allergan will be required to pay certain costs and expenses relating to theAbbVie Transaction;
- matters relating to the AbbVie Transaction (including integration planning) may require substantial commitments of time and resources by Allergan management, which could otherwise have been devoted to other opportunities that may have been beneficial to Allergan;
- the AbbVie Agreement restricts Allergan, without AbbVie's consent and subject to certain exceptions, from making certain acquisitions and taking other specified actions until the AbbVie Transaction occurs or the AbbVie Agreement terminates. These restrictions may prevent Allergan from pursuing otherwise attractive business opportunities and making other changes to its business that may arise prior to completion of the AbbVie Transaction or termination of the AbbVie Agreement; and
- Allergan could be subject to litigation related to any failure to consummate the AbbVie Transaction or related to any enforcement proceeding commenced against Allergan to perform its obligations under the AbbVie Agreement.

If the AbbVie Transaction is not consummated, these risks may materialize and may adversely affect Allergan's business, financial results and share price.

The AbbVie Agreement contains provisions that limit Allergan's ability to pursue alternatives to the AbbVie Transaction.

Under the AbbVie Agreement, Allerganis subject to certain restrictions on its ability to solicit alternative acquisition proposals from third parties, engage in discussion or negotiations with respect to such proposals or provide information in connection with such proposals. These provisions could discourage a third party that may have an interest in acquiring all or a significant part of

Allergan from considering or proposing that acquisition, even if such third party were prepared to pay consideration with a higher value than the value of the AbbVie Transaction consideration.

While the AbbVie Transaction is pending, Allergan will be subject to business uncertainties related to its relationships with employees, customers and suppliers, which could adversely affect Allergan's business and operations.

Uncertainty about the effect of the AbbVie Transaction on employees, customers and suppliers may have an adverse effect on Allergan. These uncertainties may impair Allergan's ability to attract, retain and motivate key personnel until the AbbVie Transaction is consummated and for a period of time thereafter, and could cause customers, suppliers and others who deal with Allergan to seek to change or terminate existing business relationships with Allergan. Employee retention may be particularly challenging during the pendency of the AbbVie Transaction because employees may experience uncertainty about their future roles with the combined company. If, despite Allergan's retention efforts, key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company, the combined company's business could be harmed and its ability to realize the anticipated benefits of the AbbVie Transaction could be adversely affected.

While the AbbVie Transaction is pending, Allergan will be subject to contractual restrictions, which could adversely affect Allergan's business and operations.

Under the terms of the AbbVie Agreement, Allergan is also subject to certain restrictions on the conduct of its business prior to completing the AbbVie Transaction, which may adversely affect its ability to execute certain of its business strategies, including the ability in certain cases to enter into contracts or incur capital expenditures to grow its business. Such limitations could negatively affect Allergan's businesses and operations prior to the completion of the AbbVie Transaction. Furthermore, the process of planning to integrate two businesses and organizations for the post-AbbVie Transaction period can divert management attention and resources and could ultimately have an adverse effect on Allergan.

If completed, the AbbVie Transaction may not achieve its intended results.

Allergan and AbbVie entered into the AbbVie Agreement with the expectation that the AbbVie Transaction will result in various benefits, including, among other things, synergies at the combined company, a comprehensive product portfolio, diversified growth profile and broad geographic reach. Achieving the anticipated benefits of the AbbVie Transaction is subject to a number of uncertainties, including whether the businesses of AbbVie and Allergan can be integrated in an efficient and effective manner. Failure to achieve these anticipated benefits could result in increased costs or decreases in the amount of expected revenues and could adversely affect the combined company's future business, financial condition, operating results and cash flows.

Allergan and AbbVie may be unable to successfully integrate their operations. Failure to successfully integrate the businesses of Allergan and AbbVie in the expected timeframe may adversely affect the future results of the combined organization, and, consequently, the value of the shares of AbbVie common stock that our shareholders receive as the AbbVie Transaction consideration.

It is possible that the integration process could take longer than anticipated and could result in the loss of valuable employees, the disruption of each company's ongoing businesses, processes and systems or inconsistencies in standards, controls, procedures, practices, policies and compensation arrangements, any of which could adversely affect the combined company's ability to achieve the anticipated benefits of the AbbVie Transaction. The combined company's results of operations could also be adversely affected by any issues attributable to either company's operations that arise or are based on events or actions that occur prior to the completion of the AbbVie Transaction. The companies may have difficulty addressing possible differences in corporate cultures and management philosophies. The integration process is subject to a number of uncertainties, and no assurance can be given that the anticipated benefits will be realized or, if realized, the timing of their realization.

Allergan and AbbVie will continue to incur substantial transaction fees and costs in connection with the AbbVie Transaction.

Allergan and AbbVie have incurred, and expect to continue incur, a number of non-recurring transaction-related costs associated with completing the AbbVie Transaction, combining the operations of the two organizations and achieving desired synergies. These fees and costs will be substantial. Non-recurring transaction costs include, but are not limited to, fees paid to legal, financial and accounting advisors, retention, severance, change in control and other integration-related costs, filing fees and printing costs. Additional unanticipated costs may be incurred in the integration of the businesses of Allergan and AbbVie. There can be no assurance that the elimination of certain duplicative costs, as well as the realization of other efficiencies related to the integration of the two businesses, will offset the incremental transaction-related costs over time. Thus, any net benefit may not be achieved in the near term, the long term or at all.

Following the AbbVie Transaction, the combined company will have a substantial amount of debt, which could adversely affect its business, financial condition or results of operations and prevent it from fulfilling its debt-related obligations.

Following the AbbVie Transaction, the combined company will have a substantial amount of debt. The combined company's substantial debt could adversely affect it in a number of ways including but not limited to making it more difficult for the combined company to satisfy its obligations with respect to its debt or to its trade or other creditors and requiring a substantial portion of the combined company's cash flows from operations and the proceeds of any capital markets offerings or loan borrowings for the payment of interest on the combined company's debt. If the combined company cannot service its indebtedness, it may have to take actions such as selling assets, seeking additional debt or equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances.

Global economic conditions could harm us.

While global economic conditions have been fairly stable as a whole in recent years, continued concerns about the systemic impact of potential geopolitical issues and economic policy uncertainty, particularly in areas in which we operate, could potentially cause economic and market instability in the future and could adversely affect the Company's business, including the Company's financial performance.

Challenging economic conditions could result in tighter credit conditions. The cost and availability of credit may be adversely affected by illiquid credit markets and wider credit spreads, which could adversely affect the ability of third-party distributors, partners, manufacturers and suppliers to buy inventory or raw materials and to perform their obligations under agreements with us, which could disrupt our operations, and which could adversely affect the liquidity and financial conditions of our customers.

Global efforts towards health care cost containment continue to exert pressure on product pricing and market access. In many international markets, government-mandated pricing actions have reduced prices of patented drugs. Some countries may be subject to periods of financial instability or may have reduced resources to spend on healthcare or may be or will be in the future subject to economic sanctions, and our business in these countries may be disproportionately affected by these changes. In addition, the currencies of some countries may depreciate against the U.S. Dollar substantially and if the Company is unable to offset the impact of such depreciation, then the Company's financial performance within such countries could be adversely affected.

If we are unable to successfully develop or commercialize new products, our operating results will suffer.

Our future results of operations depend to a significant extent upon our ability to successfully develop and commercialize new products in a timely manner. There are numerous difficulties in developing and commercializing new products, including:

- developing, testing and manufacturing products in compliance with regulatory standards in a timely manner;
- receiving requisite regulatory approvals for such products in a timely manner, or at all;
- the availability, on commercially reasonable terms, of raw materials, including API and other key ingredients;
- preclusion from commercialization by the proprietary rights of others;
- developing products that are economical to manufacture and commercialize;
- time consuming and costly nature of developing and commercializing new products;
- costly legal actions brought by our competitors that may delay or prevent the development and commercialization of new products;
- delays as a result of limited resources at the FDA or other regulatory agencies;
- changing review and approval policies and standards at the FDA and other regulatory agencies; and
- completion of numerous other regulatory approvals in international markets.

As a result of these and other difficulties, products currently in development by us may or may not receive timely regulatory approvals necessary for marketing by us or other third-party partners, or approvals at all. In addition, there are uncertainties, high costs and lengthy time frames associated with R&D of our proprietary products and the market acceptance of such products is inherently unproven. Our operating results and financial condition may fluctuate as the amount we spend to research and develop, promote, acquire or license new products, technologies and businesses changes. If any of our products are not approved in a timely manner or, when approved, cannot be successfully manufactured or commercialized in a timely manner, our operating results could be adversely affected. We cannot guarantee that any investment we make in developing products will be recouped, even if we are successful in commercializing those products. Refer to "Our expenditures may not result in commercially successful products."

Our expenditures may not result in commercially successful products.

Developing and commercializing branded pharmaceutical products is generally more costly than developing and commercializing generic products. In order to grow and achieve success in our business, we must continually identify, develop, acquire and license new products that we can ultimately market. In the future, we anticipate continuing and increasing our product development expenditures. There are many difficulties and uncertainties inherent in pharmaceutical research and development, and there is a high rate of failure inherent in new drug discovery and development. Failure can occur at any point in the process, including late in the process after substantial investment. New product candidates that appear promising in development may fail to reach the market or may have only limited commercial success because of efficacy or safety concerns, inability to obtain necessary regulatory approvals and payer reimbursement, limited scope of approved uses, difficulty or excessive costs to manufacture, or infringement of the patents or intellectual property rights of others. Products that do reach the market may ultimately be subject to recalls or other suspensions in sales. Delays and uncertainties in the FDA approval process and the approval processes in other countries can result in delays in product launches and lost market opportunity. Because there is a high rate of failure inherent in the research and development process of new products, there is a significant risk that funds invested by the Company in research and development will not generate financial returns. The Company cannot be certain when or whether any of its products currently under development will be approved or launched or whether, once launched, such products will be commercially successful.

We may be required to spend several years and incur substantial expense in completing certain clinical trials. The length of time, number of trial sites and patients required for clinical trials vary substantially, and we may have difficulty finding a sufficient number of sites and subjects to participate in our trials. Delays in planned clinical trials can result in increased development costs, delays in regulatory approvals and delays in product candidates reaching the market. We rely on independent third-party clinical investigators to recruit subjects and conduct clinical trials in accordance with applicable study protocols and laws and regulations. If regulatory authorities determine that we have not complied with regulations in the R&D of a product candidate, they may refuse to accept trial data from the site and/or not approve the product candidate, and we would not be able to market and sell that product. If we are not able to market and sell our products after significant expenditures to develop and test them, our business and results of operations could be materially and adversely affected.

We currently have products in various stages of development, including new medical aesthetics, eye care, GI and CNS products, among others. Such clinical trials are costly and may not result in successful outcomes. The results of preclinical studies and early clinical studies may not be predictive of the results of later-stage clinical studies. Product candidates that have shown promising results in early-stage clinical studies may still suffer significant setbacks in subsequent clinical studies. There is a high rate of failure for products proceeding through clinical studies, and product candidates in later stages of clinical studies may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical studies. Clinical studies may not proceed as planned or be completed on schedule, if at all. The rate of completion of clinical trials is significantly dependent upon a number of factors, including the rate of patient enrollment. We may not be able to attract a sufficient number of sites or enroll a sufficient number of patients in a timely manner in order to complete clinical trials. Moreover, nonclinical and clinical data are often susceptible to varying interpretations and analyses, and our data may not provide adequate efficacy and safety information to obtain regulatory approval of our candidates. We cannot be sure that our business expenditures, including but not limited to our expenditures related to internally developed products, products acquired in past acquisitions, or products of our third-party partners, among others, will result in the successful discovery, development or launch of branded products that will prove to be commercially successful or will improve the long-term profitability of our business. If such business expenditures do not result in successful discovery, development or launch of commercially successful branded products our results of operations and financial condition could be materially adversely affected.

If any of our major products become subject to problems, our business could be adversely affected.

We recorded direct product revenues of more than $500 million for the following pharmaceutical products: Botox®, the Juvederm Collection, Linzess®/Constella®, Lumigan®/Ganfort®, Bystolic®/Byvalson®, Alphagan®/Combigan®, Lo Loestrin® and Restasis®. Those products and revenues accounted for 58.4% of our total revenues in 2019. These products, as well as our other major products, may become subject to problems such as loss of patent protection (if applicable), changes in prescription growth rates, material product liability litigation, unexpected side effects, regulatory proceedings, publicity affecting doctor or patient confidence, pressure from existing or new competitive products or changes in labeling, or regulatory or legislative changes allowing importation of drugs or changing the pricing or reimbursement of drugs, and as a result of operations and financial condition could be materially adversely affected.

If generic products that compete with any of our branded pharmaceutical products are approved and sold, sales of our products will be adversely affected.

Generic equivalents for branded pharmaceutical products are typically sold at lower prices than the branded products. The regulatory approval process in the United States and European Union exempts generic products from costly and time-consuming clinical trials to demonstrate their safety and efficacy and rely instead on the safety and efficacy of prior products, manufacturers of generic products can invest far less in research and development. After the introduction of a competing generic product, a significant percentage of the prescriptions previously written for the branded product are often written for the generic version. In addition, legislation enacted in most U.S. states and Canadian provinces allows or, in some instances mandates, that a pharmacist dispense an available generic equivalent when filling a prescription for a branded product, in the absence of specific instructions from the prescribing physician. Pursuant to the provisions of the Hatch-Waxman Act, manufacturers of branded products often bring lawsuits

to enforce their patent rights against generic products seeking approval prior to the expiration of branded products' patents, but it is possible for generic manufacturers to offer generic products while such litigation is pending. Refer to "If we are unable to adequately protect our technology or enforce our patents, our business could suffer." As a result, branded products typically experience a significant loss in revenues following the introduction of a competing generic product, even if subject to an existing patent. Our branded pharmaceutical products are or may become subject to competition from generic equivalents because there is no proprietary protection for some of the branded pharmaceutical products we sell, because our patent protection expires or because our patent protection is not sufficiently broad or enforceable. In addition, we may not be successful in our efforts to extend the proprietary protection afforded our branded products through the development and commercialization of proprietary product improvements.

During the next few years, additional products of ours, including some of our large revenue drivers, like Bystolic®, Combigan®, Restasis®, Saphris® and Viibryd®, will lose patent protection and/or likely become subject to generic or other competition. Generic versions of our Canasa® product entered the market in December 2018 pursuant to an agreement previously entered into and generic versions of our Rapaflo® product entered the market in December 2018 upon patent expiration. Some of our products may also become subject to generic competition prior to the expiration of patent protection in the event a generic competitor elects to launch its generic equivalent product "at-risk." For example, Sandoz launched "at risk" a generic version of Latisse® in December 2016; litigation concerning that launch is ongoing, and Sandoz continues to market its generic product. Competition from generic equivalents could result in a material impairment of our intangible assets or the acceleration of amortization on our non-impaired intangible assets and may have a material adverse impact on our revenues, financial condition, results of operations and cash flows.

The pharmaceutical industry is highly competitive and our future revenue growth and profitability are dependent on our timely development and launches of new products ahead of our competitors.

We face strong competition across our business. The intensely competitive environment of the pharmaceutical industry requires an ongoing, extensive search for technological innovations and the ability to market and price products effectively, including the ability to communicate the effectiveness, safety and value of branded products to healthcare professionals in private practice, group practices and Managed Care Organizations. Our competitors vary depending upon product categories, and within each product category, upon dosage strengths and drug-delivery systems. Based on total assets, annual revenues, and market capitalization, we are smaller than certain of our national and international competitors in the brand and distribution product arenas. Furthermore, recent trends in this industry are toward further market consolidation of large drug companies into a smaller number of very large entities, further concentrating financial, technical and market strength and increasing competitive pressure in the industry. If we directly compete with them for the same markets and/or products, their financial strength could prevent us from capturing a profitable share of those markets. It is possible that developments by our competitors will make our products or technologies noncompetitive or obsolete. In addition, competitive forces may result in changes to the mix of products that we sell during a given time period or lower demand for our products than expected.

Some of our competitors have technical, competitive or other advantages over us for the development of technologies and processes. These advantages may make it difficult for us to compete with them to successfully discover, develop and market new products and for our current products to compete with new products that these competitors may bring to market. As a result, our products may compete against products that have lower prices, equivalent or superior performance, a better safety profile, are easier to administer, achieve earlier entry into the market or that are otherwise competitive with our products. For example, in the past few years, a number of other companies have started to develop, have successfully developed and/or are currently marketing products that are being positioned as competitors to Botox®. While we believe that Botox® is a product that is superior to and can be differentiated from its competitors, any commercial success of other toxin products could have an adverse impact on our revenues or results of operations.

If we are unable to adequately protect our technology or enforce our patents, our business could suffer.

Our success with the branded products that we develop will depend, in part, on our ability to obtain patent protection for these products. We currently have a number of U.S. and foreign patents issued and pending. However, issuance of a patent is not conclusive evidence of its validity or enforceability. We cannot be sure that we will receive patents for any of our pending patent applications or any patent applications we may file in the future, or that our issued patents will be upheld if challenged. If our current and future patent applications are not approved or, if approved, our patents are not upheld in a court of law if challenged, it may reduce our ability to competitively utilize our patented products. Also, such patents may or may not provide competitive advantages for their respective products or they may be challenged or circumvented by our competitors, in which case our ability to commercially market these products may be diminished. Patent disputes may be lengthy and a potential violator of our patents may bring a potentially infringing product to market during the dispute, subjecting us to competition and damages due to infringement of the competitor product. Further, patents covering Androderm®, Carafate®, Estrace® Cream, Femhrt®, INFed®, Namenda® (IR), Pylera®, and Rapaflo® products have expired and we have no further patent protection on these products. As a result, generic versions of our Estrace® Cream and Namenda XR® products entered the market in January and March 2018, respectively, generic versions of our Rapaflo® product entered the market in December 2018, and a generic version of our Carafate® product entered the market in December 2019. During the next few years, additional products will lose patent protection and/or likely become subject to generic or other competition, including Bystolic®, Combigan®, Restasis®, Saphris® and Viibryd®. Therefore, it is possible that a competitor may launch a generic version of any of these products at any time, which would result in a significant decline in that product's revenue and profit.

Generic versions of our Minastrin® product which entered the market during March 2017 pursuant to settlement agreements previously entered into; and generic versions of our Canasa® product entered the market in December 2018 pursuant to a settlement agreement previously entered into. Some of our products, e.g., Combigan®, may also become subject to generic competition prior to the expiration of patent protection in the event a generic competitor is not enjoined and elects to launch its generic equivalent product "at risk."

Generic competitors to our branded products may also challenge the validity or enforceability of the patents protecting our products or otherwise seek to circumvent them. The Company also recently brought actions against certain manufacturers of generic drugs for infringement of several patents covering our Combigan®, Linzess®, Fetzima®, Saphris®, Viberzi® and Vraylar® products. While we intend to vigorously defend these and other patents and pursue our legal rights, we can offer no assurance as to when the pending or any future litigation will be decided, whether such lawsuits will be successful or that a generic equivalent of one or more of our products will not be approved and enter the market. In addition, patents covering our branded pharmaceutical products may be challenged in proceedings other than court proceedings, including IPR at the U.S. Patent Office. In 2011, Congress amended the patent laws and created a new way to challenge the validity of patents: the inter partes review. IPR proceedings take place in the U.S. Patent Office and have both advantages and disadvantages when compared to district court proceedings. Although IPR proceedings are limited to certain types of invalidity challenges, the U.S. Patent Office applies different standards that make it easier for challengers to invalidate patents. Moreover, IPR proceedings generally take no more than 18 months, which means it is much faster than challenging a patent's validity in a district court proceeding. In addition, an IPR challenge can be mounted even after a patent has been upheld in court.

In addition to patent protection, our business relies on our protection of other intellectual property rights, trade secrets, and other proprietary technologies. We rely on trademark, copyright, trade-secret protection, and confidentiality and/or license agreements with our employees, customers, partners and others to protect our proprietary rights. The protection of our proprietary technology may require the expenditure of significant financial and managerial resources. For example, in April 2017, Allergan brought an action for unfair competition, false advertising, dilution, conspiracy and infringement of Allergan's JUVÉDERM trademarks in the U.S. District Court for the Central District of California against Dermavita Limited Partnership, Dima Corp. S.A. and KBC Media Relations LLC. However, we may not be able to discover or determine the extent of any unauthorized use of our proprietary rights, and we may not be able to prevent third parties from misappropriating or infringing upon our proprietary rights.

We rely on certain information, processes, and know-how that are not protected by patents or other intellectual property rights. We seek to protect this information through trade secret or confidentiality agreements, as well as through other measures. These measures may not provide adequate protection for our unpatented technology.

If we are unable to adequately protect our technology, trade secrets or proprietary know-how, or enforce our intellectual property rights, our results of operations, financial condition and cash flows could suffer.

The Company may not be able to identify, acquire or license products or proprietary technologies, and could lose rights to intellectual property after such intellectual property has been licensed.

Like other pharmaceutical companies, in order to remain competitive, the Company must continue to launch new products. Expected declines in sales of products after the loss of market exclusivity mean that the Company's future success is dependent on its pipeline of new products, including new products that, as part of its open science model, the Company obtains through acquisitions, licenses or collaborations. To accomplish this, the Company commits substantial effort, funds and other resources to the identification, acquisition or licensing of new products. The Company may face competition from other companies in pursuing acquisitions, licenses or collaborations or may not be able to enter into such transactions on commercially reasonable terms. Our ability to complete such transactions may also be limited by applicable antitrust and trade regulation or other laws and regulations in the United States and foreign jurisdictions in which we or the operations or assets we seek to acquire carry on business. Additionally, because we license significant intellectual property with respect to certain of our products, including Namzaric®, Linzess®, Teflaro®, Ubrelvy® and Viberzi® and Vraylar®, any loss or suspension of our rights to licensed intellectual property could materially adversely affect our business, financial condition, cash flows and results of operations. Failure to successfully identify, acquire or license new products or maintain licenses to products or proprietary technologies once acquired would have a material adverse effect on the Company's business, results of operations, cash flow, financial position and prospects.

Third parties may claim that we infringe their proprietary rights and may prevent us from manufacturing and selling some of our products.

The manufacture, use and sale of new products that are the subject of conflicting patent rights have been the subject of substantial litigation in the pharmaceutical industry. These lawsuits relate to the validity, enforceability and infringement of patents or proprietary rights of third parties. We may have to defend ourselves against charges that we violated patents or proprietary rights of third parties. This is especially true in the case of new branded products where a competitor has obtained patents for similar products. Litigation may be costly, unpredictable, time-consuming, often involves complex legal, scientific and factual questions, and could divert the attention of our management and technical personnel. In addition, if it is determined that we infringe the rights of others, we could lose our right to develop, manufacture or market products, product launches could be delayed or we could be required to pay monetary damages or royalties to license proprietary rights from third parties. Furthermore, we cannot be certain that the necessary licenses would be available to us on commercially reasonable terms, or at all. As a result, an adverse determination in a judicial or administrative proceeding or failure to obtain necessary licenses could result in substantial monetary damage awards and could prevent us from manufacturing and selling a number of our products, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Certain aspects of our operations are highly dependent upon third-party service providers.

We rely on suppliers, vendors and other third-party service providers to research, develop, manufacture, commercialize, promote and sell our products. Reliance on third-party manufacturers reduces our oversight and control of the manufacturing process. Some of these third-party providers are subject to legal and regulatory requirements, privacy and security risks, and market risks of their own. The failure of a critical third-party service provider to meet its obligations could have a material adverse impact on our operations and results. If any third-party service providers have violated or are alleged to have violated any laws or regulations during the performance of their obligations to us, it is possible that we could suffer financial and reputation harm or other negative outcomes, including possible legal consequences.

If we are unable to obtain sufficient supplies of raw materials, our ability to deliver our products to the market may be impeded.

We are required to identify the supplier(s) of all the raw materials for our products in our applications with the FDA and regulatory agencies outside the United States. To the extent practicable, we attempt to identify more than one API supplier in each drug application. However, many raw materials, including API, are available only from a single source and, in many of our drug applications, only one supplier of raw materials has been identified, even in instances where multiple sources exist. Some of these products have historically or may in the future account for a significant portion of our revenues, such as Botox®, our Juvederm® dermal filler family of products, Linzess® and Bystolic®. Any failure by us to forecast demand for, or to maintain an adequate supply of, the raw materials could result in an interruption in the supply of certain products and a decline in sales of that product. In addition, if our suppliers are unable to meet our manufacturing requirements, we may not be able to produce a sufficient amount of product in a timely manner, which could cause a decline in our sales. From time to time, certain of our suppliers have experienced regulatory or supply-related difficulties that have inhibited their ability to deliver raw materials to us, causing supply delays or interruptions. The availability and prices of raw materials and supplies are subject to volatility and are influenced by worldwide economic conditions, speculative action, world supply and demand balances, inventory levels, availability of substitute materials, currency exchange rates, anticipated or perceived shortages, product contamination, among other factors. To the extent any difficulties experienced by our suppliers cannot be resolved or extensions of our key supply agreements cannot be negotiated within a reasonable time and on commercially reasonable terms, or if raw materials for a particular product become unavailable from an approved supplier and we are required to qualify a new supplier with the FDA or other regulatory agency, or if we are unable to do so, our profit margins and market share for the affected product could decrease or be eliminated, as well as delay our development and sales and marketing efforts. Such outcomes could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Although we are refining and executing a global risk management framework designed to identify, prioritize, mitigate and continuously monitor potential risks to raw material suppliers, including mitigation strategies such as holding safety stock of raw materials and developing additional sources for sole- or single-sourced raw materials, there is no guarantee that these strategies will be successful and will be able to mitigate any material adverse effect on our business, results of operations, financial condition and cash flows.

In addition, our manufacturing sites outside of the United States and our arrangements with foreign suppliers are subject to certain additional risks, including the availability of government clearances, export duties, political instability, war, acts of terrorism, currency fluctuations and restrictions on the transfer of funds. Arrangements with international raw material suppliers are subject to, among other things, FDA and foreign regulatory body regulation, customs clearances, various import duties and other government clearances, as well as potential shipping delays due to inclement weather, political instability, strikes or other matters outside of our control. Acts of governments outside the U.S. may affect the price or availability of raw materials needed for the development or manufacture of our products. In addition, changes in patent laws in jurisdictions outside the U.S. may make it increasingly difficult to obtain raw materials for R&D prior to the expiration of the applicable U.S. or foreign patents.

Disruption in global trade could prevent us from getting our product to market.

Allergan relies on global trade channels to supply product to the United States and other countries around the world. For example, manufacturing of Botox®, Bystolic® and Linzess® is exclusively performed in Ireland, and manufacturing of our Juvederm® dermal filler family of products is exclusively performed in France. Global trade is subject to certain additional risks, including the availability of government clearances, export duties, political instability, war, acts of terrorism, currency fluctuations and restrictions on the transfer of funds. For example, we obtain a significant portion of our raw materials from suppliers that are not in the same country as the manufacturing plant that uses them. Arrangements with international raw material suppliers are subject to, among other things, FDA and other regulatory body regulation, customs clearances, various import duties and other government clearances, as well as potential shipping delays due to inclement weather, political instability, strikes, inter-governmental trade disputes or other matters outside of our control. Acts of governments may affect the price or availability of raw materials needed for the development or manufacture of our products. For example, the current U.S. administration has expressed strong concerns about imports from countries that it perceives as engaging in unfair trade practices, and it is possible the administration could impose import duties or other restrictions on products sourced from those countries, which may include countries from which we import products. Any such new import duties or restrictions could have a material adverse effect on our business, results of operations or financial condition. Moreover, these new tariffs, or other changes in U.S. trade policy, could trigger retaliatory actions by affected countries. Certain foreign governments have instituted or are considering imposing trade sanctions on certain U.S. goods and other foreign governments are considering the imposition of sanctions that will deny U.S. companies access to critical raw materials. A "trade war" of this nature or other governmental actions related to tariffs or international trade agreements or policies have the potential to adversely impact demand for our products, our costs, customers, manufacturers, suppliers and/or the economic environments in which we operate and, thus may adversely impact our businesses. In addition, recent changes in patent laws in jurisdictions outside the U.S. may make it increasingly difficult to obtain raw materials for R&D prior to the expiration of the applicable U.S. or foreign patents.

The design, development, manufacture and sale of our products involves the risk of product liability and other claims by consumers and other third parties, and insurance against such potential claims is expensive and may be difficult to obtain.

The design, development, manufacture and sale of our products involves an inherent risk of product liability claims and the associated adverse publicity. For example, the Company is subject to legal actions asserting product liability claims relating to certain uses of Botox®, including "off-label" uses, have caused patient injuries and death and have further failed to adequately warn patients of the risks relating to Botox® use. From time to time reports related to the quality and safety of breast implant devices are published, including reports that have suggested a possible association between anaplastic large cell lymphoma and breast implants, and such reports may lead to an increased risk of litigation and/or of actions being taken by regulatory authorities, such as the National Agency for the Safety of Medicines and Health Products in France. We regularly monitor the use of our products for trends or increases in reports of adverse events or product complaints, and regularly report such matters to the FDA and other regulatory authorities as applicable. In some, but not all cases, an increase in adverse event reports may be an indication that there has been a change in a product's specifications or efficacy. Such changes could lead to a recall of the product in question or, in some cases, increases in product liability claims related to the product in question. If the coverage limits for product liability insurance policies are not adequate or if certain of our products are excluded from coverage, a claim brought against us, whether covered by insurance or not, could have a material adverse effect on our business, results of operations, financial condition and cash flows. We also rely on self-insurance to cover product liability claims, and these claims may exceed amounts we have reserved under our self-insurance program.

We are also subject to a variety of other types of claims, proceedings, investigations and litigation initiated by government agencies or third parties. These include compliance matters, product regulation or safety, taxes, employee benefit plans, employment discrimination, health and safety, environmental, antitrust, customs, import/export, government contract compliance, financial controls or reporting, intellectual property, allegations of misrepresentation, false claims or false statements, commercial claims, claims regarding promotion of our products and services, shareholder derivative suits or other similar matters. In addition, government investigations related to the use of products, but not the efficacy themselves, may cause reputational harm to the Company. Negative publicity, whether accurate or inaccurate, about the efficacy, safety or side effects of our products or product categories, whether involving us or a competitor, could materially reduce market acceptance to our products, cause consumers to seek alternatives to our products, result in product withdrawals and cause our stock price to decline. Negative publicity could also result in an increased number of product liability claims, whether or not these claims have a basis in scientific fact. Any such claims, proceedings, investigations or litigation, regardless of the merits, might result in substantial costs, restrictions on product use or sales, or otherwise injure our business.

Our business could suffer as a result of manufacturing difficulties or delays.

The manufacture of our products and product candidates requires precise manufacturing process controls, API that conforms to very tight tolerances for specific characteristics and equipment that operates consistently within narrow performance ranges. Manufacturing complexity, testing requirements, and safety processes combine to increase the overall difficulty of manufacturing these products and resolving manufacturing problems that we may encounter.

Our manufacturing and other processes utilize sophisticated equipment, which sometimes require a significant amount of time to obtain and install. Our business could suffer if certain manufacturing or other equipment, or a portion or all of our facilities were to become inoperable for a period of time. This could occur for various reasons, including catastrophic events such as earthquake, monsoon, hurricane or explosion, unexpected equipment failures or delays in obtaining spare parts, contamination by microorganisms or viruses, labor disputes or shortages, contractual disputes with our suppliers and contract manufacturers, as well as construction delays or defects and other events, both within and outside of our control. Certain products, including Botox®, our Juvederm® dermal filler family of products, Linzess® and Bystolic®, are each manufactured at only one of the Allergan facilities. Additionally, we expect to continue to rely on our third-party manufacturing partners, such as Teva for Carafate ®oral suspension, that utilize single manufacturing facilities. Therefore, a significant disruptive event at certain manufacturing facilities or sites could materially and adversely affect our business and results of operations, as noted with our supply interruption with Ozurdex® in 2018. In the event of a disruption, we may need to build or locate replacement facilities as well as seek and obtain the necessary regulatory approvals for these facilities. Our inability to timely manufacture any of our significant products could have a material adverse effect on our results of operations, financial condition and cash flows.

Manufacturing processes at Allergan-owned facilities and those of our third-party contract manufacturers must undergo a potentially lengthy regulatory approval process by the FDA and/or equivalent agencies in other countries. It can take longer than five years to build, validate and license a new manufacturing plant and it can take longer than three years to qualify and license a new contract manufacturer. If regulatory authorities determine that we or our third party contract manufacturers or certain of our third party service providers have violated regulations or if they restrict, suspend or revoke our prior approvals, they could prohibit us from manufacturing our products or conducting clinical trials or selling our marketed products until we or the affected third party contract manufacturers or third party service providers comply, or indefinitely. Because our third-party contract manufacturers and certain of our third-party service providers are subject to the FDA and foreign regulatory authorities, alternative qualified third-party contract manufacturers and third-party service providers may not be available on a timely basis or at all. Although we have launched a global manufacturing business continuity program to reduce the potential for manufacturing difficulties or delays and reduce the severity of a disruptive event, under which program manufacturing sites identify and develop temporary workarounds for manufacturing processes that may be disrupted with the aim of reducing the risk and severity of a disruptive event, there is no guarantee that this program will be successful, and if we or our third party contract manufacturers or third party service providers cease or interrupt production or if our third party contract manufacturers and third party service providers fail to supply materials, products or services to us, we may experience delayed shipments, supply constraints, stock outs and/or recalls of our products.

Our business could suffer as a result of failure of our R&D program or the failure of our product pipeline to produce successful products.

The discovery and development of safe, effective new products, as well as the development of additional uses for existing products, are necessary for the continued strength of our businesses. Our product lines must be replenished over time in order to offset revenue losses when products lose their market exclusivity, as well as to provide for earnings growth. Our growth potential depends in large part on our ability to identify and develop new products or new indications for existing products that address unmet medical needs and receive reimbursement from payers, either through internal R&D or through collaborations, acquisitions, joint ventures or licensing or other arrangements with third parties. However, balancing current growth, investment for future growth and the delivery of shareholder return remains a major challenge. The average costs of product development continue to rise, as do the regulatory requirements in many therapeutic areas, which may affect the number of candidates funded as well as the sustainability of the R&D portfolio. Our ongoing investments in new product introductions and in R&D for new products and existing product extensions could exceed corresponding sales growth.

Additionally, our R&D investment plans and resources may not be correctly matched between science and markets, and failure to invest in the right technology platforms, therapeutic segments, product classes, geographic markets and/or in-licensing and out-licensing opportunities in order to deliver a robust pipeline could adversely impact the productivity of our pipeline. Further, even if the areas with the greatest market attractiveness are identified, the science may not work for any given program despite the significant investment required for R&D, and the commercial potential of the product may not be as competitive as expected because of the highly dynamic market environment and the hurdles in terms of access and reimbursement.

We are subject to U.S. federal and state healthcare fraud and abuse and privacy and security laws, and the failure to comply with such laws may adversely affect our business.

In the United States, many of our products are reimbursed under federal and state health care programs such as Medicaid, Medicare, TriCare, and/or state pharmaceutical assistance programs, and as a result, certain federal and state healthcare laws and regulations pertaining to fraud and abuse and patients' rights are and will be applicable to our business. We are subject to healthcare fraud and abuse and privacy regulations by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include, but are not limited to: (i) the U.S. Anti-Kickback Statute, which applies to our marketing and research practices, educational programs, pricing policies and relationships with healthcare providers or other entities, by prohibiting, among other things, soliciting, receiving, offering or paying remuneration, directly or indirectly, to induce, or in return for, either the referral of an individual or the purchase or recommendation of an item or service reimbursable under a federal healthcare program, such as the Medicare and Medicaid programs; (ii) federal civil and criminal false claims laws and civil monetary penalty laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid or other third-party payers that are false or fraudulent; (iii) the U.S. Health Insurance Portability and Accountability Act of 1996, ("HIPAA"), which among other things created federal criminal statutes that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters, and HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and its implementing regulations, which imposes certain requirements relating to the privacy, security and electronic transmission of protected health information and places restrictions on the use of such information for marketing communications; (iv) the U.S. Physician Payments Sunshine Act, which among other things, requires manufacturers of drugs, devices, biologics and medical supplies for which payment is available under a federal healthcare program to report annually information related to "payments or other transfers of value" made to physicians and teaching hospitals, and ownership and investment interests held by certain healthcare professionals and their immediate family members and similar state laws; (v) the government pricing rules applicable to the Medicaid, Medicare Part B, 340B Drug Pricing Program, the U.S. Department of Veterans Affairs program, the TriCare program, and state price reporting laws; and (vi) state and foreign law equivalents of each of the above U.S. laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payer, including commercial insurers, and state (e.g., the California Consumer Privacy Act of 2018 or "CCPA") and foreign laws (e.g., the EU General Data Protection Regulation or "GDPR") governing the privacy and security of personal information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts. Violations of the fraud and abuse and privacy laws may result in severe penalties against Allergan and/or its responsible employees, including jail sentences, large fines, litigation, and the exclusion of our products from reimbursement under federal and state programs. Defense of litigation claims and government investigations can be costly, time-consuming, and distract management, and it is possible that Allergan could incur judgments or enter into settlements that would require us to change the way we operate our business. We are committed to conducting the sales and marketing of our products in compliance with the healthcare fraud and abuse and privacy laws, but certain applicable laws may impose liability even in the absence of specific intent to defraud or misuse personal information. Furthermore, should there be ambiguity, a governmental authority may take a position contrary to a position we have taken, or should an employee violate these laws without our knowledge, a governmental authority may impose civil and/or criminal sanctions.

Any adverse outcome in these types of actions, or the imposition of penalties or sanctions for failing to comply with the fraud and abuse and privacy laws, could adversely affect us and may have a material adverse effect on our business, results of operations, financial condition and cash flows. Some of the statutes and regulations that govern our activities, such as federal and state anti-kickback and false claims and privacy laws, are broad in scope, and while exemptions and safe harbors protecting certain common activities exist, they are often narrowly drawn. While we manage our business activities to comply with these statutory provisions, due to their breadth, complexity and, in certain cases, uncertainty of application, it is possible that our activities could be subject to challenge by various government agencies. In particular, the FDA, the U.S. Department of Justice and other agencies are engaged in enforcement activities with respect to the sales, marketing, research and similar activities of pharmaceutical companies, and many pharmaceutical companies have been subject to government investigations related to these practices. A determination that we are in violation of these and/or other government regulations and legal requirements may result in civil damages and penalties, criminal fines and prosecution, administrative remedies, the recall of products, the total or partial suspension of manufacture and/or distribution, seizure of products, injunctions, whistleblower lawsuits, failure to obtain approval of pending product applications, withdrawal of existing product approvals, exclusion from participation in government healthcare programs and other sanctions.

The Company is also currently responding to subpoenas seeking information relating to its sales and marketing activities, including payments to people who are in a position to recommend drugs and "off-label" promotion and the Company is defending litigations based on similar allegations. Refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" for more information. We cannot predict or determine the impact of these inquiries on our future financial condition or results of operations. These investigations and any other threatened or actual government enforcement action could also generate adverse publicity and require that we devote substantial resources that could be used productively on other aspects of our business.

Additionally, the Company has been named as a defendant in over 1,000 matters relating to the promotion and sale of prescription opioid pain relievers and additional suits may be filed. Refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" for more information. We cannot predict or determine the impact of these suits on our future financial condition or results of operations. These suits and any other threatened or actual suits could also generate adverse publicity and require that we devote substantial resources that could be used productively on other aspects of our business.

Any of these types of investigations, suits, or enforcement actions could affect our ability to commercially distribute our products and could materially and adversely affect our business, financial condition, results of operations and cash flows.

Changes in privacy and data protection laws and regulations, particularly in Europe, Asia and the United States, or any failure to comply with such laws and regulations, could adversely affect our business and financial results.

We are subject to a variety of continuously evolving and developing laws and regulations globally regarding privacy, data protection, and data security, including those related to the collection, storage, handling, use, disclosure, transfer, and security of personal data. Significant uncertainty exists as privacy and data protection laws may be interpreted and applied differently from country to country and state to state, and could create inconsistent or conflicting requirements. These laws apply to our uses of personal data, transfers of information among our affiliates, as well as to transactions we enter into with third party vendors. For example, the European Union adopted the GDPR, which became effective in May 2018, and California has enacted the CCPA, a broad state privacy law, that mandates compliance by 2020. Both the GDPR and the CCPA require companies to satisfy requirements regarding the handling of personal and sensitive data, including its use, protection and the ability of persons whose data is stored to access and/or delete some types of data about themselves. Failure to comply with these laws could have a material adverse impact on our financial results. Additionally, complying with the enhanced obligations imposed by the GDPR and CCPA may result in significant costs to our business and require us to revise certain of our business practices. In addition, legislators and regulators globally are proposing new and more robust cybersecurity rules in light of the recent broad-based cyberattacks at a number of companies.

These and similar initiatives around the world could increase the cost of developing, implementing or securing our servers and require us to allocate more resources to improved technologies, adding to our IT and compliance costs. In addition, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations continue to increase. The enactment of more restrictive laws, rules, regulations, or future enforcement actions or investigations could impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties and significant legal liability.

Extensive industry regulation has had, and will continue to have, a significant impact on our business, especially our product development, manufacturing and distribution capabilities.

All pharmaceutical companies, including Allergan, are subject to extensive, complex, costly and evolving government regulation. For the U.S., this is principally administered by the FDA, but is also administered by the DEA and state government agencies, as well as by varying regulatory agencies in foreign countries where products or product candidates are being manufactured and/or marketed. The Federal Food, Drug and Cosmetic Act, the Controlled Substances Act and other federal statutes and regulations, and similar foreign statutes and regulations, govern or influence the development, testing, manufacturing, packing, labeling, storing, record keeping, safety, approval, advertising, promotion, sale, distribution and import/ export of our drugs and medical devices. Foreign regulatory authorities impose similar requirements focused on drug safety and effectiveness. Obtaining and maintaining regulatory approval has been and will continue to be increasingly difficult, time-consuming and costly. In addition, changes in applicable federal, state and foreign laws and regulations or the implementation of new laws and regulations could affect our ability to obtain or maintain approval of our products and could have a material adverse effect on the Company's business. There is currently the potential for regulatory changes adverse to our business due to recent uncertainty related to the direction of U.S. regulatory policy related to the pharmaceutical industry.

Once regulatory approval has been obtained, agencies continue to have substantial authority to require additional testing, perform inspections, change product labeling based on post-marketing safety information or mandate withdrawals of our products. Failure to comply with applicable regulatory requirements may subject us to administrative or judicially-imposed sanctions. These sanctions may include, among others, untitled letters, warning letters, fines, civil penalties, criminal penalties, injunctions, debarment, product seizure or detention, product recalls and total or partial suspension of production, sale and promotion. In addition, we may voluntarily elect to recall or restrict the use of a product. Any recall or restriction could divert managerial and financial resources and might harm our reputation.

Under these statutes and regulations, we are subject to periodic inspection of our facilities, procedures and operations and/or the testing of our products by the FDA and similar ex-U.S. authorities, the DEA and other authorities, which conduct periodic inspections to confirm that we are in compliance with all applicable requirements. In addition, the FDA and foreign regulatory agencies conduct pre-approval and post-approval reviews and plant inspections to determine whether our systems and processes are in compliance with cGMP, quality systems regulations and other applicable regulations. Following such inspections, the FDA or other agency may issue observations, notices, citations and/or warning letters that could cause us to modify certain activities identified during the inspection. FDA guidelines specify that a warning letter is issued only for violations of "regulatory significance" for which the failure to adequately and promptly achieve correction may be expected to result in an enforcement action. We are also required to report adverse events associated with our products to the FDA and other regulatory authorities. Unexpected or serious health or safety concerns could result in product liability claims, labeling changes, recalls, market withdrawals or other regulatory actions, including withdrawal of product approvals. Adverse events and safety concerns can arise as our product candidates are evaluated in clinical trials or as our marketed products are used in clinical practice. We are required to communicate to regulatory agencies adverse events reported to us regarding our products.

We cannot assure that the FDA inspections at any of our manufacturing sites will not result in inspectional observations at such sites, that approval or clearance of any of the pending or subsequently submitted NDAs or supplements to such applications, 510(k)s or PMAs by Allergan plc or our subsidiaries will be granted or that the FDA will not seek to impose additional sanctions against Allergan plc or any of its subsidiaries. The range of possible sanctions includes, among others, FDA issuance of product recalls or seizures, fines, total or partial suspension of production and/or distribution, suspension of the FDA's review of product applications, enforcement actions, injunctions, and civil or criminal prosecution. Any such sanctions, if imposed, could have a material adverse effect on our business, operating results, financial condition and cash flows. Under certain circumstances, the FDA also has the authority to revoke previously granted product approvals. Similar sanctions as detailed above may be available to the FDA under a consent decree, depending upon the actual terms of such decree. Although we have instituted internal compliance programs, if these programs do not meet regulatory agency standards or if compliance is deemed deficient in any significant way, it could materially harm our business. Certain of our vendors are subject to similar regulation and periodic inspections and may be operating under consent decrees.

In order to market our products in the United States and other jurisdictions, we must obtain separate regulatory approvals and comply with numerous and varying regulatory requirements required for approval as well as maintaining registrations post-approval in every country where our products are approved. The process for obtaining governmental clearance or approval to manufacture and market pharmaceutical products and medical devices is rigorous, time-consuming, uncertain and costly, and we cannot predict the extent to which we may be affected by legislative and regulatory requirement changes. We are dependent on receiving FDA and other governmental or third-party approvals prior to manufacturing, marketing and distributing our products. There is always the chance that we will not obtain FDA or other necessary approvals, or that the rate, timing and cost of obtaining such approvals, will adversely affect our product introduction plans or impact operations. Additionally, any regulatory approvals we receive may be subject to limitations on the approved indicated uses for which the product may be marketed or the conditions of approval may require costly additional studies and additional safety surveillance of the product. We may only market or promote our products for their approved indications, and our labeling, promotional activities and advertising are subject to extensive regulation and oversight. We carry inventories of certain product(s) in anticipation of launch, and if such product(s) are not subsequently launched, we may be required to write-off the related inventory.

Our customers are subject to various regulatory requirements, including requirements of the DEA, FDA, state boards of pharmacy and city and county health regulators, among others. These include licensing, registration, recordkeeping, security and reporting requirements. Additionally, although physicians may prescribe FDA approved products for an "off label" indication, we are permitted to market our products only for the indications for which they have been approved. Some of our products are prescribed "off label" and the FDA, the U.S. Department of Justice, the U.S. Attorney or other regulatory authorities could take enforcement actions if they conclude that we or our distributors have engaged in "off label" marketing. In addition, historically a number of states and the federal government have enforced licensing and anti-counterfeit drug pedigree laws which require the tracking of all transactions involving prescription drugs beginning with the manufacturer, through the supply chain, and down to the pharmacy or other health care provider dispensing or administering prescription drug products. Therefore, manufacturers and wholesale distributors have been required to maintain records documenting the chain of custody on distribution of prescription drugs. On November 27, 2013, the federal government enacted the Drug Quality and Security Act ("DQSA") amending federal requirements in regard to the licensing and tracking of prescription drugs. Certain provisions in the law related to licensing and tracking and tracing specifically preempted prior state laws related to drug pedigrees that are inconsistent, more stringent, or in addition to the federal law. Specifically, Title II of the DQSA, also known as the Drug Supply Chain Security Act ("DSCSA"), provides for creation of an electronic, interoperable system to identify and trace certain prescription drugs as they are distributed in the United States. These amendments include requirements on licensing, tracking and tracing and other operations applicable to manufacturers and wholesale distributors of prescription drug products. The full requirements of the DSCSA are being phased in over a ten-year period; however, in January 2015, specific product tracing requirements for manufacturers, wholesalers, repackagers and dispensers (e.g., pharmacies) of prescription drugs became effective. Also, as of January 2015, the DSCSA required manufacturers and wholesale distributors to implement systems to identify potential "suspect" or "illegitimate" product, and take appropriate action. The DSCSA also addresses product tracing using unique product identifiers on packaging, which requirement became effective for drug manufacturers on November 27, 2017. FDA began enforcement of the law requiring product identifiers on November 27, 2018, for products packaged after that date after having exercised a year of enforcement discretion. The DSCSA also sets forth requirements for the interoperable, electronic tracing of products, which are intended to take effect ten years after enactment of the DSCSA, or in 2023.

In addition to government agencies that promulgate regulations and guidelines directly applicable to us, other professional societies, practice management groups, insurance carriers, physicians, private health or science foundations and organizations involved in various diseases from time to time may also publish guidelines or recommendations to healthcare providers, administrators and payers, and patient communities. For example, the treatment practices of physicians that currently prescribe our products may change. Recommendations by government agencies or other groups and organizations may relate to such matters as usage, dosage, route of administration and use of related therapies, as well as reimbursement of our products by government and private payers. Any recommendations or guidelines that result in decreased use, dosage or reimbursement of our products could materially and adversely affect our product sales, business and operating results.

The supply of APIs into Europe may be negatively affected by regulations promulgated by the European Union.

All APIs imported into the EU must be certified as complying with the good manufacturing practice standards established by the EU, as stipulated by the International Conference for Harmonization. These regulations place the certification requirement on the regulatory bodies of the exporting countries. Accordingly, the national regulatory authorities of each exporting country must: (i) ensure that all manufacturing plants within their borders that export API into the EU comply with EU manufacturing standards and; (ii) for each API exported, present a written document confirming that the exporting plant conforms to EU manufacturing standards. The imposition of this responsibility on the governments of the nations exporting API may cause a shortage of API necessary to manufacture our products, as certain governments may not be willing or able to comply with the regulation in a timely fashion, or at all. A shortage in API may cause us to have to cease manufacture of certain products, or to incur costs and delays to qualify other suppliers to substitute for those API manufacturers unable to export. This could adversely affect the Company and could have a material adverse effect on our business, results of operations, financial condition and cash flow.

Federal regulation of arrangements between manufacturers of branded and generic products could adversely affect our business.

As part of the Medicare Prescription Drug and Modernization Act of 2003, companies are required to file with the FTC and the Department of Justice certain types of agreements entered into between branded and generic pharmaceutical companies related to the manufacture, marketing and sale of generic versions of branded drugs. This requirement, as well as legislation pending in the U.S. Congress related to settlements between brand and generic drug manufacturers, could affect the manner in which brand drug manufacturers resolve intellectual property litigation and other disputes with generic pharmaceutical companies and could result generally in an increase or lengthening of litigation against pharmaceutical companies or additional investigations or proceedings by the FTC or other governmental authorities. The impact of this requirement, the pending legislation and the potential private-party lawsuits associated with arrangements between brand and generic drug manufacturers, is uncertain and could adversely affect our business. For example, in April 2013, class actions were filed against certain subsidiaries of the Company alleging that certain 2009 patent lawsuit settlements with Watson Laboratories, Inc. and Lupin Pharmaceuticals, Inc. related to Loestrin® 24 Fe (norethindrone acetate/ethinyl estradiol tablets and ferrous fumarate tablets, "Loestrin® 24") are unlawful. The complaints generally allege that Watson and Lupin improperly delayed launching generic versions of Loestrin® 24 in exchange for substantial payments from Warner Chilcott plc in violation of federal and state antitrust and consumer protection laws. In the past, similar lawsuits have been filed against the Company challenging the lawfulness of patent litigation settlements related to Asacol® and Namenda®, and we have also received requests for information and Statements of Objection in connection with investigations into settlements and other arrangements between competing pharmaceutical companies by the Federal Trade Commission and the European Competition Commission. While each of the lawsuits discussed in this section have been resolved, additional suits of this nature could be filed in the future. Any adverse outcome of these investigations, or actions or investigations related to other settlements we have entered into, could have a material adverse effect on our business, results of operations, financial condition and cash flows. Refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements."

Healthcare reform and a reduction in the coverage and reimbursement levels by governmental authorities, HMOs, MCOs or other third-party payers may adversely affect our business.

Demand for our products depends in part on the extent to which coverage and reimbursement is available from third-party payers, such as the Medicare and Medicaid programs and private payors. In order to commercialize our products, we have obtained from government authorities and private health insurers and other organizations, such as HMOs and MCOs, recognition for coverage and reimbursement at varying levels for the cost of certain of our products and related treatments. Third-party payers and government entities increasingly continue to challenge the prices of pharmaceutical products. Further, the trend toward managed healthcare in the U.S., the growth of organizations such as HMOs and MCOs, and legislative and regulatory proposals to reform healthcare and government insurance programs create uncertainties regarding the future levels of coverage and reimbursement for pharmaceutical products. For example, the Trump Administration is considering a proposed rule that would redefine the way Medicare Part B providers are paid for physician-administered drugs (to be based, in part, on international reference pricing). Such cost containment measures and healthcare reform could reduce reimbursement of our pharmaceutical products, resulting in lower prices and a reduction in the product demand. This could affect our ability to sell our products and could have a material adverse effect on our business, results of operations, financial condition and cash flows. Moreover, the Senate and House have considered a number of proposals that would change the way prices are reported in the Medicare and Medicaid programs, could seek to change the Medicare benefit design, could require price transparency, and could impose new rebate requirements on manufacturers of pharmaceutical products. Enactment of any of these proposals also could have a material impact on our business.

There have been changes in reimbursement for pharmaceuticals under various government programs, including Medicaid, and there is uncertainty surrounding implementation of legislation and regulatory changes relating to reimbursement for pharmaceuticals under Medicaid and other government programs such as Medicare and TriCare. Reimbursement changes under such government programs may impact demand for our products and may negatively affect the price. In addition, any reimbursement granted may not be maintained or limits on reimbursement available from third-party payers may reduce demand for, or negatively affect the price of, those products. Additionally, various legislative and regulatory initiatives in states, including proposed modifications to reimbursements and rebates, price transparency laws, product pedigree and tracking, pharmaceutical waste "take back" initiatives, restrictions on co-pay assistance programs and therapeutic category generic substitution carve out legislation may also have a negative impact on the Company. We maintain a full-time government affairs department in Washington, D.C., which is responsible for coordinating state and federal legislative activities, and places a major emphasis in terms of management time and resources to ensure a fair and balanced legislative and regulatory arena.

Although the ACA reforms have significantly impacted our business, in the coming years, it is likely that additional changes will be made to governmental healthcare and insurance reimbursement programs. On January 20, 2017, President Donald Trump signed an executive order, which stated that it is the policy of his Administration to seek the prompt repeal of the ACA and directed executive departments and federal agencies to waive, defer, grant exemptions from, or delay the implementation of the provisions of the ACA to the maximum extent permitted by law. In addition, a federal district court in Texas ruled in December 2018 that the ACA is unconstitutional. That decision currently is being appealed and was remanded to the federal district court by the Fifth Circuit Court of Appeals. The decision may ultimately result in an opinion by appellate courts, including potentially the Supreme Court of the United States, on the constitutionality of the ACA as revised. We cannot predict the ultimate content, timing, or effect of any such reform activities, litigation, or court decisions on our business. Additionally, the pricing and reimbursement of pharmaceutical products continues to receive significant attention from U.S. policymakers, the Trump Administration, and others. For example, the Trump Administration recently issued a proposed rule that would allow for importation of certain pharmaceutical products from Canada, which could have an impact on drug prices in the U.S. At this time, we cannot predict the impact of this increased scrutiny on the pricing or reimbursement of our products or pharmaceutical products generally.

Sales of our products may continue to be adversely affected by the continuing consolidation of our distribution network and the concentration of our customer base.

Our principal customers are wholesale drug distributors and major retail drug store chains. These customers comprise a significant part of the distribution network for pharmaceutical products in the United States. This distribution network is continuing to undergo significant consolidation marked by mergers and acquisitions among wholesale distributors and the growth of large retail drug store chains. As a result, a small number of large wholesale distributors and large chain drug stores control a significant share of the market. We expect that consolidation of drug wholesalers and retailers will increase pricing and other competitive pressures on drug manufacturers, including the Company.

The loss of any of these customers could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, none of our customers are party to any long-term supply agreements with us, and thus are able to change suppliers freely should they wish to do so.

Developments after a product reaches the market may adversely affect sales of our products.

Even after regulatory approval, certain developments may decrease demand for our products, including the following:

- the re-review of products that are already marketed;
- new scientific information and evolution of scientific theories;
- the recall or loss of marketing approval of products that are already marketed;
- changing standards from government, regulatory or supervisory authorities or public expectations regarding safety, efficacy or labeling changes; and
- greater scrutiny in advertising and promotion.

In the past, clinical trials, government, regulatory or other supervisory review and/or post-marketing surveillance of certain marketed drugs of the Company and of competitors within the industry have raised concerns that have led to recalls, withdrawals or adverse labeling of marketed products, including the recent recall of our BIOCELL textured breast implants. If previously unknown side effects are discovered or if there is an increase in negative publicity regarding known side effects of any of our products, it could significantly reduce demand for the product or require us to take actions that could negatively affect sales, including removing the product from the market, restricting its distribution or applying for labeling changes.

In addition, certain health authorities, regulators and agencies have increased their focus on safety when assessing the balance of benefits and risks of drugs. Some health authorities appear to have become more cautious when making decisions about approvability of new products and are re-reviewing select products that are already marketed, adding further to the uncertainties in the regulatory processes. There is also greater regulatory scrutiny, especially in the U.S., on advertising, and promotion (in particular, direct-to-consumer advertising) and pricing of pharmaceutical products. Certain regulatory changes or decisions could make it more difficult for us to sell our products and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

If we do not successfully integrate newly acquired businesses into our business operations, our business could be adversely affected.

We will need to successfully integrate the operations of acquired businesses with our business operations.As a result of recent and future or pending acquisitions, we have undergone substantial changes in a short period of time and our business has changed and broadened in size and the scope of products we offer. Integrating the operations of multiple new businesses with that of our own is a complex, costly and time-consuming process, which requires significant management attention and resources to integrate the business practice and operations. The integration process may disrupt the businesses and, if implemented ineffectively, would preclude realization of the full benefits expected by us. Our failure to meet the challenges involved in integrating the businesses in order to realize the anticipated benefits of the acquisitions could cause an interruption of, or a loss of momentum in, our activities and could adversely affect our results of operations. Prior to each acquisition, the acquired business operated independently, with its own business, corporate culture, locations, employees and systems. There may be substantial difficulties, costs and delays involved in any integration of other businesses with that of our own.

These may include:

- distracting management from day-to-day operations;
- potential incompatibility of corporate cultures;
- an inability to achieve synergies as planned;
- risks associated with the assumption of contingent or other liabilities of acquisition targets;
- adverse effects on existing business relationships with suppliers or customers;
- inheriting and uncovering previously unknown issues, problems and costs from the acquired company;
- delays between our expenditures to acquire new products, technologies or businesses and the generation of revenues from those acquired products, technologies or businesses;
- realization of assets and settlement of liabilities at amounts equal to estimated fair value as of the acquisition date of any acquisition or disposition;
- revenue recognition related to licensing agreements and/or strategic collaborations;
- loss of key employees of the acquired business, including because such employees have become employed by our competitors;
- overlap between our products or customers and the companies that we acquire that may create conflicts in relationships or other commitments detrimental to the integrated businesses;
- costs and delays in implementing common systems and procedures (including technology, compliance programs, financial systems, distribution and general business operations, among others); and
- increased difficulties in managing our business due to the addition of international locations.

These risks may be heightened in cases where the majority of the former businesses' operations, employees and customers are located outside of the United States. Any one or all of these factors may increase operating costs or lower anticipated financial performance. Many of these factors are also outside of our control. In addition, dispositions of certain key products, technologies and other rights may affect our business operations.

In addition, even if the operations of the businesses are integrated successfully, we may not realize the full benefits of the acquisitions, including the synergies, cost savings or sales or growth opportunities that we expect. These benefits may not be achieved within the anticipated time frames, or at all. Additional unanticipated costs may be incurred in the integration of the businesses. All of these factors could cause a reduction to our earnings, decrease or delay the expected accretive effect of the transactions, and negatively impact the price of our ordinary shares.

The failure to integrate the business operations of the acquired businesses successfully would have a material adverse effect on our business, financial condition and results of operations.

If we are unsuccessful in our joint ventures and other collaborations, our operating results could suffer.

We have made substantial investments in joint ventures and other collaborations, including our collaborations for Linzess®, our biosimilars developed with Amgen, and LCA10, and may use these and other methods to develop or commercialize products in the future. These arrangements typically involve other pharmaceutical companies as partners that may be competitors of ours in certain markets. In many instances, we will not control these joint ventures or collaborations or the commercial exploitation of the licensed products, and cannot assure you that these ventures will be profitable. Joint venture or collaboration agreements may place limitations or restrictions on marketing our products. Any such marketing restrictions could affect future revenues and have a material adverse effect on our operations. Our results of operations may suffer if existing joint venture or collaboration partners withdraw, or if these products are not timely developed, approved or successfully commercialized and we cannot guarantee the successful outcome of such efforts, nor that they will result in any intellectual property rights or products that inure to our benefit.

Our operating results and financial condition may fluctuate.

Our operating results and financial condition may fluctuate from quarter to quarter and year to year for a number of reasons. As a result, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful, and these comparisons should not be relied upon as an indication of future performance. Our operating results and financial condition are also subject to fluctuation from all of the risks described throughout this section. These fluctuations may adversely affect our results of operations and financial conditions.

We face risks related to health epidemics and other outbreaks, which could significantly disrupt our operations and/or business.

Our business could be adversely impacted by the effects of the Coronavirus or other epidemics. Currently, we are susceptible to risks to our manufacturing and production from the outbreak of the Coronavirus in China. Parts of our direct and indirect supply chain are in China, and are accordingly subject to disruption or product contamination. For instance, certain raw materials (including API, other chemicals, packaging components, and electronic components) used in the manufacture of certain of our commercial products including Ubrelvy and Coolsculpting, and for certain of our products currently in development, are manufactured in China. Additionally, our net revenues for China in 2019 were $306.9 million, and our results of operations could be adversely affected to the extent that Coronavirus or any other epidemic harms our commercial business in China or the Chinese economy in general. A health epidemic or other outbreak, including the current Coronavirus outbreak, may materially and adversely affect our business, financial condition and results of operations.

Our debt and other financial obligations could impair our financial condition and our ability to fulfill our debt obligations. Any refinancing of this debt could be at significantly higher interest rates.

Our indebtedness and other financial obligations could:

- impair our ability to obtain financing or additional debt in the future for working capital, capital expenditures, acquisitions or general corporate purposes;
- impair our ability to access capital and credit markets on terms that are favorable to us;
- have a material adverse effect on us if we fail to comply with financial and affirmative and restrictive covenants in our debt agreements and an event of default occurs as a result of a failure that is not cured or waived;
- require us to dedicate a substantial portion of our cash flow for interest payments on our indebtedness and other financial obligations, thereby reducing the availability of our cash flow to fund working capital and capital expenditures;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; and
- place us at a competitive disadvantage compared to our competitors that have proportionally less debt.

Additionally, certain of our financing agreements may contain cross-default or other similar provisions whereby a default under one financing agreement could result in a default under our other financing agreements.

If we are unable to meet our debt service obligations and other financial obligations such as planned dividends, we could be forced to restructure or refinance our indebtedness and other financial transactions, seek additional equity capital or sell our assets. We might then be unable to obtain such financing or capital or sell our assets on satisfactory terms, if at all. Any refinancing of our indebtedness could be at significantly higher interest rates, and/or incur significant transaction fees. Refer to “NOTE 18 — Long-Term Debt” for a detailed discussion of our outstanding indebtedness.

Significant balances of intangible assets, including product rights and goodwill acquired, are subject to impairment testing and may result in impairment charges, which will adversely affect our results of operations and financial condition.

A significant amount of our total assets is related to acquired intangibles and goodwill. As of December 31, 2019, the carrying value of our product rights and other intangible assets was $37,890.6 million and the carrying value of our goodwill was $42,248.3 million.

Our product rights are stated at cost, less accumulated amortization. We determine original fair value and amortization periods for product rights based on our assessment of various factors impacting estimated useful lives and cash flows of the acquired products. Such factors include the product's position in its life cycle, the existence or absence of like products in the market, various other competitive and regulatory issues and contractual terms. Significant adverse changes to any of these factors require us to perform an impairment test on the affected asset and, if evidence of impairment exists, require us to take an impairment charge with respect to the asset. For assets that are not impaired, we may adjust the remaining useful lives. Such a charge could have a material adverse effect on our results of operations and financial condition.

Our other significant intangible assets include acquired core technology and customer relationships, which are intangible assets with definite lives, and our acquired IPR&D intangible products, acquired in recent business acquisitions, which are intangible assets with indefinite lives.

Our acquired core technology and customer relationship intangible assets are stated at cost, less accumulated amortization. We determined the original fair value of our other intangible assets by performing a discounted cash flow analysis, which is based on our assessment of various factors. Such factors include existing operating margins, the number of existing and potential competitors, product pricing patterns, product market share analysis, product approval and launch dates, the effects of competition, customer attrition rates, consolidation within the industry and generic product lifecycle estimates. Our other intangible assets with definite lives are tested for impairment when there are significant changes to any of these factors. If evidence of impairment exists, we are required to take an impairment charge with respect to the impaired asset. Such a charge could have a material adverse effect on our results of operations and financial condition.

Goodwill and our IPR&D intangible assets are tested for impairment annually, or when events occur or circumstances change that could potentially reduce the fair value of the reporting unit or intangible asset. Impairment testing compares the fair value of the reporting unit or intangible asset to its carrying amount. A goodwill or IPR&D impairment, if any, would be recorded in operating income and could have a material adverse effect on our results of operations and financial condition. For example, Allergan recorded $3,552.8 million of goodwill impairments relating to its General Medicine Reporting Unit in the twelve months ended December 31, 2019.

We may need to raise additional funds in the future which may not be available on acceptable terms or at all.

We may consider issuing additional debt or equity securities in the future to fund potential acquisitions or investments, to refinance existing debt, or for general corporate purposes. If we issue equity, convertible preferred equity or convertible debt securities to raise additional funds, our existing shareholders may experience dilution, and the new equity or debt securities may have rights, preferences and privileges senior to those of our existing shareholders. If we incur additional debt, it may increase our leverage relative to our earnings or to our equity capitalization, requiring us to pay additional interest expenses and potentially lowering our credit ratings. We may not be able to market such issuances on favorable terms, or at all, in which case, we may not be able to develop or enhance our products, execute our business plan, take advantage of future opportunities, or respond to competitive pressures or unanticipated customer requirements.

The loss of our key personnel could cause our business to suffer.

The success of our present and future operations will depend, to a significant extent, upon the experience, abilities and continued services of key personnel. For example, although we have other senior management personnel, a significant loss of the services of Brent Saunders, our Chief Executive Officer, or other senior executive officers without having or hiring a suitable successor, could cause our business to suffer. We cannot assure you that we will be able to attract and retain key personnel. We have entered into employment agreements with certain of our senior executive officers but such agreements do not guarantee that our senior executive officers will remain employed by us for a significant period of time, or at all. We do not carry key-employee life insurance on any of our officers.

Substantial amounts of our information concerning our products, customers, employees and ongoing business are stored digitally and are subject to threats of theft, exposure, tampering, or other intrusions.

We collect and maintain information in digital form that is necessary to conduct our business, and we are increasingly dependent upon information technology systems, devices, infrastructure and data. This digital information includes, but is not limited to, confidential and proprietary information as well as personal information regarding our customers and employees. We also rely to a

large extent upon sophisticated information technology systems to operate our businesses. Data maintained in digital form is subject to the risk of intrusion, exposure, tampering and theft. Cyber-attacks are increasing in frequency, sophistication and intensity. Such attacks are made by groups and individuals with a wide range of motives (including, but not limited to, industrial espionage) and expertise, including organized criminal groups, "hacktivists," nation-states and others. Cyber attacks could include the deployment of harmful malware, denial of service attacks, worms, social engineering and other means to affect service reliability and threaten data confidentiality, integrity and availability. We have established physical, electronic, and organizational measures to safeguard and secure our systems to prevent a data compromise, and rely on commercially available systems, software, tools, and monitoring to provide security for the processing, transmission and storage of digital information. However, the development and maintenance of these systems is costly and requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become increasingly more sophisticated. While we continue to build and improve our systems and infrastructure and believe we have taken appropriate security measures to reduce these risks to our information technology systems, devices, infrastructure and data, the possibility of a future data compromise cannot be eliminated entirely, and risks associated with intrusion, exposure, tampering, and theft remain. Although the aggregate impact on our operations and financial condition has not been material to date, we have been the target of events of this nature and expect them to continue. We maintain cyber liability insurance; however, this insurance may not be sufficient to cover the financial, legal, business or reputational losses that may result from an interruption or breach of our systems. Data privacy or security breaches by employees or others may pose a risk that data, including intellectual property or personal information, may be exposed to unauthorized individuals or to the public. In addition, we also have outsourced significant elements of our operations to third parties, including significant elements of our information technology infrastructure and, as a result, we are managing many independent vendor relationships with third parties who may or could have access to our confidential information, because we provide confidential, proprietary and personal information to third parties when it is necessary to pursue our business objectives. While we obtain assurances that these third parties will protect this information and, where appropriate, monitor the protections employed by these third parties, there is a risk the confidentiality of data held by third parties may be compromised. If our data systems are compromised, our business operations may be impaired, we may lose profitable opportunities, or the value of those opportunities may be diminished, and we may lose revenue because of unlicensed use of our intellectual property. If personal information of our customers or employees is misappropriated, our reputation with our customers and employees may be injured resulting in loss of business and/or morale, and we may incur costs to remediate possible injury to our customers and employees or be required to pay fines or take other action with respect to judicial or regulatory actions arising out of such incidents.

Our business will continue to expose us to risks of environmental liabilities.

Our product and API development programs, manufacturing processes and distribution logistics involve the controlled use of hazardous materials, chemicals and toxic compounds in our owned and leased facilities. As a result, we are subject to numerous and increasingly stringent federal, state and local environmental laws and regulations concerning, among other things, the generation, handling, storage, transportation, treatment and disposal of toxic and hazardous materials and the discharge of pollutants into the air and water. Our programs and processes expose us to risks that an accidental contamination could result in (i) our noncompliance with such environmental laws and regulations and (ii) regulatory enforcement actions or claims for personal injury and property damage against us. If an accident or environmental discharge occurs, or if we discover contamination caused by prior operations, including by prior owners and operators of properties we acquire, we could be liable for cleanup obligations, damages and fines. The substantial unexpected costs we may incur could have a material and adverse effect on our business, results of operations, financial condition, and cash flows. In addition, environmental permits and controls are required for some of our operations, and these permits are subject to modification, renewal and revocation by the issuing authorities. Any modification, revocation or non-renewal of our environmental permits could have a material adverse effect on our ongoing operations, business and financial condition. Our environmental capital expenditures and costs for environmental compliance may increase in the future as a result of changes in environmental laws and regulations or increased development or manufacturing activities at any of our facilities.

Our foreign operations may become less attractive if political and diplomatic relations between the United States and any country where we conduct business operations deteriorates.

The relationship between the United States and the foreign countries where we conduct business operations may weaken over time. Changes in the state of the relations between any such country and the United States are difficult to predict and could adversely affect our future operations. This could lead to a decline in our profitability. Any meaningful deterioration of the political, economic and diplomatic relations between the United States and the relevant country could have a material adverse effect on our operations.

Our global operations expose us to risks and challenges associated with conducting business internationally.

We operate on a global basis with offices or activities in Europe, Africa, Asia, South America, Australia and North America. We face several risks inherent in conducting business internationally, including compliance with international and U.S. laws and regulations that apply to our international operations. These laws and regulations include data privacy requirements, including GDPR; advertising and promotion laws both for pharmaceutical and medical device products; labor relations laws; tax laws; competition regulations; import and trade restrictions; economic sanctions; export requirements; U.S. laws such as the Foreign Corrupt Practices Act; the UK Bribery Act 2010; and other local laws that prohibit corrupt payments to governmental officials or certain payments or remunerations to customers. Given the high level of complexity of these laws there is a risk that some provisions may be breached by

us, for example through fraudulent or negligent behavior of individual employees, our failure to comply with certain formal documentation requirements, or otherwise. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers or our employees, requirements to obtain export licenses, cessation of business activities in sanctioned countries, implementation of compliance programs, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our products in one or more countries and could materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our business and our operating results. Our success depends, in part, on our ability to anticipate these risks and manage these challenges. Further, certain of our employees, including employees located in certain jurisdictions in Canada, Europe and Asia, are represented by collective bargaining or other labor agreements or arrangements that provide bargaining or other rights to employees. Such employment rights require us to expend greater time and expense in making changes to employees' terms of employment or carrying out staff reductions. In addition, any national or other labor disputes in these regions could result in a work stoppage or strike by our employees that could delay or interrupt our ability to supply products and conduct operations. Due to the nature of these collective bargaining agreements, we will have no control over such work stoppages or strikes by such employees, and a strike may occur even if the employees do not have any grievances against us. Any interruption in manufacturing or operations could interfere with our business and could have a material adverse effect on our revenues.

In addition to the foregoing, engaging in international business inherently involves a number of other difficulties and risks, including:

- longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- political and economic instability or sanctions in areas in which we operate;
- potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements and other trade barriers;
- regulations related to customs and import/export matters (including sanctions);
- tax issues, such as tax law changes and variations in tax laws;
- challenges in collecting accounts receivable from customers in the jurisdictions in which we operate;
- complying with laws, rules and regulations relating to the manufacturing, marketing, distribution and sale of pharmaceutical products in the jurisdictions in which we do or will operate;
- operating under regulations in jurisdictions related to obtaining eligibility for government or private payor reimbursement for our products at the wholesale/retail level;
- competition from local, regional and international competitors;
- difficulties and costs of staffing and managing foreign operations, including cultural and language differences and additional employment regulations, union workforce negotiations and potential disputes in the jurisdictions in which we operate;
- difficulties associated with compliance with a variety of laws and regulations governing international trade, including the Foreign Corrupt Practices Act;
- difficulties protecting or procuring intellectual property rights;
- illegal diversions of our products and/or counterfeiting of our products; and
- fluctuations in foreign currency exchange rates.

These factors or any combination of these factors could have a material adverse effect on our results of operations and financial condition.

The United Kingdom's departure from the European Union could adversely affect our business and financial results.

The United Kingdom held a referendum on June 23, 2016 in which a majority of voters voted to exit the European Union ("Brexit") and on March 29, 2017, the United Kingdom submitted a formal notification of its intention to withdraw from the European Union pursuant to Article 50 of the Treaty of Lisbon. As a result, the United Kingdom ceased to be a member state of the European Union on January 31, 2020 and will lose access to the European Union single market and to European Union trade deals negotiated with other jurisdictions after the end of the transition period on December 31, 2020. The effects of Brexit will depend on any agreements the United Kingdom makes to retain access to European Union markets more permanently. Brexit could adversely affect European and worldwide economic and market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the euro. In addition, Brexit could lead to legal uncertainty and potentially divergent

national laws and regulations as the United Kingdom determines which European Union laws to replace or replicate. Any of these effects of Brexit, and others we cannot anticipate, could negatively affect our business and financial results.

Our ordinary share dividend policy is subject to change and could adversely affect the price of our ordinary shares.

Our ordinary share dividend policy is based upon our Board of Directors' current assessment of our business and the environment in which we operate. That assessment could change based on competitive or commercial developments (which could, for example, increase our need for capital expenditures), new growth opportunities, the terms of future debt instruments, legal risks, changes in Irish corporate or tax or federal tax law and challenges to our business model. Our Board of Directors may, in its discretion, amend or repeal our dividend policy to decrease the level of dividends on our ordinary shares or entirely discontinue the payment of dividends on our ordinary shares. The reduction or elimination of our cash dividend could adversely affect the market price of our ordinary shares.

Our share repurchase program may not enhance shareholder value.

Repurchases by the Company of our ordinary shares reduce the number of outstanding shares of our ordinary shares. There can be no assurance that any share repurchases will enhance shareholder value because the market price of our ordinary shares may decline below the levels at which we repurchased ordinary shares. Although the Company's repurchases of its shares are intended to enhance long-term shareholder value, short-term stock price fluctuations could reduce the effectiveness of these repurchases.

We have exposure to tax liabilities.

As a multinational corporation, we are subject to income taxes as well as non-income based taxes in various jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. We are subject to costs and other potential outcomes from tax audits. The Company believes that its accrual for tax contingencies is adequate for all open years based on past experience, interpretations of tax law and judgments about potential actions by tax authorities; however, due to the complexity of tax contingencies, the ultimate resolution of any tax matters may result in payments greater or less than amounts accrued.

Changes in tax laws or tax rulings in the U.S. and abroad could have a significant adverse impact on our effective tax rate.

On December 22, 2017, the Tax Cuts and Jobs Act ("TCJA"), was enacted into law by President Trump. The TCJA makes significant changes to the U.S. taxation of our domestic and international operations. The TCJA contains a number of provisions that may adversely impact our effective tax rate or operating cash flows going forward, including:

- The limitation on the amount of interest expense deduction available to our U.S. subsidiaries to the extent we are unable to absorb any unused interest deductions over time;
- The "Base Erosion Anti-Abuse Tax," which requires our U.S. subsidiaries to make an alternative determination of taxable income without regard to tax deductions for certain payments to affiliates.

Many countries in Europe where we conduct business have proposed or recently enacted changes to existing tax laws in order to limit base erosion and profit shifting. These changes could impact our effective tax rate or future tax obligations. The European Commission has conducted investigations in multiple countries focusing on whether local country tax rulings or tax legislation provides preferential tax treatment that violates European Union state aid rules. If the Company's effective tax rates were to increase, or if the ultimate determination of the Company's taxes owed is for an amount in excess of amounts previously accrued, the Company's operating results, cash flows and financial condition could be adversely affected.

We would be adversely affected if, either based on current law or in the event of a change in law, the Internal Revenue Service ("IRS") did not agree that Allergan is a foreign corporation for U.S. federal tax purposes. In addition, future changes to international tax laws not specifically related to inversions could adversely affect us.

Allergan believes that, under current law, it is treated as a foreign corporation for U.S. federal tax purposes because it is an Irish incorporated entity. However, the IRS may assert that Allergan should be treated as a U.S. corporation for U.S. federal tax purposes pursuant to Section 7874 of the U.S. Internal Revenue Code. Under Section 7874, a corporation created or organized outside the United States (i.e., a foreign corporation) will be treated as a U.S. corporation for U.S. federal tax purposes when (i) the foreign corporation directly or indirectly acquires substantially all of the assets held directly or indirectly by a U.S. corporation (including the indirect acquisition of assets of the U.S. corporation by acquiring all the outstanding shares of the U.S. corporation), (ii) the shareholders of the acquired U.S. corporation hold at least 80% (by either vote or value) of the shares of the foreign acquiring corporation after the acquisition by reason of holding shares in the U.S. acquired corporation (including the receipt of the foreign corporation's shares in exchange for the U.S. corporation's shares) and (iii) the foreign corporation's "expanded affiliated group" does not have substantial business activities in the foreign corporation's country of organization or incorporation relative to such expanded

affiliated group's worldwide activities. For purposes of Section 7874, multiple acquisitions of U.S. corporations by a foreign corporation, if treated as part of a plan or series of related transactions, may be treated as a single acquisition. If multiple acquisitions of U.S. corporations are treated as a single acquisition, all shareholders of the acquired U.S. corporations would be aggregated for purposes of the test set forth above concerning such shareholders holding at least 80% (by either vote or value) of the shares of the foreign acquiring corporation after the acquisitions by reason of holding shares in the acquired U.S. corporations.

Allergan believes that the test set forth above to treat Allergan as a foreign corporation was satisfied in connection with the Warner Chilcott Acquisition, the Forest Acquisition and the Allergan Acquisition. However, the law and Treasury regulations promulgated under Section 7874 are somewhat unclear, and thus it cannot be assured that the IRS will agree that the ownership requirements to treat Allergan as a foreign corporation were met in the Warner Chilcott Acquisition, the Forest Acquisition and/or the Allergan Acquisition, and the IRS may assert that, even though the Allergan Acquisition is a separate transaction from the Warner Chilcott Acquisition and the Forest Acquisition, the Allergan Acquisition should be integrated with the Warner Chilcott Acquisition and the Forest Acquisition as a single transaction. In the event the IRS were to prevail with such assertion, Allergan would be treated as a U.S. corporation for U.S. federal tax purposes and significant adverse tax consequences would result for Allergan.

Even if Allergan is respected as a foreign corporation for U.S. federal tax purposes, Allergan might be adversely impacted by recent proposals that have aimed to make other changes in the taxation of multinational corporations. For example, the Organization for Economic Cooperation and Development has created an agreed set of international rules for fighting base erosion and profit shifting. As a result, the tax laws in the United States, Ireland and other countries in which we and our affiliates do business could change on a prospective or retroactive basis, and any such changes could adversely affect Allergan and its affiliates (including Allergan Inc. ("Legacy Allergan") and its affiliates).

Foreign currency fluctuations could adversely affect our business and financial results.

We do business and generate sales in numerous countries outside the United States. The Company has also entered and will from time to time enter into acquisition, licensing, borrowing, hedging or other financial transactions that may give rise to currency and interest rate exposure. As such, foreign currency fluctuations may affect the costs that we incur in such international operations. Some of our operating expenses are incurred in non-U.S. dollar currencies. The appreciation of non-U.S. dollar currencies in those countries where we have operations against the U.S. dollar could increase our costs and could harm our results of operations and financial condition.

A failure of our internal control over financial reporting could materially impact our business or share price.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. An internal control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all internal control systems, internal control over financial reporting may not prevent or detect misstatements. Any failure to maintain an effective system of internal control over financial reporting could limit our ability to report our financial results accurately and timely or to detect and prevent fraud, and could expose us to litigation or adversely affect the market price of the Allergan plc Ordinary Shares.

We are incorporated in Ireland, and Irish law differs from the laws in effect in the United States and may afford less protection to, or otherwise adversely affect, our shareholders.

Our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction of the United States. As an Irish company, we are governed by the Irish Companies Act 2014 (the "Companies Act"). The Companies Act and other relevant aspects of Irish law differ in some material respects from laws generally applicable to U.S. corporations and shareholders, including the provisions relating to interested directors, mergers, amalgamations and acquisitions, takeovers, shareholder lawsuits and indemnification of directors. For example, under Irish law, the duties of directors and officers of a company are generally owed to the company only. As a result, shareholders of Irish companies do not have the right to bring an action against the directors or officers of a company, except in limited circumstances. In addition, depending on the circumstances, you may be subject to different or additional tax consequences under Irish law as a result of your acquisition, ownership and/or disposition of our ordinary shares, including, but not limited to, Irish stamp duty, dividend withholding tax and capital acquisitions tax.

As a result of different shareholder voting requirements in Ireland relative to laws in effect in certain states in the United States, we may have less flexibility with respect to certain aspects of capital management than companies organized in the United States.

Under Irish law, our authorized share capital can be increased by an ordinary resolution of our shareholders and the directors may issue new ordinary or preferred shares up to a maximum amount equal to the authorized but unissued share capital, without shareholder approval, once authorized to do so by our articles of association or by an ordinary resolution of our shareholders. Additionally, subject to specified exceptions, Irish law grants statutory preemption rights to existing shareholders where shares are being issued for cash consideration but allows shareholders to disapply such statutory preemption rights either in our articles of association or by way of special resolution. Such disapplication can either be generally applicable or be in respect of a particular allotment of shares. Accordingly, our articles of association contain, as permitted by Irish company law, provisions authorizing the board to issue new shares, and to disapply statutory preemption rights. The authorization of the directors to issue shares and the disapplication of statutory preemption rights is subject to approval by our shareholders annually, and we cannot provide any assurance that these authorizations will always be approved, which could limit our ability to issue equity and thereby adversely affect the holders of our securities.

We are an Irish company and it may be difficult for you to enforce judgments against us or certain of our officers and directors.

We are incorporated in Ireland and a substantial portion of our assets are located in jurisdictions outside the United States. In addition, some of our officers and directors reside outside the United States, and some or all of their respective assets are or may be located in jurisdictions outside of the United States. Therefore, it may be difficult for investors to effect service of process against us or such officers or directors or to enforce against us or them judgments of U.S. courts predicated upon civil liability provisions of the U.S. federal securities laws.

There is no treaty between Ireland and the United States providing for the reciprocal enforcement of foreign judgments. The following requirements must be met before the foreign judgment will be recognized and deemed enforceable in Ireland:

- the judgment must be for a definite monetary sum;
- the judgment must be final and conclusive and the decree final and unalterable in the court which pronounces it; and
- the judgment must be provided by a court of competent jurisdiction.

An Irish court will also refuse to recognize or enforce a foreign judgment obtained by fraud, or if to enforce the judgment would violate Irish public policy or breach natural or constitutional justice. Further, an Irish court may not recognize or enforce a judgment that is irreconcilable with an earlier judgment, and may stay recognition and enforcement proceedings, if concurrent proceedings are in being elsewhere. Further, as a matter of public policy, an Irish Court will not recognize or enforce foreign revenue, penal or other public laws, either directly or through the recognition and enforcement of a foreign judgment. Judgments of U.S. courts of liabilities predicated upon U.S. federal securities laws may not be recognized or enforced by Irish courts if deemed to be contrary to public policy in Ireland. An Irish court may also refuse to enforce a foreign judgment if there is no practical benefit to the party in whose favor the judgment is made in seeking to have that judgment enforced in Ireland.

A transfer of our ordinary shares, other than by means of the transfer of book-entry interests in the Depository Trust Company ("DTC"), may be subject to Irish stamp duty, as may a transfer of preference shares.

Transfers of our ordinary shares effected by means of the transfer of book entry interests in DTC will not be subject to Irish stamp duty. However, if you hold your ordinary shares directly rather than beneficially through DTC, any transfer of your ordinary shares could be subject to Irish stamp duty (currently at the rate of 1% of the higher of the price paid or the market value of the shares acquired). Payment of Irish stamp duty is generally a legal obligation of the transferee. Transfers of preference shares, including our mandatory convertible preferred shares, may also be subject to Irish stamp duty at the same rate. The potential for stamp duty could adversely affect the price of your shares.

In certain limited circumstances, dividends we pay may be subject to Irish dividend withholding tax.

In certain limited circumstances, dividend withholding tax (currently at a rate of 20%) may arise in respect of any dividends paid on our ordinary shares. A number of exemptions from dividend withholding tax exist such that shareholders resident in the U.S. and shareholders resident in certain countries may be entitled to exemptions from dividend withholding tax.

Shareholders resident in the U.S. that hold their shares through DTC will not be subject to dividend withholding tax provided the addresses of the beneficial owners of such shares in the records of the brokers holding such shares are recorded as being in the U.S. (and such brokers have further transmitted the relevant information to a qualifying intermediary appointed by us). U.S. resident shareholders in Allergan that hold their shares outside of DTC and shareholders resident in certain other countries (irrespective of whether they hold their shares through DTC or outside DTC) will not be subject to dividend withholding tax provided the beneficial owners of such shares have furnished completed and valid dividend withholding tax forms or an IRS Form 6166, as appropriate, to our transfer agent or their brokers (and such brokers have further transmitted the relevant information to our transfer agent). However, other shareholders may be subject to dividend withholding tax, which could adversely affect the price of your shares.

Dividends received by Irish residents and certain other shareholders may be subject to Irish income tax.

Shareholders entitled to an exemption from Irish dividend withholding tax on dividends received from us will not be subject to Irish income tax in respect of those dividends, unless they have some connection with Ireland other than their shareholding in us (for example, they are resident in Ireland). Shareholders who are not resident nor ordinarily resident in Ireland but who are not entitled to an exemption from Irish dividend withholding tax will generally have no further liability to Irish income tax on those dividends which suffer dividend withholding tax.

Allergan's Ordinary Shares received by means of a gift or inheritance could be subject to Irish capital acquisitions tax.

Irish capital acquisitions tax ("CAT") could apply to a gift or inheritance of ordinary shares, irrespective of the place of residence, ordinary residence or domicile of the parties. This is because Company Ordinary Shares are regarded as property situated in Ireland. The person who receives the gift or inheritance has primary liability for CAT. Gifts and inheritances passing between spouses are exempt from CAT. Children have a tax-free threshold of €335,000 in respect of taxable gifts or inheritances received from their parents. Certain other tax-free thresholds may also apply.

ITEM 1B. *UNRESOLVED STAFF COMMENTS*

There are no unresolved staff comments.

ITEM 2. *PROPERTIES*

We conduct our operations using a combination of owned and leased properties.

Our owned and leased properties consist of facilities used for R&D, manufacturing, distribution (including warehousing and storage), sales and marketing and administrative functions and relate to our US Specialized Therapeutics, US General Medicine and International segments. The following table provides a summary of locations for our significant owned and leased properties as of December 31, 2019:

Location	Primary Use	Leased / Owned
Austin, TX, USA	Administration	Leased
Branchburg, NJ, USA	Manufacturing	Leased
Bridgewater, NJ, USA	R&D	Leased
Campbell, CA, USA	Manufacturing	Owned
Cincinnati, OH, USA	Manufacturing	Owned
Clonshaugh, Ireland	Manufacturing	Owned
Dublin, CA, USA	Manufacturing	Leased
Galway, Ireland	Manufacturing	Leased
Guarulhos, Brazil	Manufacturing	Owned
Heredia, Costa Rica	Manufacturing	Owned
Houston, TX, USA	Manufacturing	Owned
Irvine, CA, USA	R&D	Owned
Liege, Belgium	Manufacturing	Leased
Liverpool, United Kingdom	R&D	Leased
Madison, NJ, USA	Administration	Leased
Marlow, UK	Administration	Leased
Pleasanton, CA, USA	Administration	Leased
Pringy, France	Manufacturing	Owned
Sunrise, FL, USA	R&D	Leased
Waco, TX, USA	Manufacturing	Owned
Westport, Ireland	Manufacturing	Owned

Our leased properties are subject to various lease terms and expirations.

We believe that we have sufficient facilities to conduct our operations during 2020. However, we continue to evaluate the purchase or lease of additional properties, or the consolidation of existing properties, as our business requires.

ITEM 3. *LEGAL PROCEEDINGS*

For information regarding legal proceedings, refer to *Legal Matters* in "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this Annual Report.

ITEM 4. *MINE SAFETY DISCLOSURES*

Not applicable.

PART II

ITEM 5. *MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES*

Market for Registrant's Common Equity

Allergan plc Ordinary Shares are traded on the New York Stock Exchange under the symbol "AGN." The following table sets forth the quarterly high and low closing share trading price information for the periods indicated:

Year Ended December 31, 2019	High	Low
First	$ 160.79	$ 132.09
Second	$ 167.43	$ 115.73
Third	$ 169.61	$ 156.34
Fourth	$ 191.58	$ 165.40

Year Ended December 31, 2018	High	Low
First	$ 188.15	$ 144.02
Second	$ 175.19	$ 143.80
Third	$ 192.51	$ 167.21
Fourth	$ 193.46	$ 129.82

As of February 12, 2020, there were approximately 2,977 registered holders of Allergan plc's Ordinary Shares.

We have paid cash dividends on ordinary shares quarterly beginning with the 2017 fiscal year.

In the first quarter of 2018, the Company paid a quarterly dividend on shares of its mandatory convertible preferred shares, which were converted to ordinary shares on March 1, 2018.

Warner Chilcott Limited is a wholly-owned subsidiary of Allergan and has no publicly traded equity securities.

Issuer Purchases of Equity Securities

During the quarter ended December 31, 2019, we repurchased 34,172 of Allergan plc's Ordinary Shares to satisfy tax withholding obligations in connection with the vesting of restricted stock issued to employees and directors.

On January 29, 2019, the Company announced that its Board of Directors approved a separate $2.0 billion share repurchase program. As of December 31, 2019 the Company has not repurchased any shares under this program.

The Company's Board of Directors previously approved a $2.0 billion share repurchase program in July 2018 (the "2018 Program"). As of December 31, 2019, the Company had completed the 2018 Program, repurchasing 12.5 million shares, including 5.3 million shares (or $0.8 billion of shares) in the year ended December 31, 2019.

In September 2017, the Company's Board of Directors approved a $2.0 billion share repurchase program. As of December 31, 2017, the Company had repurchased $450.0 million, or 2.6 million shares under the program. The Company completed the share repurchase program in 2018, repurchasing $1.54 billion or 9.6 million shares.

Period	Total Number of Shares Purchased	Total Number of Shares Purchased to Satisfy Tax Withholdings	Average Price Paid per Share	Total Number of Shares Purchased as Part of Share Repurchase Program	Average Price Paid per Share as Part of Share Repurchase Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Share Repurchase Program ($ in millions)
October 1 - 31, 2019	1,875	1,875	$ 166.33	-	$ -	$ 2,000.0
November 1 - 30, 2019	9,315	9,315	$ 178.95	-	$ -	$ 2,000.0
December 1 - 31, 2019	22,982	22,982	$ 191.20	-	$ -	$ 2,000.0
October 1 - December 31, 2019	34,172	34,172	$ 186.50	-	$ -	

Securities Authorized for Issuance Under Equity Compensation Plans

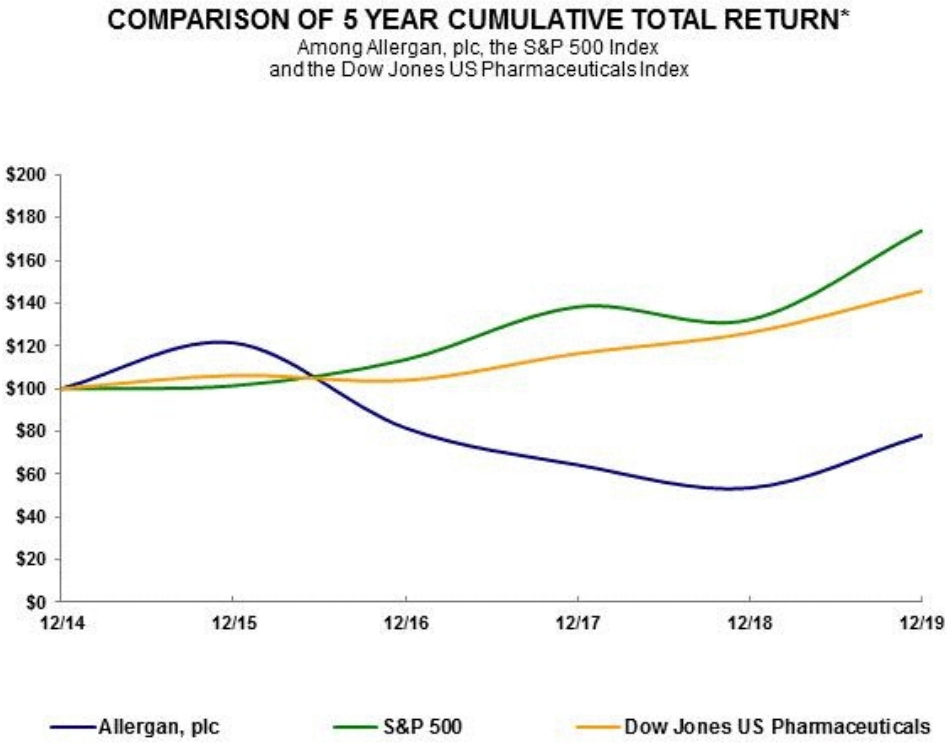
For information regarding securities authorized for issuance under equity compensation plans, refer to "ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS" and "NOTE 21 — Shareholders' Equity" in the accompanying "Notes to the Consolidated Financial Statements" in this Annual Report.

Performance Graph

The information in this section of the Annual Report pertaining to Allergan plc's performance relative to our peers is being furnished but not filed with the SEC, and as such, the information is neither subject to Regulation 14A or 14C or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended.

Notwithstanding anything to the contrary set forth in our previous filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, which might incorporate future filings made by us under those statutes, the following graph will not be deemed incorporated by reference into any future filings made by us under those statutes.

The following graph compares the cumulative 5-year total return of holders of Allergan plc's Ordinary Shares (formerly Class A common shares of Actavis plc) with the cumulative total returns of the S&P 500 index and the Dow Jones U.S. Pharmaceuticals index. The graph tracks the performance of a $100 investment in our Ordinary Shares and in each of the indexes (with reinvestment of all dividends, if any) on December 31, 2014 with relative performance tracked through December 31, 2019.



*$100 invested on 12/31/14 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

	12/14	12/15	12/16	12/17	12/18	12/19
Allergan plc	$ 100.00	$ 121.40	$ 81.59	$ 64.38	$ 53.52	$ 78.05
S&P 500	$ 100.00	$ 101.38	$ 113.51	$ 138.29	$ 132.23	$ 173.86
Dow Jones US Pharmaceuticals	$ 100.00	$ 106.21	$ 103.90	$ 116.41	$ 126.16	$ 145.72

The stock price performance included in this graph is not necessarily indicative of future stock price performance.

ITEM 6. ***SELECTED FINANCIAL DATA***

The following table sets forth our selected historical consolidated financial data. The selected consolidated financial data as of December 31, 2019 and 2018 and for the years ended December 31, 2019, 2018, and 2017 presented in this table have been derived from our audited consolidated financial statements and related notes included elsewhere in this Annual Report. The selected consolidated financial data as of December 31, 2017, 2016, and 2015 and for the years ended December 31, 2016 and 2015 presented in this table are derived from our audited consolidated financial statements and related notes which are not included in this Annual Report.

The selected consolidated financial data set forth below should be read in conjunction with, and is qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Notes to the Consolidated Financial Statements included elsewhere in this Annual Report and in our previously filed Annual Reports on Form 10-K, as amended by Form 8-K, where applicable.

ALLERGAN PLC
FINANCIAL HIGHLIGHTS
($ in millions, except per share amounts)

	Years Ended December 31,				
	2019[1][2]	2018[3][4][5]	2017[6][7][8][9]	2016[10][11][12][13][14]	2015[15][16]
Operating Highlights:					
Net revenues	$ 16,088.9	$ 15,787.4	$ 15,940.7	$ 14,570.6	$ 12,688.1
Net (loss) from continuing operations, net of tax	(5,265.1)	(5,086.2)	(3,716.0)	(935.00)	(2,941.6)
Net (loss) / income attributable to ordinary shareholders	(5,271.0)	(5,142.8)	(4,403.9)	14,695.00	3,683.2
Basic (loss) / earnings per share from continuing operations	$ (16.02)	$ (15.26)	$ (11.99)	$ (3.17)	$ (8.64)
Diluted (loss) / earnings per share from continuing operations	$ (16.02)	$ (15.26)	$ (11.99)	$ (3.17)	$ (8.64)
Basic (loss) / earnings per share	$ (16.02)	$ (15.26)	$ (13.19)	$ 38.18	$ 10.01
Diluted (loss) / earnings per share	$ (16.02)	$ (15.26)	$ (13.19)	$ 38.18	$ 10.01
Weighted average ordinary shares outstanding:					
Basic	329.0	337.0	333.8	384.9	367.8
Diluted	329.0	337.0	333.8	384.9	367.8

	At December 31,				
	2019[1][2]	2018[3][4][5]	2017[6][7][8][9]	2016[10][11][12][13][14]	2015[15][16]
Balance Sheet Highlights:					
Total assets	$ 94,699.1	$ 101,787.6	$ 118,341.9	$ 128,986.3	$ 135,583.3
Total debt and capital leases	22,649.0	23,797.7	30,075.3	32,768.7	42,530.4
Total equity	58,196.4	65,131.0	73,837.1	76,200.5	76,589.3

(1) In the year ended December 31, 2019, the Company recorded goodwill impairment charges relating to its General Medicine Reporting Unit of $3.6 billion, impairments of currently marketed intangible assets of $314.0 million and IPR&D assets of $436.0 million.

(2) In the year ended December 31, 2019, the Company repurchased $800.0 million or 5,330,248 shares as a result of the Company's share repurchase program.

(3) In the year ended December 31, 2018, the Company recorded impairment charges relating to its General Medicine Reporting Unit goodwill of $2.8 billion, an impairment of $771.7 million as a result of holding its Anti-Infectives business for sale, currently marketed intangibles assets of $1,831.4 million, including its Kybella®/Belkyra® asset of $1,643.8 million and IPR&D assets of $804.6 million, including $522.0 million relating to RORyt.

(4) On September 20, 2018, the Company completed the sale of five medical dermatology products in the U.S. to Almirall, S.A. As part of the sale, the Company received cash consideration of $550.0 million and recorded a net gain of $129.6 million included as a component of "other income / (expense), net".

(5) In the year ended December 31, 2018, the Company repurchased $2.74 billion or 16,772,162 shares as a result of the Company's share repurchase programs.

(6) On April 28, 2017, Allergan plc completed the Zeltiq Acquisition for $2.4 billion through which it acquired Zeltiq's body contouring business.

(7) On February 1, 2017, Allergan plc completed the LifeCell Acquisition for $2.9 billionthrough which it acquired LifeCell's regenerative medicines business.

(8) In the year ended December 31, 2017, the Company recognized intangible impairments including, but not limited to, $3,230.0 million related to Restasi®, $170.0 million related to Dry Eye IPR&D assets, and $646.0 million related to Aczone®.

(9) In the year ended December 31, 2017, the Company retired 6,822,394 shares as a result of the Company's share buyback programs.

(10) On November 1, 2016, Allergan plc completed the Tobira Acquisition. The acquisition increased the Company's intangible assets with the addition of Cenicriviroc.

(11) On October 25, 2016, Allergan plc completed the Vitae Acquisition. The acquisition increased the Company's intangible assets with the addition of RORyt.

(12) In the year ended December 31, 2016, the Company retired 61,620,459 shares as a result of the Company's $15.0 billion share buyback programs.

(13) On October 3, 2016, we completed the divestiture of the Anda Distribution business to Teva for $0.5 billion.

(14) On August 2, 2016, Teva acquired our global generics business for $38.3 billion of cash and Teva shares.

(15) On October 1, 2015, Allergan plc completed the acquisition of Kythera Biopharmaceuticals, Inc. The acquisition increased the Company's intangible assets with the addition of Kybella® / Belkyra®.

(16) On March 17, 2015, Allergan plc completed the acquisition of Allergan, Inc. ("Legacy Allergan") for approximately $77.0 billion (the "Allergan Acquisition").

ITEM 7. *MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*

The following discussion contains forward-looking statements that are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. We discuss such risks, uncertainties and other factors throughout this report and specifically under the caption "Cautionary Note Regarding Forward-Looking Statements" under "ITEM 1A. RISK FACTORS" in this document. In addition, the following discussion of financial condition and results of operations should be read in conjunction with the Consolidated Financial Statements and Notes thereto included elsewhere in this document.

The results of Warner Chilcott Limited are consolidated into the results of Allergan plc. Due to the de minimis activity between Allergan plc and Warner Chilcott Limited, references throughout this section relate to both Allergan plc and Warner Chilcott Limited.

EXECUTIVE SUMMARY

Overview

Allergan plc is a global pharmaceutical leader. Allergan is focused on developing, manufacturing and commercializing branded pharmaceutical, device, biologic, surgical and regenerative medicine products for patients around the world. Allergan markets a portfolio of leading brands and best-in-class products primarily focused on four key therapeutic areas including medical aesthetics, eye care, central nervous system and gastroenterology. As a part of its approach to deliver innovation for better patient care, Allergan has built one of the broadest pharmaceutical and device research and development pipelines in the industry. The Company has operations in more than 100 countries. Warner Chilcott Limited is an indirect wholly-owned subsidiary of Allergan plc and has the same principal business activities.

Significant Business Developments

Refer to the Business Development section in ITEM 1. BUSINESS for the significant transactions that were completed or announced in the years ended December 31, 2019, 2018 and 2017.

Transaction Agreement with AbbVie Inc.

On June 25, 2019, the Company announced that it entered into a transaction agreement (the "AbbVie Agreement") under which AbbVie Inc. ("AbbVie"), a global, research-driven biopharmaceutical company, would acquire Allergan plc in a stock and cash transaction (the "AbbVie Transaction"), valued at $188.24 per Allergan share, or approximately $63.0 billion, based on AbbVie's then-current stock price at the time the AbbVie Transaction was announced. At the closing of the proposed AbbVie Transaction, Company shareholders will receive 0.8660 shares of AbbVie common stock and $120.30 in cash for each of their existing shares. On October 14, 2019, the Company's shareholders voted to approve the AbbVie Transaction. The AbbVie Transaction is subject to customary regulatory approvals and other customary closing conditions.

On October 25, 2019, in connection with the AbbVie Transaction, AbbVie commenced offers to exchange all Allergan Senior Notes issued by Allergan and maturing from September 15, 2020 through March 15, 2045 for up to approximately $19.6 billion aggregate principal amount of new notes to be issued by AbbVie and cash. In conjunction with the exchange offer, AbbVie solicited and obtained consents from eligible holders of the Allergan Senior Notes to amend each of the indentures governing the Allergan Senior Notes to eliminate substantially all of the restrictive covenants in such indentures and eliminate any guarantees of the related Allergan Senior Notes. Consummation of the exchange offer is conditioned upon, among other things, the closing of the AbbVie Transaction. The exchange offers are expected to close, and such amendments are expected to become operative, on or about the closing date of the AbbVie Transaction.

On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into definitive agreements to divest (a) brazikumab, an IL-23 inhibitor currently being evaluated in a phase IIb/III study as a potential treatment for Crohn's Disease and in a phase II study for ulcerative colitis, and (b) Zenpep®, a product approved for treating exocrine pancreatic insufficiency due to cystic fibrosis and other conditions, and Viokace®, another pancreatic enzyme preparation. These agreements were made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. Nestle SA will acquire Zenpep® and Viokace®. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, the closing of the divestitures of Zenpep® and Viokace® is contingent upon receipt of of U.S. Federal Trade Commission approval, and closings of both divestitures are contingent upon the closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

Segments

The Company's businesses are organized into the following segments: US Specialized Therapeutics, US General Medicine and International. In addition, certain revenues and shared costs, and the results of corporate initiatives, are managed outside of the three segments. During the second quarter of 2019, the Company changed the operational and management structure for its in-development calcitonin gene-related peptide ("CGRP") receptors, Ubrogepant and Atogepant. These development products were previously reported within the US Specialized Therapeutics segment and have been transferred to the US General Medicine segment to align these development products with the management structure and reporting. There were no revenues and cost of sales related to these products in the prior periods and any selling and marketing expenses and general and administrative expenses were de minimis and therefore it was not necessary to recast prior periods.

The operating segments are organized as follows:

- The US Specialized Therapeutics segment includes sales and expenses relating to branded products within the U.S., including Medical Aesthetics, Medical Dermatology through September 20, 2018, Eye Care, and Neuroscience and Urology therapeutic products.
- The US General Medicine segment includes sales and expenses relating to branded products within the U.S. that do not fall into the US Specialized Therapeutics business units, including Central Nervous System, Gastrointestinal, Women's Health, Anti-Infectives and Diversified Brands.
- The International segment includes sales and expenses relating to products sold outside the U.S.

The Company evaluates segment performance based on segment contribution. Segment contribution for our segments represents net revenues less cost of sales (defined below), selling and marketing expenses, and select general and administrative expenses. The Company does not evaluate the following items at the segment level:

- Revenues and operating expenses within cost of sales, selling and marketing expenses, and general and administrative expenses that result from the impact of corporate initiatives. Corporate initiatives primarily include integration, restructuring, divestitures, acquisitions, certain milestones and other shared costs.
- General and administrative expenses that result from shared infrastructure, including certain expenses located within the United States.
- Other select revenues and operating expenses including R&D expenses, amortization, IPR&D impairments, goodwill impairments and asset sales and impairments, net as not all such information has been accounted for at the segment level, or such information has not been used by all segments.
- Total assets including capital expenditures.

The Company defines segment net revenues as product sales and other revenue derived from our products or licensing agreements.

Cost of sales within segment contribution includes standard production and packaging costs for the products we manufacture, third party acquisition costs for products manufactured by others, profit-sharing or royalty payments for products sold pursuant to licensing agreements and finished goods inventory reserve charges. Cost of sales within segment contribution excludes non-standard production costs, such as non-finished goods inventory obsolescence charges, manufacturing variances and excess capacity utilization charges, where applicable. Cost of sales does not include amortization or impairment costs for acquired product rights or other acquired intangibles.

Selling and marketing expenses consist mainly of personnel-related costs, product promotion costs, distribution costs, professional service costs, insurance, depreciation and travel costs.

General and administrative expenses consist mainly of personnel-related costs, facilities costs, transaction costs, insurance, depreciation, litigation costs and professional services costs which are general in nature and attributable to the segment.

Operating Results for the Years Ended December31, 2019, 2018 and 2017

Results of operations, including segment net revenues, segment operating expenses and segment contribution consisted of the following for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2019			
	US Specialized Therapeutics	US General Medicine	International	Total
Net revenues	$ 6,820.0	$ 5,834.9	$ 3,402.0	$ 16,056.9
Operating expenses:				
Cost of sales[1]	578.2	954.8	548.3	2,081.3
Selling and marketing	1,490.4	978.2	934.7	3,403.3
General and administrative	190.1	160.7	117.0	467.8
Segment contribution	**$ 4,561.3**	**$ 3,741.2**	**$ 1,802.0**	**$ 10,104.5**
Contribution margin	***66.9%***	***64.1%***	***53.0%***	***62.9%***
Corporate[2]				2,452.2
Research and development				1,812.0
Amortization				5,856.6
Goodwill impairments				3,552.8
In-process research and development impairments				436.0
Asset sales and impairments, net				440.2
Operating (loss)				$ (4,445.3)
Operating margin				(27.7)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $32.0 million.

	Year Ended December 31, 2018			
	US Specialized Therapeutics	US General Medicine	International	Total
Net revenues	$ 6,920.3	$ 5,322.9	$ 3,504.7	$ 15,747.9
Operating expenses:				
Cost of sales[1]	565.2	799.1	537.1	1,901.4
Selling and marketing	1,348.3	924.6	928.7	3,201.6
General and administrative	205.3	156.4	141.7	503.4
Segment contribution	**$ 4,801.5**	**$ 3,442.8**	**$ 1,897.2**	**$ 10,141.5**
Contribution margin	***69.4%***	***64.7%***	***54.1%***	***64.4%***
Corporate[2]				1,067.3
Research and development				2,266.2
Amortization				6,552.3
Goodwill impairments				2,841.1
In-process research and development impairments				804.6
Asset sales and impairments, net				2,857.6
Operating (loss)				$ (6,247.6)
Operating margin				(39.7)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $39.5 million.

	Year Ended December 31, 2017			
	US Specialized Therapeutics	US General Medicine	International	Total
Net revenues	$ 6,803.6	$ 5,796.2	$ 3,319.5	$ 15,919.3
Operating expenses:				
Cost of sales[1]	495.4	843.9	478.7	1,818.0
Selling and marketing	1,369.5	1,084.1	913.8	3,367.4
General and administrative	208.2	177.3	120.6	506.1
Segment contribution	**$ 4,730.5**	**$ 3,690.9**	**$ 1,806.4**	**$ 10,227.8**
Contribution margin	***69.5%***	***63.7%***	***54.4%***	***64.2%***
Corporate[2]				1,471.8
Research and development				2,100.1
Amortization				7,197.1
In-process research and development impairments				1,452.3
Asset sales and impairments, net				3,927.7
Operating (loss)				$ (5,921.2)
Operating margin				(37.2)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $21.4 million.

On July 24, 2019, the Company announced a voluntary worldwide recall of BIOCELL® textured breast implants and tissue expanders as a precaution following notification of recently updated global safety information concerning the uncommon incidence of breast implant-associated anaplastic large cell lymphoma (BIA-ALCL) provided by the U.S. Food and Drug Administration ("FDA"). In connection with the voluntary recall, the Company recorded an unfavorable adjustment to operating income of $118.0 million. Of this amount, $37.9 million related to estimated customer returns of product previously sold and was recorded as a reduction of net revenues, $68.1 million related to write-offs of inventory and other costs and was recorded in cost of sales, and $12.0 million related to the estimated penalties and costs to undertake the voluntary recall was recorded in selling, general and administrative expense.

No country outside of the United States represents ten percent or more of net revenues. The US Specialized Therapeutics and US General Medicine segments are comprised solely of sales within the United States.

US Specialized Therapeutics Segment

The following table presents top product sales and net contribution for the US Specialized Therapeutics segment for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Total Eye Care	**$ 2,182.4**	**$ 2,235.7**	**$ 2,460.2**	**$ (53.3)**	**(2.4)%**	**$ (224.5)**	**(9.1)%**
Restasis®	1,138.4	1,197.0	1,412.3	(58.6)	(4.9)%	(215.3)	(15.2)%
Alphagan®/Combigan®	360.0	375.4	377.3	(15.4)	(4.1)%	(1.9)	(0.5)%
Lumigan®/Ganfort®	269.2	291.8	317.5	(22.6)	(7.7)%	(25.7)	(8.1)%
Eye Drops	230.4	202.7	199.5	27.7	13.7%	3.2	1.6%
Ozurdex®	125.5	111.0	98.4	14.5	13.1%	12.6	12.8%
Other Eye Care	58.9	57.8	55.2	1.1	1.9%	2.6	4.7%
Total Medical Aesthetics	**2,772.0**	**2,774.6**	**2,449.2**	**(2.6)**	**(0.1)%**	**325.4**	**13.3%**
Facial Aesthetics	**1,606.2**	**1,487.3**	**1,362.8**	**118.9**	**8.0%**	**124.5**	**9.1%**
Botox® Cosmetics	991.3	907.3	812.2	84.0	9.3%	95.1	11.7%
Juvederm® Collection	587.5	548.2	501.1	39.3	7.2%	47.1	9.4%
Kybella®	27.4	31.8	49.5	(4.4)	(13.8)%	(17.7)	(35.8)%
Plastic Surgery	**254.4**	**263.0**	**242.6**	**(8.6)**	**(3.3)%**	**20.4**	**8.4%**
Breast Implants	254.4	263.0	242.6	(8.6)	(3.3)%	20.4	8.4%
Regenerative Medicine	**505.3**	**523.9**	**433.9**	**(18.6)**	**(3.6)%**	**90.0**	**20.7%**
Alloderm®	395.9	407.3	321.2	(11.4)	(2.8)%	86.1	26.8%
Other Regenerative Medicine	109.4	116.6	112.7	(7.2)	(6.2)%	3.9	3.5%
Body Contouring	**248.1**	**361.6**	**256.7**	**(113.5)**	**(31.4)%**	**104.9**	**40.9%**
Coolsculpting ® Consumables	185.3	235.3	150.1	(50.0)	(21.2)%	85.2	56.8%
Coolsculpting ® Systems & Add On Applicators	62.8	126.3	106.6	(63.5)	(50.3)%	19.7	18.5%
Skin Care [3]	**158.0**	**138.8**	**153.2**	**19.2**	**13.8%**	**(14.4)**	**(9.4)%**
Total Medical Dermatology	**44.0**	**115.5**	**273.6**	**(71.5)**	**(61.9)%**	**(158.1)**	**(57.8)%**
Aczone®	9.3	55.1	166.3	(45.8)	(83.1)%	(111.2)	(66.9)%
Other Medical Dermatology[4]	34.7	60.4	107.3	(25.7)	(42.5)%	(46.9)	(43.7)%
Total Neuroscience and Urology	**1,762.7**	**1,720.4**	**1,550.3**	**42.3**	**2.5%**	**170.1**	**11.0%**
Botox® Therapeutics	1,739.2	1,638.5	1,442.2	100.7	6.1%	196.3	13.6%
Rapaflo®	23.5	81.9	108.1	(58.4)	(71.3)%	(26.2)	(24.2)%
Other revenues	**58.9**	**74.1**	**70.3**	**(15.2)**	**(20.5)%**	**3.8**	**5.4%**
Net revenues	**$ 6,820.0**	**$ 6,920.3**	**$ 6,803.6**	**$ (100.3)**	**(1.4)%**	**$ 116.7**	**1.7%**
Operating expenses:							
Cost of sales[1]	578.2	565.2	495.4	13.0	2.3%	69.8	14.1%
Selling and marketing	1,490.4	1,348.3	1,369.5	142.1	10.5%	(21.2)	(1.5)%
General and administrative	190.1	205.3	208.2	(15.2)	(7.4)%	(2.9)	(1.4)%
Segment contribution	**$ 4,561.3**	**$ 4,801.5**	**$ 4,730.5**	**$ (240.2)**	**(5.0)%**	**$ 71.0**	**1.5%**
Segment margin	66.9%	69.4%	69.5%		(2.5)%		(0.1)%
Segment gross margin[2]	91.5%	91.8%	92.7%		(0.3)%		(0.9)%

[1] Excludes amortization and impairment of acquired intangibles including product rights, as well as indirect cost of sales not attributable to segment results.

[2] Defined as net revenues less segment related cost of sales as a percentage of net revenues.

[3] Includes SkinMedica® and Latisse®.

[4] Includes Tazorac® sales of $25.4 million and $65.4 million which were previously disclosed separately in the year ended December 31, 2018 and 2017, respectively.

The Zeltiq Acquisition and LifeCell Acquisition contributed the following to the segment in the years ended December 31, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2018			Year Ended December 31, 2017		
	LifeCell	Zeltiq	Combined Contribution	LifeCell	Zeltiq	Combined Contribution
Net revenues	$ 526.1	$ 361.7	$ 887.8	$ 436.0	$ 256.8	$ 692.8
Operating expenses:						
Cost of sales	112.6	101.0	213.6	107.5	70.7	178.2
Selling and marketing	112.3	159.7	272.0	97.8	96.1	193.9
General and administrative	10.6	7.2	17.8	11.4	10.7	22.1

Net Revenues

Years Ended December 31, 2019 and 2018

The decrease in net revenues in the year ended December 31, 2019 was primarily driven by decreases in Restasis®, Lumigan®/Ganfort® , Body Contouring, Rapaflo® and the divestiture of our Medical Dermatology business during the third quarter of 2018, partially offset by growth in Botox® Cosmetics, Botox® Therapeutics and Juvederm® Collection. The declines in Restasis® and Lumigan®/Ganfort® revenues were primarily due to price and volume declines. As a result of the U.S. District Court for the Eastern District of Texas issuing an adverse trial decision finding in October 2017 that the four asserted patents covering Restasis® (Cyclosporine Ophthalmic Emulsion) 0.05% are invalid, there is a potential risk for future declines in Restasis® revenues. Body Contouring decreased versus the prior year period primarily due to a lower volume of system sales and procedures. Rapaflo® revenues declined primarily due to a loss of exclusivity. Botox® Cosmetics, Botox® Therapeutics and Juvederm® Collection increased versus the prior year period primarily due to demand growth. Within Total Medical Aesthetics, the voluntary worldwide recall of textured breast implants and tissue expanders announced on July 24, 2019 also lowered revenues by $3.0 million for the year ended December, 31 2019.

Years Ended December 31, 2018 and 2017

The increase in net revenues in the year ended December 31, 2018 was primarily driven by the Zeltiq Acquisition and the LifeCell Acquisition and growth in Botox® Therapeutics and Botox® Cosmetics, partially offset by decreases in Restasis® and the divestiture of our Medical Dermatology business. Botox® Therapeutics and Botox® Cosmetics increased versus the prior year period primarily driven by demand growth. The decline in Restasis® revenues was due to both price declines and volume declines as a result of changes in promotional efforts ahead of an anticipated launch of a generic. The decline in Aczone® revenues prior to divestiture was due to genericization of the branded acne market, increased discounts to maintain formulary access and a generic launch of Aczone 5%.

Cost of Sales

Years Ended December 31, 2019 and 2018

The increase in cost of sales in the year ended December 31, 2019 was primarily due to product mix.

Years Ended December 31, 2018 and 2017

The decrease in segment gross margin was due in part to the Zeltiq Acquisition and the LifeCell Acquisition. Excluding Zeltiq Acquisition and the LifeCell Acquisition in both periods, segment gross margin decreased to 94.2% in the year ended December 31, 2018 versus 94.8% in the prior year period primarily due to product mix, including a decline in Restasis® sales.

Selling and Marketing Expenses

Years Ended December 31, 2019 and 2018

The increase in selling and marketing expenses in the year ended December 31, 2019 was primarily related to increased promotional costs and sales force expansion for Facial Aesthetics products, additional promotional expenses for anticipated launches and an increase in the charge for the non-tax deductible Branded Prescription Drug Fee on a year over year basis.

Years Ended December 31, 2018 and 2017

The decrease in selling and marketing expenses in the year ended December 31, 2018 was primarily related to lower headcount in the Eye Care and Medical Dermatology field forces due to the Company's restructuring initiatives, lower promotional costs and a decrease in the charge for the non-tax deductible Branded Prescription Drug Fee, offset in part by the impact of the Zeltiq Acquisition and the LifeCell Acquisition.

General and Administrative Expenses

Years Ended December 31, 2019 and 2018

General and administrative expenses decreased $15.2 million for the year ended December 31, 2019 primarily due to write off of receivables.

Years Ended December 31, 2018 and 2017

General and administrative expenses remained consistent period over period.

US General Medicine Segment

The following table presents top product sales and net contribution for the US General Medicine segment for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Total Central Nervous System (CNS)	**$ 1,516.3**	**$ 1,156.0**	**$ 1,359.9**	**$ 360.3**	**31.2%**	**$ (203.9)**	**(15.0)%**
Vraylar®	857.5	487.1	287.8	370.4	76.0%	199.3	69.2%
Viibryd®/Fetzima®	412.1	342.4	333.2	69.7	20.4%	9.2	2.8%
Saphris®	135.3	139.7	155.2	(4.4)	(3.1)%	(15.5)	(10.0)%
Namzaric®	88.6	115.8	130.8	(27.2)	(23.5)%	(15.0)	(11.5)%
Namenda®(3)	22.8	71.0	452.9	(48.2)	(67.9)%	(381.9)	(84.3)%
Total Gastrointestinal (GI)	**1,634.2**	**1,723.7**	**1,695.0**	**(89.5)**	**(5.2)%**	**28.7**	**1.7%**
Linzess®	803.2	761.1	701.1	42.1	5.5%	60.0	8.6%
Zenpep® (5)	288.0	237.3	212.3	50.7	21.4%	25.0	11.8%
Carafate®/Sulcrate®	212.5	217.8	235.8	(5.3)	(2.4)%	(18.0)	(7.6)%
Viberzi®	187.9	176.5	156.6	11.4	6.5%	19.9	12.7%
Canasa®/Salofalk®	31.5	169.2	162.7	(137.7)	(81.4)%	6.5	4.0%
Asacol®/Delzicol®	76.7	130.8	195.5	(54.1)	(41.4)%	(64.7)	(33.1)%
Other GI	34.4	31.0	31.0	3.4	11.0%	-	0.0%
Total Women's Health	**895.7**	**786.8**	**1,044.2**	**108.9**	**13.8%**	**(257.4)**	**(24.7)%**
Lo Loestrin®	588.9	527.7	459.3	61.2	11.6%	68.4	14.9%
Liletta®	79.1	50.9	37.6	28.2	55.4%	13.3	35.4%
Other Women's Health (4)	227.7	208.2	547.3	19.5	9.4%	(339.1)	(62.0)%
Total Anti-Infectives	**377.1**	**304.4**	**257.3**	**72.7**	**23.9%**	**47.1**	**18.3%**
Teflaro®	147.0	128.0	121.9	19.0	14.8%	6.1	5.0%
Avycaz®	116.7	94.6	61.2	22.1	23.4%	33.4	54.6%
Dalvance®	81.9	56.1	53.9	25.8	46.0%	2.2	4.1%
Other Anti-Infectives	31.5	25.7	20.3	5.8	22.6%	5.4	26.6%
Diversified Brands	**1,202.8**	**1,156.0**	**1,242.6**	**46.8**	**4.0%**	**(86.6)**	**(7.0)%**
Bystolic® / Byvalson®	600.6	583.8	612.2	16.8	2.9%	(28.4)	(4.6)%
Armour Thyroid	218.5	198.8	169.1	19.7	9.9%	29.7	17.6%
Savella®	88.5	85.0	98.2	3.5	4.1%	(13.2)	(13.4)%
Other Diversified Brands	295.2	288.4	363.1	6.8	2.4%	(74.7)	(20.6)%
Other revenues	**208.8**	**196.0**	**197.2**	**12.8**	**6.5%**	**(1.2)**	**(0.6)%**
Net revenues	**$ 5,834.9**	**$ 5,322.9**	**$ 5,796.2**	**$ 512.0**	**9.6%**	**$ (473.3)**	**(8.2)%**
Operating expenses:							
Cost of sales(1)	954.8	799.1	843.9	155.7	19.5%	(44.8)	(5.3)%
Selling and marketing	978.2	924.6	1,084.1	53.6	5.8%	(159.5)	(14.7)%
General and administrative	160.7	156.4	177.3	4.3	2.7%	(20.9)	(11.8)%
Segment contribution	**$ 3,741.2**	**$ 3,442.8**	**$ 3,690.9**	**$ 298.4**	**8.7%**	**$ (248.1)**	**(6.7)%**
Segment margin	64.1%	64.7%	63.7%		(0.6)%		1.0%
Segment gross margin(2)	83.6%	85.0%	85.4%		(1.4)%		(0.4)%

(1) Excludes amortization and impairment of acquired intangibles including product rights, as well as indirect cost of sales not attributable to segment results.

(2) Defined as net revenues less segment related cost of sales as a percentage of net revenues.

(3) Includes Namenda XR® and Namenda® IR.

(4) Includes Estrace® Cream sales of $49.0 million and $366.6 million which were previously disclosed separately in the years ended December 31, 2018 and December 31, 2017, respectively. Includes Minastrin® 24 sales of $9.5 million and $61.4 million which were previously disclosed separately in the years ended December 31, 2018 and December 31, 2017, respectively.

(5) On January 27, 2020 the Company has announced an agreement to divest Zenpep® and Viokace® in connection with the proposed AbbVie Transaction with any such divestiture contingent on the closing of the AbbVie Transaction.

Net Revenues

Years Ended December 31, 2019 and 2018

The increase in net revenues in the year ended December 31, 2019 was primarily due to growth in CNS and Women's Health, offset, in part, by a decline in GI revenues. CNS revenues increased primarily due to strong demand growth for Vraylar® and Viibryd®, offset, in part, by the decline in Namenda® as a result of loss of exclusivity. Women's Health revenues increased primarily due to an increase in demand for Lo Loestrin®. GI was negatively affected by the generic impact on Canasa®/Salofalk® and Asacol®, offset, in part, by an increase in demand growth for Linzess® and Zenpep®.

Years Ended December 31, 2018 and 2017

The decrease in net revenues in the year ended December 31, 2018 was primarily due to a decline in products that lost exclusivity, including Namenda XR®, Estrace® Cream, and Minastrin® 24, as well as a decline in Other Diversified Brands, offset, in part, by growth in Vraylar®, Lo Loestrin® and Linzess®. CNS revenues declined primarily due to the decline in Namenda XR® as a result of loss of exclusivity, offset, in part, by strong demand growth for Vraylar®. Women's Health revenues declined primarily due to the loss of exclusivity on Estrace® Cream and Minastrin® 24, offset, in part, by growth for Lo Loestrin® driven by higher average selling prices and increased demand. GI revenues increased primarily due to growth for Linzess® resulting from increased demand which more than offset negative pricing pressure on the product. GI was negatively affected by the generic impact on Asacol®.

Cost of Sales

Years Ended December 31, 2019 and 2018

The increase in cost of sales in the year ended December 31, 2019 was primarily due to an increase in net revenues. Segment gross margin was 83.6% in the year ended December 31, 2019 compared to 85.0% in the prior year period as a result of product mix and the favorable impact of $29.9 million Linzess® profit share true-up in the prior year period.

Years Ended December 31, 2018 and 2017

The decrease in cost of sales in the year ended December 31, 2018 was primarily due to lower product sales and product mix in addition to the favorable impact of a $29.9 million Linzess® profit share true-up. Segment gross margin was 85.0% in the year ended December 31, 2018 compared to 85.4% in the prior year period as a result of product mix including the impact of generics on sales of Estrace® Cream.

Selling and Marketing Expenses

Years Ended December 31, 2019 and 2018

The increase in selling and marketing expenses in the year ended December 31, 2019 was primarily due to field force investments and increased promotional costs for newly launched and promoted products.

Years Ended December 31, 2018 and 2017

The decrease in selling and marketing expenses in the year ended December 31, 2018 was related to headcount reductions from the Company's restructuring initiatives, lower promotional costs, and a decrease in the charge for the non-tax deductible Branded Prescription Drug Fee.

General and Administrative Expenses

Years Ended December 31, 2019 and 2018

General and administrative expenses remained consistent period over period.

Years Ended December 31, 2018 and 2017

General and administrative expenses in the year ended December 31, 2018 decreased period-over-period due to cost savings initiatives.

International Segment

The following tables present top product sales and net contribution for the International segment for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,		Change					
	2019	2018	$ Overall Change	$ Operational Change [3]	$ Currency Change	% Overall Change	% Operational Change [3]	% Currency Change
Total Eye Care	**$ 1,251.1**	**$ 1,294.6**	**$ (43.5)**	**$ 31.4**	**$ (74.9)**	**(3.4)%**	**2.4%**	**(5.8)%**
Lumigan®/Ganfort®	360.8	392.6	(31.8)	(12.0)	(19.8)	(8.1)%	(3.1)%	(5.0)%
Eye Drops	235.8	279.7	(43.9)	(30.2)	(13.7)	(15.7)%	(10.8)%	(4.9)%
Ozurdex®	274.6	187.7	86.9	103.8	(16.9)	46.3%	55.3%	(9.0)%
Alphagan®/Combigan®	162.0	176.0	(14.0)	(4.6)	(9.4)	(8.0)%	(2.6)%	(5.4)%
Restasis®	50.2	64.5	(14.3)	(10.7)	(3.6)	(22.2)%	(16.6)%	(5.6)%
Other Eye Care	167.7	194.1	(26.4)	(14.9)	(11.5)	(13.6)%	(7.7)%	(5.9)%
Total Medical Aesthetics	**1,480.8**	**1,533.3**	**(52.5)**	**25.9**	**(78.4)**	**(3.4)%**	**1.7%**	**(5.1)%**
Facial Aesthetics	**1,331.1**	**1,262.3**	**68.8**	**143.2**	**(74.4)**	**5.5%**	**11.3%**	**(5.8)%**
Botox® Cosmetics	671.7	641.2	30.5	71.5	(41.0)	4.8%	11.2%	(6.4)%
Juvederm® Collection	656.1	614.8	41.3	74.5	(33.2)	6.7%	12.1%	(5.4)%
Belkyra® (Kybella®)	3.3	6.3	(3.0)	(2.8)	(0.2)	(47.6)%	(44.4)%	(3.2)%
Plastic Surgery	**1.8**	**131.5**	**(129.7)**	**(129.2)**	**(0.5)**	**(98.6)%**	**(98.3)%**	**(0.3)%**
Breast Implants	0.6	130.1	(129.5)	(129.0)	(0.5)	(99.5)%	(99.2)%	(0.3)%
Other Plastic Surgery	1.2	1.4	(0.2)	(0.2)	-	(14.3)%	(14.3)%	0.0%
Regenerative Medicine	**14.6**	**16.8**	**(2.2)**	**(1.7)**	**(0.5)**	**(13.1)%**	**(10.1)%**	**(3.0)%**
Alloderm®	7.9	8.0	(0.1)	(0.0)	(0.1)	(1.3)%	0.0%	(1.3)%
Other Regenerative Medicine	6.7	8.8	(2.1)	(1.7)	(0.4)	(23.9)%	(19.3)%	(4.6)%
Body Contouring	**118.7**	**107.5**	**11.2**	**13.9**	**(2.7)**	**10.4%**	**12.9%**	**(2.5)%**
Coolsculpting ® Consumables	76.3	64.2	12.1	13.5	(1.4)	18.8%	21.0%	(2.2)%
Coolsculpting ® Systems & Add On Applicators	42.4	43.3	(0.9)	0.4	(1.3)	(2.1)%	0.9%	(3.0)%
Skin Care	**14.6**	**15.2**	**(0.6)**	**(0.3)**	**(0.3)**	**(3.9)%**	**(2.0)%**	**(1.9)%**
Botox® Therapeutics and Other	**603.0**	**611.5**	**(8.5)**	**21.5**	**(30.0)**	**(1.4)%**	**3.5%**	**(4.9)%**
Botox® Therapeutics	389.1	390.4	(1.3)	21.2	(22.5)	(0.3)%	5.4%	(5.7)%
Asacol®/Delzicol®	36.1	45.7	(9.6)	(8.2)	(1.4)	(21.0)%	(17.9)%	(3.1)%
Constella®	23.8	24.1	(0.3)	0.5	(0.8)	(1.2)%	2.1%	(3.3)%
Other Products	154.0	151.3	2.7	8.0	(5.3)	1.8%	5.3%	(3.5)%
Other revenues	**67.1**	**65.3**	**1.8**	**2.4**	**(0.6)**	**2.8%**	**3.7%**	**(0.9)%**
Net revenues	**$ 3,402.0**	**$ 3,504.7**	**$ (102.7)**	**$ 81.2**	**$ (183.9)**	**(2.9)%**	**2.3%**	**(5.2)%**
Operating expenses:								
Cost of sales[1]	548.3	537.1	11.2	34.7	(23.5)	2.1%	6.5%	(4.4)%
Selling and marketing	934.7	928.7	6.0	55.1	(49.1)	0.6%	5.9%	(5.3)%
General and administrative	117.0	141.7	(24.7)	(21.2)	(3.5)	(17.4)%	(15.0)%	(2.4)%
Segment contribution	**$ 1,802.0**	**$ 1,897.2**	**$ (95.2)**	**$ 12.6**	**$ (107.8)**	**(5.0)%**	**0.7%**	**(5.7)%**
Segment margin	53.0%	54.1%				(1.1)%		
Segment gross margin[2]	83.9%	84.7%				(0.8)%		

(1) Excludes amortization and impairment of acquired intangibles including product rights, as well as indirect cost of sales not attributable to segment results.

(2) Defined as net revenues less segment related cost of sales as a percentage of net revenues.

(3) Defined as overall change excluding foreign exchange impact.

	Years Ended December 31,		Change					
	2018	2017	$ Overall Change	$ Operational Change [3]	$ Currency Change	% Overall Change	% Operational Change [3]	% Currency Change
Total Eye Care	**$ 1,294.6**	**$ 1,282.1**	**$ 12.5**	**$ 19.4**	**$ (6.9)**	**1.0%**	**1.5%**	**(0.5)%**
Lumigan®/Ganfort®	392.6	371.5	21.1	15.2	5.9	5.7%	4.1%	1.6%
Eye Drops	279.7	281.0	(1.3)	3.7	(5.0)	(0.5)%	1.3%	(1.8)%
Ozurdex®	187.7	213.4	(25.7)	(32.2)	6.5	(12.0)%	(15.0)%	3.0%
Alphagan®/Combigan®	176.0	175.1	0.9	5.8	(4.9)	0.5%	3.3%	(2.8)%
Restasis®	64.5	61.3	3.2	5.9	(2.7)	5.2%	9.6%	(4.4)%
Other Eye Care	194.1	179.8	14.3	21.0	(6.7)	8.0%	11.7%	(3.7)%
Total Medical Aesthetics	**1,533.3**	**1,366.6**	**166.7**	**185.6**	**(18.9)**	**12.2%**	**13.6%**	**(1.4)%**
Facial Aesthetics	**1,262.3**	**1,104.5**	**157.8**	**178.0**	**(20.2)**	**14.3%**	**16.1%**	**(1.8)%**
Botox® Cosmetics	641.2	557.0	84.2	96.6	(12.4)	15.1%	17.3%	(2.2)%
Juvederm® Collection	614.8	540.7	74.1	81.9	(7.8)	13.7%	15.1%	(1.4)%
Belkyra® (Kybella®)	6.3	6.8	(0.5)	(0.5)	(0.0)	(7.4)%	(7.4)%	(0.0)%
Plastic Surgery	**131.5**	**158.6**	**(27.1)**	**(28.7)**	**1.6**	**(17.1)%**	**(18.1)%**	**1.0%**
Breast Implants	130.1	156.9	(26.8)	(28.5)	1.7	(17.1)%	(18.2)%	1.1%
Other Plastic Surgery	1.4	1.7	(0.3)	(0.2)	(0.1)	(17.6)%	(11.7)%	(5.9)%
Regenerative Medicine	**16.8**	**16.5**	**0.3**	**(0.1)**	**0.4**	**1.8%**	**(0.6)%**	**2.4%**
Alloderm®	8.0	7.5	0.5	0.4	0.1	6.7%	5.4%	1.3%
Other Regenerative Medicine	8.8	9.0	(0.2)	(0.5)	0.3	(2.2)%	(5.5)%	3.3%
Body Contouring	**107.5**	**73.7**	**33.8**	**35.0**	**(1.2)**	**45.9%**	**47.5%**	**(1.6)%**
Coolsculpting ® Consumables	64.2	41.6	22.6	23.1	(0.5)	54.3%	55.5%	(1.2)%
Coolsculpting ® Systems & Add On Applicators	43.3	32.1	11.2	11.9	(0.7)	34.9%	37.1%	(2.2)%
Skin Care	**15.2**	**13.3**	**1.9**	**1.4**	**0.5**	**14.3%**	**10.5%**	**3.8%**
Botox® Therapeutics and Other	**611.5**	**587.4**	**24.1**	**22.7**	**1.4**	**4.1%**	**3.9%**	**0.2%**
Botox® Therapeutics	390.4	357.5	32.9	34.9	(2.0)	9.2%	9.8%	(0.6)%
Asacol®/Delzicol®	45.7	50.2	(4.5)	(5.9)	1.4	(9.0)%	(11.8)%	2.8%
Constella®	24.1	21.9	2.2	1.8	0.4	10.0%	8.2%	1.8%
Other Products	151.3	157.8	(6.5)	(8.1)	1.6	(4.1)%	(5.1)%	1.0%
Other revenues	**65.3**	**83.4**	**(18.1)**	**(18.5)**	**0.4**	**(21.7)%**	**(22.2)%**	**0.5%**
Net revenues	**$ 3,504.7**	**$ 3,319.5**	**$ 185.2**	**$ 209.2**	**$ (24.0)**	**5.6%**	**6.3%**	**(0.7)%**
Operating expenses:								
Cost of sales[1]	537.1	478.7	58.4	66.2	(7.8)	12.2%	13.8%	(1.6)%
Selling and marketing	928.7	913.8	14.9	14.9	0.0	1.6%	1.6%	0.0%
General and administrative	141.7	120.6	21.1	25.6	(4.5)	17.5%	21.2%	(3.7)%
Segment contribution	**$ 1,897.2**	**$ 1,806.4**	**$ 90.8**	**$ 102.5**	**$ (11.7)**	**5.0%**	**5.6%**	**(0.6)%**
Segment margin	54.1%	54.4%				(0.3)%		
Segment gross margin[2]	84.7%	85.6%				(0.9)%		

[1] Excludes amortization and impairment of acquired intangibles including product rights, as well as indirect cost of sales not attributable to segment results.

[2] Defined as net revenues less segment related cost of sales as a percentage of net revenues.

[3] Defined as overall change excluding foreign exchange impact.

The following tables present our revenue disaggregated by geography for our International segment ($ in millions):

	Years Ended December 31,					
	2019	2018	$ Overall Change	$ Operational Change	% Overall Change	% Operational Change
Europe	$ 1,471.7	$ 1,482.6	$ (10.9)	$ 78.7	(0.7)%	5.3%
Asia Pacific, Middle East and Africa	1,075.1	1,089.9	(14.8)	28.9	(1.4)%	2.7%
Latin America and Canada	772.9	862.4	(89.5)	(40.4)	(10.4)%	(4.7)%
Other*	82.3	69.8	12.5	14.0	17.9%	20.1%
Total International	$ 3,402.0	$ 3,504.7	$ (102.7)	$ 81.2	(2.9)%	2.3%

*Includes royalty and other revenue

	Years Ended December 31,					
	2018	2017	$ Overall Change	$ Operational Change	% Overall Change	% Operational Change
Europe	$ 1,482.6	$ 1,439.2	$ 43.4	$ 22.1	3.0%	1.5%
Asia Pacific, Middle East and Africa	1,089.9	929.9	160.0	156.0	17.2%	16.8%
Latin America and Canada	862.4	863.3	(0.9)	48.9	(0.1)%	5.7%
Other*	69.8	87.1	(17.3)	(17.8)	(19.9)%	(20.4)%
Total International	$ 3,504.7	$ 3,319.5	$ 185.2	$ 209.2	5.6%	6.3%

*Includes royalty and other revenue

The Zeltiq Acquisition contributed the following to the segment in the years ended December 31, 2018 and 2017 ($ in millions):

	For the Years Ended December 31,	
	2018	2017
Net revenues	$ 107.5	$ 73.7
Operating expenses:		
Cost of sales	39.2	25.6
Selling and marketing	54.0	39.0
General and administrative	3.5	-

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Net Revenues

Years Ended December 31, 2019 and 2018

The decrease in net revenues in the year ended December 31, 2019 was primarily due to a decline in Plastic Surgery, offset, in part, by operational growth in Facial Aesthetics and Ozurdex®. Plastic Surgery decreased versus the prior year period, primarily driven by the voluntary worldwide recall of textured breast implants and tissue expanders announced on July 24, 2019 which lowered revenues in the year ended December 31, 2019 by $34.9 million. The operational growth in Facial Aesthetics was due to an increase in demand growth.

Years Ended December 31, 2018 and 2017

The increase in net revenues in the year ended December 31, 2018 was primarily due to the operational growth of total Facial Aesthetics and Botox® Therapeutics, as well as the Zeltiq Acquisition. Within Facial Aesthetics, the increase in sales of Botox® Cosmetics was driven primarily by demand growth and higher average prices. The increase in sales of Botox® Therapeutics was driven primarily by demand growth. Juvederm® Collection revenues increased versus the prior year period, primarily resulting from demand growth. Within total Eye Care, Ozurdex® decreased versus the prior year period, primarily driven by the third quarter product recall and the temporary period of not shipping product. Plastic Surgery decreased versus the prior year period, primarily driven by a fourth quarter suspension of sales and withdrawal of the remaining textured breast implants from the market in Europe. This suspension and withdrawal followed the non-renewal of our textured breast implant CE Mark licenses in Europe pending a request for additional information by LNE-GMED, the notified body responsible for certification of our breast implants. Sales returns reserves recorded for the recalls totaled $56.7 million in the year ended December 31, 2018.

Cost of Sales

Years Ended December 31, 2019 and 2018

The increase in cost of sales in the year ended December 31, 2019 was primarily due to higher costs related to the voluntary worldwide recall of textured breast implants and tissue expanders of $32.2 millions, offset, in part, by the impact from foreign currency.

Years Ended December 31, 2018 and 2017

The increase in cost of sales in the year ended December 31, 2018 was primarily due to the increase in net revenues and the Zeltiq Acquisition and the LifeCell Acquisition. Excluding the Zeltiq Acquisition and the LifeCell Acquisition in both periods, segment gross margin was 85.5% in the year ended December 31, 2018 compared to 86.1% in the prior year period.

Selling and Marketing Expenses

Years Ended December 31, 2019 and 2018

The increase in selling and marketing expenses in the year ended December 31, 2019 was primarily due to an increase in promotional costs related to the Medical Aesthetics business, offset, in part, by the impact from foreign currency.

Years Ended December 31, 2018 and 2017

The increase in selling and marketing expenses in the year ended December 31, 2018 was due in part to the Zeltiq Acquisition as well as increased promotional spending in Medical Aesthetics.

General and Administrative Expenses

Years Ended December 31, 2019 and 2018

General and administrative expenses decreased $24.7 million in the year ended December 31, 2019 primarily due to $12.4 million of contract tender costs associated with the Ozurdex® and textured breast implants recalls in the year ended December 31, 2018.

Years Ended December 31, 2018 and 2017

General and administrative expenses increased due in part to $12.4 million of contract tender costs associated with the Ozurdex and textured breast implants recalls.

Corporate

Corporate represents the results of corporate initiatives as well as the impact of select revenues and shared costs. The following represents the Corporate amounts for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2019						
	Integration / Divestiture	**Non-Acquisition Related Restructuring**	**Fair Value Adjustments**	**Effect of Purchase Accounting**	**Other**	**Revenues and Shared Costs**	**Total**
Net revenues	$ -	$ -	$ -	$ -	$ -	$ 32.0	$ 32.0
Operating expenses:							
Cost of sales(1)	4.8	8.3	44.6	0.9	0.2	353.0	411.8
Selling and marketing	51.4	4.0	-	2.8	-	0.2	58.4
General and administrative	111.0	4.3	-	0.9	1,168.5	729.3	2,014.0
Contribution	**$ (167.2)**	**$ (16.6)**	**$ (44.6)**	**$ (4.6)**	**$ (1,168.7)**	**$ (1,050.5)**	**$ (2,452.2)**

(1) Excludes amortization and impairment of acquired intangibles including product rights.

	Year Ended December 31, 2018						
	Integration / Divestiture	Non-Acquisition Related Restructuring	Fair Value Adjustments	Effect of Purchase Accounting	Other	Revenues and Shared Costs	Total
Net revenues	$ -	$ -	$ -	$ -	$ -	$ 39.5	$ 39.5
Operating expenses:							
Cost of sales[1]	1.3	33.7	(111.7)	2.1	(0.1)	364.7	290.0
Selling and marketing	1.5	38.8	-	8.6	-	0.1	49.0
General and administrative	50.9	5.4	-	2.9	58.8	649.8	767.8
Contribution	**$ (53.7)**	**$ (77.9)**	**$ 111.7**	**$ (13.6)**	**$ (58.7)**	**$ (975.1)**	**$ (1,067.3)**

(1) Excludes amortization and impairment of acquired intangibles including product rights.

	Year Ended December 31, 2017						
	Integration / Divestiture	Non-Acquisition Related Restructuring	Fair Value Adjustments	Effects of Purchase Accounting	Other	Revenues and Shared Costs	Total
Net revenues	$ -	$ -	$ -	$ -	$ -	$ 21.4	$ 21.4
Operating expenses:							
Cost of sales[1]	8.0	61.5	(183.2)	136.3	12.5	314.9	350.0
Selling and marketing	29.5	80.8	-	33.1	0.5	3.5	147.4
General and administrative	138.8	32.8	-	49.0	97.4	677.8	995.8
Contribution	**$ (176.3)**	**$ (175.1)**	**$ 183.2**	**$ (218.4)**	**$ (110.4)**	**$ (974.8)**	**$ (1,471.8)**

(1) Excludes amortization and impairment of acquired intangibles including product rights.

Integration / Divestiture

Years Ended December 31, 2019, 2018 and 2017

In the year ended December 31, 2019, AbbVie Transaction-related costs which include legal, consulting and personnel costs were $141.2 million. Additionally, integration and restructuring charges included costs related to the integration of LifeCell Corporation ("LifeCell') and Zeltiq® Aesthetics, Inc. ("Zeltiq") which were recorded in the years ended December 31, 2019, 2018 and 2017.

Non-Acquisition Related Restructuring

Years Ended December 31, 2018 and 2017

In the years ended December 31, 2018 and 2017, the Company incurred charges related to the restructuring of its internal infrastructure. In the year ended December 31, 2018, the restructuring programs included charges associated with scaling our manufacturing plants and changes in the international commercial promotional focus in certain markets which include a reduction of approximately 200 sales representatives internationally. In the year ended December 31, 2017, restructuring programs included a mid-year commercial initiative as well as a December 2017 program. As part of these initiatives, the Company reduced its employee headcount within selling and marketing by approximately 350 as of December 31, 2017. A reduction of approximately 900 employees within cost of sales, selling and marketing and general and administrative was reserved for in the year ended December 31, 2017.

Fair Value Adjustments

Years Ended December 31, 2019, 2018 and 2017

In the year ended December 31, 2019, the expense in cost of sales primarily related to an increase in commercial sales forecasts for Liletta®. Fair value adjustments primarily relate to changes in estimated contingent liabilities for future amounts to be paid based on achievement of sales levels for the respective products.

In the year ended December 31, 2018, the income in cost of sales primarily reflects the reduction of the contingent liability for True Tear® when the product did not achieve a milestone event, as well as a corresponding decrease in commercial forecasts. The income recorded in the year ended December 31, 2017 primarily related to reduced or delayed revenue forecasts for select products including Rhofade® and Liletta®.

Effect of Purchase Accounting

Years Ended December 31, 2019, 2018 and 2017

The Company incurred charges related to the purchase accounting impact on share-based compensation related to the Zeltiq and Allergan Acquisitions in the years ended December 31, 2019, 2018 and 2017, and the Forest Acquisition in the years ended December 31, 2018 and 2017, which increased cost of sales, selling and marketing and general and administrative expenses. A cash stock-based compensation charge of $31.5 million associated with the Zeltiq Acquisition was also included in the year ended December 31, 2017.

In the year ended December 31, 2017, the Company incurred purchase accounting effects of $131.7 million in cost of sales related to the fair value inventory step-up from the LifeCell Acquisition and the Zeltiq Acquisition as products were sold to the Company's third-party customers.

Other

Years Ended December 31, 2019, 2018 and 2017

In the years ended December 31, 2019, 2018 and 2017, general and administrative costs included legal settlement charges of $1,167.3 million, $56.8 million, and $96.5 million, respectively. For additional information refer to "NOTE 26 — Commitments and Contingencies."

Revenues and Shared Costs

Years Ended December 31, 2019, 2018 and 2017

Shared costs primarily include above site and unallocated costs associated with running our global manufacturing facilities and corporate general and administrative expenses.

In each of the years ended December 31, 2019 and 2018, the Company recorded milestone revenue related to an on-going intellectual property agreement of $25.0 million.

In the year ended December 31, 2018, the increase in cost of goods sold within revenues and shared costs was primarily due to unfavorable inventory variances due to third-party manufacturing delays, an increase in compensation costs and $15.8 million of inventory write-offs associated with the Ozurdex® and textured breast implants product recalls versus the prior year.

In the years ended December 31, 2019, 2018 and 2017, the Company incurred transactional foreign exchange losses of $11.5 million, $28.8 million and $97.5 million, respectively.

Research and Development Expenses

R&D expenses consist predominantly of personnel-related costs, active pharmaceutical ingredient costs, contract research, license and milestone fees, biostudy and facilities costs associated with product development.

R&D expenses consisted of the following in the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Ongoing operating expenses	$ 1,708.6	$ 1,574.5	$ 1,598.8	$ 134.1	8.5%	$ (24.3)	(1.5)%
Milestone expenses and upfront license payments	83.2	678.9	391.8	(595.7)	(87.7)%	287.1	73.3%
Acquisition accounting fair value adjustment to share-based compensation	1.1	4.8	18.3	(3.7)	(77.1)%	(13.5)	(73.8)%
Acquisition, integration, and restructuring charges	9.6	2.9	41.2	6.7	n.m.	(38.3)	(93.0)%
Contingent consideration adjustments, net	9.5	5.1	50.0	4.4	86.3%	(44.9)	(89.8)%
Total R&D Expenses	**$ 1,812.0**	**$ 2,266.2**	**$ 2,100.1**	**$ (454.2)**	**(20.0)%**	**$ 166.1**	**7.9%**

Operating Expenses

Years Ended December 31, 2019 and 2018

The increase in ongoing operating expenses in the year ended December 31, 2019 versus the year ended December 31, 2018 was mainly due to increased product development spending in early stage development programs and for the gastrointestinal, medical aesthetics, and eye care therapeutic areas, offset, in part, by lower spending in the Central Nervous System therapeutics area due to product approvals.

Years Ended December 31, 2018 and 2017

The decrease in ongoing operating expenses in the year ended December 31, 2018 versus the year ended December 31, 2017, was mainly due to decreased product development spending in early stage development campaigns and the Eye Care therapeutic area as well as lower personnel costs offset, in part, by increased spending in the Central Nervous System and Gastrointestinal therapeutic areas.

Milestone Expenses and Upfront License Payments

The following represents milestone expenses, asset acquisitions and upfront license payments in the years ended December 31, 2019, 2018 and 2017, respectively ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Bonti, Inc.	$ -	$ 196.6	$ -
Merck & Co.	-	115.0	-
Elastagen Pty Ltd	-	96.1	-
AstraZeneca plc	-	90.0	-
Chase Pharmaceuticals Corporation	-	75.0	-
Editas Medicine, Inc.	-	40.0	90.0
Repros Therapeutics, Inc.	-	33.2	-
Lysosomal Therapeutics, Inc.	-	-	145.0
Assembly Biosciences, Inc.	-	-	50.0
Akarna Therapeutics, Ltd.	10.0	-	39.6
Lyndra, Inc.	-	-	15.0
Heptares Therapeutics, Ltd.	-	-	15.0
RetroSense Therapeutics, LLC	20.0	-	-
Other	53.2	33.0	37.2
Total	**$ 83.2**	**$ 678.9**	**$ 391.8**

Acquisition, Integration, and Restructuring Charges

Year Ended December 31, 2017

Acquisition, integration and restructuring charges in the year ended December 31, 2017 included $37.1 million of severance and restructuring costs related to a planned internal reduction of approximately 200 R&D employees and reduction of headcount due to the integration of acquired businesses.

Contingent Consideration Adjustments, Net

Years Ended December 31, 2019, 2018 and 2017

In the year ended December 31, 2019, the net adjustement to contingent consideration primarily related to the progression of R&D projects relating to the Tobira Acquisition.

In the year ended December 31, 2018, the net adjustment to contingent consideration primarily related to the progression of R&D projects relating to the Tobira Acquisition offset by a reduction in ForSight Acquisition contingent consideration.

In the year ended December 31, 2017, the adjustment to contingent consideration primarily related to the advancement of the Company's True Tear® product and products acquired as part of the Tobira Acquisition.

Amortization

Amortization in the years ended December 31, 2019, 2018 and 2017 was as follows ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Amortization	$ 5,856.6	$ 6,552.3	$ 7,197.1	$ (695.7)	(10.6)%	$ (644.8)	(9.0)%

Years Ended December 31, 2019, 2018 and 2017

Amortization for the year ended December, 31, 2019 decreased compared to the year ended December 31, 2018 primarily due to products that reached the end of their life cycle.

Amortization for the year ended December 31, 2018 decreased as compared to the year ended December 31, 2017 primarily as a result of a decrease in amortization for Restasis® due to a reduced book value and remaining life as a result of an anticipated launch of a generic.

Goodwill, IPR&D and Other Impairments and Asset Sales, Net

Goodwill, IPR&D and other impairments and asset sales, net consisted of the following in the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Goodwill impairments	$ 3,552.8	$ 2,841.1	$ -	$ 711.7	25.1%	$ 2,841.1	n.a.
CMP impairments	314.0	1,831.4	3,876.0	(1,517.4)	(82.9)%	(2,044.6)	(52.8)%
IPR&D impairments	436.0	804.6	1,452.3	(368.6)	(45.8)%	(647.7)	(44.6)%
Asset sales and impairments, net	126.2	1,026.2	51.7	(900.0)	(87.7)%	974.5	n.m.

Years Ended December 31, 2019, 2018 and 2017

Refer to "NOTE 17 – Goodwill, Product Rights and Other Intangible Assets" for the description of the goodwill impairments, impairments of currently marketed products, IPR&D impairments and asset sales and impairments, net related to the Anti-Infectives business that the Company recorded in the years ended December 31, 2019, 2018 and 2017.

Refer to "NOTE 5 – Business Developments" for asset sales recorded in the years ended December 31, 2019, 2018 and 2017.

Interest Income

Interest income in the years ended December 31, 2019, 2018 and 2017 was as follows ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Interest income	$ 76.8	$ 45.2	$ 67.7	$ 31.6	69.9%	$ (22.5)	(33.2)%

Years Ended December 31, 2019, 2018 and 2017

Interest income represents interest earned on cash and cash equivalents and marketable securities held during the respective periods. Interest income for the year ended December 31, 2019 increased as compared to the year ended December 31, 2018 primarily due to an increase in marketable securities. Interest income for the year ended December 31, 2018 decreased as compared to the year ended December 31, 2017 primarily due to a decline in marketable securities.

Interest Expense

Interest expense consisted of the following in the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Fixed Rate Notes	$ 691.4	$ 827.2	$ 1,030.5	$ (135.8)	(16.4)%	$ (203.3)	(19.7)%
Euro Denominated Notes	57.6	37.5	19.8	20.1	53.6%	17.7	89.4%
Floating Rate Notes	18.6	20.8	25.9	(2.2)	(10.6)%	(5.1)	(19.7)%
Other	15.4	25.7	19.4	(10.3)	(40.1)%	6.3	32.5%
Interest expense	**$ 783.0**	**$ 911.2**	**$ 1,095.6**	**$ (128.2)**	**(14.1)%**	**$ (184.4)**	**(16.8)%**

Years Ended December 31, 2019 and 2018

Interest expense in the year ended December 31, 2019 decreased versus the yeard ended December 31, 2018 due to scheduled maturities and early debt extinguishment of senior secured notes period over period.

Years Ended December 31, 2018 and 2017

Interest expense in the year ended December 31, 2018 decreased versus the year ended December 31, 2017 due to scheduled maturities and early debt extinguishment of senior secured notes period-over-period, as well as the impact from debt refinancing in the year ended December 31, 2018 versus the year ended December 31, 2017.

Other Income / (Expense), Net

Other income / (expense), net consisted of the following in the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Teva Share Activity	$ -	$ 60.9	$(3,269.3)	$ (60.9)	(100.0)%	$ 3,330.2	n.m.
Sale of businesses	-	182.6	-	(182.6)	(100.0)%	182.6	n.m.
Debt extinguishment costs as part of the debt tender offer	-	-	(161.6)	-	n.a.	161.6	(100.0)%
Debt extinguishment other	(0.2)	15.6	(27.6)	(15.8)	n.m.	43.2	n.m.
Other-than-temporary impairments	-	-	(26.1)	-	n.a.	26.1	(100.0)%
Dividend income	-	-	85.2	-	n.a.	(85.2)	(100.0)%
Naurex recovery	-	-	20.0	-	n.a.	(20.0)	(100.0)%
Forward sale of Teva shares	-	-	(62.9)	-	n.a.	62.9	(100.0)%
Other (expense) / income, net	33.0	(2.4)	5.0	35.4	n.m.	(7.4)	n.m.
Other income / (expense), net	**$ 32.8**	**$ 256.7**	**$(3,437.3)**	**$ (223.9)**	**(87.2)%**	**$ 3,694.0**	**n.m.**

Years Ended December 31, 2019, 2018 and 2017

Refer to "NOTE 11 – Other Income / (Expense), Net" for further details regarding the components of other income / (expense), net.

Provision / (Benefit) for Income Taxes

Provision / (Benefit) for income taxes in the years ended December 31, 2019, 2018 and 2017 was as follows ($ in millions):

	Years Ended December 31,			2019 vs 2018		2018 vs 2017	
	2019	2018	2017	$ Change	% Change	$ Change	% Change
Provision / (Benefit) for income taxes	$ 146.4	$(1,770.7)	$(6,670.4)	$ 1,917.1	(108.3)%	$ 4,899.7	(73.5)%
Effective tax rate	*2.9%*	*(25.8)%*	*(64.2)%*				

The Company's effective tax rate for the twelve months ended December 31, 2019, 2018 and 2017 was a detriment of 2.9%, a benefit of 25.8% and a benefit of 64.2%, respectively. The reconciliations between the statutory Irish tax rates for Allergan plc and the effective income tax rates were as follows:

	Allergan plc		
	Years Ended December 31,		
	2019	2018	2017
Statutory rate	(12.5)%	(12.5)%	(12.5)%
Earnings subject to U.S. taxes (1) (2)	1.3%	(1.8)%	(17.4)%
Earnings subject to rates different than the statutory rate (1)(2)	(5.3)%	(3.4)%	2.1%
Impact of U.S. tax reform enactment (3)	0.0%	(0.2)%	(27.2)%
Tax reserves and audit outcomes	2.1%	2.6%	0.4%
Non-deductible expenses (4)	12.6%	7.4%	0.2%
Impact of acquisitions and reorganizations (5)	(2.6)%	(15.3)%	(9.3)%
Tax credits and U.S. special deductions	(2.0)%	(0.9)%	(1.5)%
Rate changes (6)	0.3%	2.2%	(1.2)%
Valuation allowances (7)	8.7%	(3.7)%	2.2%
Other	0.3%	(0.2)%	0.0%
Effective income tax rate	**2.9%**	**(25.8)%**	**(64.2)%**

The material drivers of the period-over-period tax rate movements are as follows:

Years Ended December 31, 2019 and 2018

(1) The U.S. rate differential was a detriment of $64.5 million to the 2019 effective tax rate as compared to a benefit of $122.9 million to the 2018 effective tax rate, primarily driven by decreases of approximately $2.9 billion in impairment charges and amortization expense. The remaining rate differential is driven by non-U.S. income subject to rates lower than the Irish statutory rate.

(2) The Company recorded amortization expense of $5.9 billion and intangible impairment charges of $0.9 billion, resulting in a tax benefit of $14.1 million to the 2019 effective tax rate. In 2018, the Company recorded amortization expense of $6.6 billion and intangible impairment charges of $3.0 billion, resulting in a tax benefit of $277.5 million, favorably impacting the 2018 effective tax rate as compared to 2019.

(3) Not applicable for the year ended December 31, 2019.

(4) In 2019, the Company recorded charges of $3.6 billion for goodwill impairment and $1.1 billion for legal settlements with no corresponding tax benefit, resulting in a tax detriment of $581.5 million to the effective tax rate. In 2018, the Company recorded a goodwill impairment charge of $3.5 billion with no corresponding tax benefit, resulting in a tax detriment of $432.9 million.

(5) In 2019, the Company recorded a tax benefit of $131.2 million related to the tax effects of integration and the recognition of outside basis differences. In 2018, the Company recorded a tax benefit of $1,047.8 million related to the tax effects of integration and the recognition of outside basis differences. This resulted in a more favorable impact in 2018 as compared to 2019.

(6) As a result of statutory and other tax rate changes applied to certain deferred tax assets and liabilities, the Company recorded a detriment of $15.1 million in 2019. In 2018, the Company recorded a detriment of $148.0 million, favorably impacting the 2019 rate as compared to 2018.

(7) In 2019, the Company recorded a tax detriment of $444.9 million to establish a valuation allowance on deferred tax assets related to certain tax attributes, which are not expected to be realized. In 2018, the Company recorded a tax benefit of $254.0 million for the full release of a valuation allowance related to the Company's foreign tax credit and partial release related to non-U.S. net operating loss carryforwards.

Years Ended December 31, 2018 and 2017

(1) The benefit to the 2018 effective tax rate was lower as compared to 2017 due to fewer losses in jurisdictions with tax rates higher than the Irish statutory rate, the reduction of the U.S. federal tax rate as a result of Tax Reform and the net impact of GILTI, which is being treated as a period cost in 2018 and was not included in 2017.

(2) In 2018, the Company recorded amortization expense of $6.6 billion and intangible impairment charges of $3.0 billion, resulting in a tax benefit of $277.5 million, as a portion of these amounts were incurred in jurisdictions with tax rates higher than the Irish statutory rate. Comparatively, in 2017, the Company recorded amortization expense of $7.2 billion and impairment charges of $8.7 billion, including Teva Share Activity, resulting in a net tax benefit of $1,262.2 million, favorably impacting the 2017 effective tax rate as compared to 2018.

(3) In 2017, as part of the enactment of the TCJA, the Company recorded a provisional net deferred tax benefit of $2.8 billion related to the change in tax rates applicable to our deferred tax liabilities, the net reversal of amounts previously accrued for taxes on unremitted earnings of certain non-U.S. subsidiaries and the tax on the deemed repatriation of the Deferred Foreign Earnings of certain non-U.S. subsidiaries (toll charge). Adjustments were recorded in 2018 at the close of the measurement period under SAB 118, but were not material.

(4) In 2018, the Company recorded goodwill impairments of $3.5 billion (including a portion allocated to assets held for sale) with no corresponding tax benefit, resulting in a tax detriment of $432.9 million to the 2018 effective tax rate.

(5) In 2018, the Company recorded a tax benefit of $1,047.8 million for deferred taxes related to the tax effects of integration and the recognition of outside basis differences. This resulted in a more favorable impact on the effective tax rate as compared to 2017.

(6) As a result of statutory and other tax rate changes applied to certain deferred tax assets and liabilities, the Company recorded a detriment of $148.0 million in the year ended December 31, 2018.

(7) In 2018, the Company recorded a tax benefit of $254.0 million for the full release of a valuation allowance related to the Company's foreign tax credit and partial release related to non-U.S. net operating loss carryforwards.

Discontinued Operations

On August 2, 2016, the Company completed the Teva Transaction for $38.3 billion of cash and Teva shares. On October 3, 2016, the Company completed the divestiture of the Anda Distribution business to Teva for $500.0 million. The Company recognized a combined gain on the sale of the Anda Distribution business and the Teva Transaction of $15,932.2 million in the year ended December 31, 2016.

In October 2016, pursuant to our agreement with Teva, Teva provided the Company with its proposed estimated adjustment to the closing date working capital balance. The Company disagreed with Teva's proposed adjustment, and, pursuant to our agreement with Teva, each of the Company's and Teva's proposed adjustments were submitted to arbitration (the "Working Capital Arbitration") to determine the working capital amount in accordance with GAAP as applied by the Company consistent with past practice. On January 31, 2018, Allergan plc and Teva entered into an agreement pursuant to which the Company made a one-time payment of $700.0 million to Teva. As a result, the Company recorded a pre-tax charge of $466.0 million as a component of other (expense) / income, net from discontinued operations relating to the settlement in the year ended December 31, 2017. The one-time payment of $700.0 million, which represents a refund of purchase price, is shown in the Consolidated Statement of Cash Flows as both a cash outflow in investing activities of $466.0 million and a cash outflow in financing cash flows of $234.0 million for the portion of the payment which was outstanding greater than one year in the year ended December 31, 2018.

As a result of the Teva Transaction and the divestiture of the Company's Anda Distribution business, and in accordance with FASB ASU No. 2014-08 "Presentation of Financial Statements (Topic 205) and Property, Plant and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity", the financial results of the businesses held for sale were reclassified to discontinued operations for all periods presented in our consolidated financial statements.

Financial results of the global generics business and the Anda Distribution business are presented as "(Loss) / income from discontinued operations, net of tax" on the Consolidated Statements of Operations for the years ended December 31, 2017.

The following table presents key financial results of the global generics business and the Anda Distribution business included in "(Loss) from discontinued operations, net of tax" for the year ended December 31, 2017 ($ in millions):

	2017
Net revenues	$ -
Operating expenses:	
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	-
Research and development	-
Selling and marketing	-
General and administrative	18.8
Amortization	-
Asset sales and impairments, net	1.2
Total operating expenses	20.0
Operating (loss)	(20.0)
Other (expense) / income, net	(470.4)
(Benefit) for income taxes	(87.5)
(Loss) from discontinued operations, net of tax	**$ (402.9)**

LIQUIDITY AND CAPITAL RESOURCES

Working Capital Position

Working capital at December 31, 2019 and 2018 is summarized as follows ($ in millions):

	December 31, 2019	December 31, 2018	Increase (Decrease)
Current assets:			
Cash and cash equivalents	$ 2,503.3	$ 880.4	$ 1,622.9
Marketable securities	3,411.6	1,026.9	2,384.7
Accounts receivable, net	3,192.3	2,868.1	324.2
Inventories	1,133.1	846.9	286.2
Current assets held for sale	-	34.0	(34.0)
Prepaid expenses and other current assets	886.4	819.1	67.3
Total current assets	11,126.7	6,475.4	4,651.3
Current liabilities:			
Accounts payable and accrued expenses	6,348.7	4,787.2	1,561.5
Income taxes payable	65.1	72.4	(7.3)
Current portion of long-term debt and capital leases	4,532.5	868.3	3,664.2
Current portion of lease liability - operating	124.4	-	124.4
Total current liabilities	11,070.7	5,727.9	5,342.8
Working Capital	$ 56.0	$ 747.5	$ (691.5)
Current Ratio	1.01	1.13	

Working capital movements for the year ended December 31, 2019 were primarily due to the following:

- The Company generated cash flows from operations of $7,238.7 million;
- The Company paid dividends of $974.4 million and repurchased ordinary shares of $840.6 million in the year ended December 31, 2019 including $800.0 million as part of the Company's share repurchase program;
- The Company repaid the scheduled maturity of the €700.0 million floating rate notes due June 1, 2019, repurchased $249.8 million face value of senior notes through open market debt purchases and had senior notes of $3,676.0 million and €700.0 million classified as current based on their maturity date as of December 31, 2019.

Cash Flows

The Company's cash flows are summarized as follows ($ in millions):

	Years Ended December 31,		2019 vs 2018
	2019	2018	$ Change
Net cash provided by operating activities	$ 7,238.7	$ 5,640.1	$ 1,598.6
Net cash provided by / (used in) investing activities	$ (2,858.8)	$ 3,098.5	$ (5,957.3)
Net cash (used in) / provided by financing activities	$ (2,766.1)	$ (9,680.1)	$ 6,914.0

Cash flows from operations represent net income adjusted for certain non-cash items and changes in assets and liabilities. Cash provided by operating activities increased $1,598.6 million in the year ended December 31, 2019 versus the prior year period as a result of the Company receiving a one-time tax refund during the third quarter of 2019 of $1.6 billion of capital gains taxes previously paid and attributable to tax losses recorded in prior periods.

Management expects that available cash balances will provide sufficient resources to fund our operating liquidity needs and expected capital expenditure funding requirements for at least the next twelve months.

Investing cash flows for the year ended December 31, 2019 reflect the net cash used for investments of $2,388.4 million and the cash used in acquisitions of businesses of $80.6 million. Investing cash flows for the year ended December 31, 2018 reflect the net cash provided by the sale of businesses of $663.0 million and the net sale of investments of $3,124.6 million offset, in part, by payments to settle Teva related matters of $466.0 million.

Financing cash flows consist primarily of borrowings and repayments of debt, repurchases of ordinary shares, dividend payments and proceeds from the exercise of stock options. Cash used in financing activities in the year ended December 31, 2019 primarily related to the repayment of indebtedness of $1,044.9 million, the repurchase of ordinary shares of $840.6 million and the payment of dividends of $974.4 million. Cash used in financing activities in the year ended December 31, 2018 primarily related to the repayment of indebtedness of $8,804.5 million, the repurchase of ordinary shares of $2,775.4 million, the payment of dividends of $1,049.8 million, and payments to settle Teva-related matters of $234.0 million, which was outstanding greater than one year, offset, in part, by borrowings under the revolving credit facility of $700.0 million, the Euro senior note issuance of $1,919.7 million and other borrowings and proceeds from the forward sale of Teva shares of $465.5 million.

Debt and Borrowing Capacity

Refer to "NOTE 18 – Long-Term Debt" for further details regarding the components of debt.

Long-term Obligations

The following table lists certain of our enforceable and legally binding obligations as of December 31, 2019. Certain amounts included herein are based on management's estimates and assumptions about these obligations, including their duration, the possibility of renewal, anticipated actions by third parties and other factors. Because these estimates and assumptions are necessarily subjective, the enforceable and legally binding obligation we will actually pay in future periods may vary from those reflected in the table ($ in millions):

	Payments Due by Period (Including Interest on Debt)				
	Total	**2020**	**2021-2022**	**2023-2024**	**Thereafter**
Long-term debt(1)	$ 22,666.6	$ 4,460.9	$ 7,069.2	$ 2,732.3	$ 8,404.2
Cash interest(1)	5,736.6	682.2	1,090.6	758.0	3,205.8
Future lease obligations(2)	637.1	131.6	205.4	108.0	192.1
Sales based and other milestone obligations(3)	10,201.4	41.5	57.0	175.0	9,927.9
R&D / approval milestone obligations(3)	5,986.7	432.8	621.8	242.0	4,690.1
Other obligations and commitments(4)	1,690.0	190.3	1,000.3	307.2	192.2
Total	**$ 46,918.4**	**$ 5,939.3**	**$ 10,044.3**	**$ 4,322.5**	**$ 26,612.3**

(1) Amounts represent total minimum cash payments and anticipated interest payments, as applicable, assuming scheduled repayments under the Company's existing notes. Amounts exclude fair value adjustments, discounts or premiums on outstanding debt obligations.

(2) Amounts represent property leases for our global business.

(3) Amounts represent contingent consideration obligations, including accretion resulting from various acquisitions. The table above reflects the anticipated timing of R&D and approval related milestones and sales based milestones. Certain agreements also include royalties based on commercial sales which are excluded from the table above.

(4) Other obligations and commitments include the liabilities for income tax associated with uncertain tax positions and the U.S. toll charge.

The following are contractual commitments relating to the R&D and approval related milestones and sales based milestones ($ in millions):

Transaction	Product	Maximum Milestones	R&D / Approval Milestones	Sales Based and Other Milestones
Heptares Therapeutics, Ltd.	Neurological disorders	$ 3,224.5	$ 649.5	$ 2,575.0
Assembly Biosciences, Inc.	Gastrointestinal products	2,459.0	1,069.0	1,390.0
AstraZeneca plc License	Brazikumab (1)	1,250.0	210.0	1,040.0
Akarna Therapeutics, Ltd.	Inflammatory and fibrotic diseases	965.0	590.0	375.0
Tobira Therapeutics, Inc.	Cenicriviroc	800.1	400.1	400.0
Chase Pharmaceuticals Corporation	Neurodegenerative disorders	800.0	250.0	550.0
Merck & Co.	Ubrogepant & Atogepant	750.0	320.0	430.0
Retrosense Therapeutics, LLC	RST-001	475.0	225.0	250.0
AqueSys, Inc.	Xen Gel Stent	300.0	-	300.0
Topokine Therapeutics, Inc.	XAF5	260.0	110.0	150.0
Oculeve, Inc.	True Tear®	150.0	50.0	100.0
ForSight VISION5, Inc.	Bimatoprost Ring	125.0	125.0	-
All Other		4,629.5	1,988.1	2,641.4
Total		**$ 16,188.1**	**$ 5,986.7**	**$ 10,201.4**

(1) The Company continues to develop brazikumab, a gastrointestinal development project for indications of Crohn's disease and ulcerative colitis. On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into a definitive agreement to divest brazikumab. This agreement was made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

Such milestone payments will only be payable in the event that the Company achieves contractually defined, success-based milestones, such as:

- the advancement of the specified research and development programs;
- the receipt of regulatory approval for the specified compounds or products; and/or
- reaching a sales threshold of the specified compounds or products.

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, net revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

CRITICAL ACCOUNTING ESTIMATES

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the periods presented. To the extent there are material differences between these estimates, judgments or assumptions and actual results, our financial statements will be affected. The significant accounting estimates that we believe are important to aid in fully understanding and evaluating our reported financial results include the following:

- Revenue Recognition
- Product Rights and Other Definite Lived Intangible Assets
- Goodwill and Intangible Assets with Indefinite Lives

- Allocation of Acquisition Fair Values to Assets Acquired and Liabilities Assumed
- Income Taxes
- Contingent Consideration and Other Commitments

In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and requires management's best estimates of the underlying data in its application. There are also areas in which management's judgment in selecting among available GAAP alternatives would not produce a materially different result.

Revenue Recognition

On January 1, 2018, we adopted ASU No. 2014-09, "Revenue from Contracts with Customers" ("Topic 606"), using the modified retrospective method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with our historical accounting practices. The impact to revenues for the year ended December 31, 2018 was not significant as a result of the adoption. The adoption of this guidance did not have a material impact on the Company's financial position or results of operations as the Company's sales primarily are governed by standard ship and bill terms of pharmaceutical products to customers.

The Company applies the "practical expedient" as defined in Topic 606 to recognize the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. These costs which are included in selling, general, and administrative expenses are consistent with the accounting prior to the adoption of Topic 606. The Company also elected to use the practical expedient to not adjust the promised amount of consideration for the effects of the time value of money for contracts in which the anticipated period between when the Company transfers the goods or services to the customer and when the customer pays is equal to one year or less.

General

Topic 606 provides that revenues are recognized when control of the promised goods under a contract is transferred to a customer, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods as specified in the underlying terms with the customer. The Company warrants products against defects and for specific quality standards, permitting the return of products under certain circumstances. Product sales are recorded net of all sales-related deductions including, but not limited to: chargebacks, trade discounts, commercial and government rebates, customer loyalty programs, fee-for-service arrangements with certain distributors, returns, and other allowances which we refer to in the aggregate as sales returns and allowances ("SRA").

The Company's performance obligations are primarily achieved when control of the products is transferred to the customer. Transfer of control is based on contractual performance obligations, but typically occurs upon receipt of the goods by the customer as that is when the customer has obtained control of significantly all of the economic benefits.

Prior to the achievement of performance obligations, shipping and handling costs associated with outbound freight for a product to be transferred to a customer are accounted for as a fulfillment cost and are included in selling and marketing expenses. When the Company sells a business and future royalties are considered as part of the consideration, the Company recognizes the royalties as a component of "other income / (expense), net".

Other revenues earned are mainly comprised of royalty income from licensing of intellectual property. Royalty income is recognized when the licensee's subsequent sale occurs.

Refer to "ITEM 7 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" for our revenues disaggregated by product and segment and our revenues disaggregated by geography for our international segment. We believe this level of disaggregation best depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

Significant Payment Terms

A contract with a customer states the final terms of the sale, including the description, quantity, and price of each product purchased. The Company's payment terms vary by the type and location of the customer and the products offered. A customer agrees to a stated rate and price in the contract and given that most of the products sold contain variable consideration, the amount of revenue recognized incorporates adjustments for SRAs as appropriate.

Determining the Transaction Price

The Company offers discounts and rebates to certain customers who participate in various programs that are referred to as SRA allowances as described further below in the section "Provisions for SRAs". Such discounting and rebating activity is included as part of the Company's estimate of the transaction price and is accounted for as a reduction to gross sales. At time of sale, the Company records the related SRA adjustments. The Company performs validation activities each period to assess the adequacy of the liability or contra receivable estimates recorded to reflect actual activity and will adjust the reserve balances accordingly.

Provisions for SRAs

As is customary in the pharmaceutical industry, certain customers may receive cash-based incentives or credits, which are variable consideration accounted for as SRAs. The Company estimates SRA amounts based on the expected amount to be provided to customers, which reduces the revenues recognized. The Company believes that there will not be significant changes to our estimates of variable consideration. The Company uses a variety of methods to assess the adequacy of the SRA reserves to ensure that our financial statements are fairly stated. These provisions are estimated based on historical payment experience, the historical relationship of the deductions to gross product revenues, government regulations, estimated utilization or redemption rates, estimated customer inventory levels and current contract sales terms. The estimation process used to determine our SRA provisions has been applied on a consistent basis and no material revenue adjustments to total reported revenues have been necessary to increase or decrease our reserves for SRA as a result of a significant change in underlying estimates.

Chargebacks — A chargeback represents an amount payable in the future to a wholesaler for the difference between the invoice price paid by such wholesaler customer for a particular product and the negotiated contract price that the wholesaler's customer pays for that product. The chargeback provision and related reserve varies with changes in product mix, changes in customer pricing and changes to estimated wholesaler inventories. The provision for chargebacks also takes into account an estimate of the expected wholesaler sell-through levels to indirect customers at certain contract prices. The Company validates the chargeback accrual quarterly through a review of the inventory reports obtained from our largest wholesale customers. This customer inventory information is used to verify the estimated liability for future chargeback claims based on historical chargeback and contract rates. These large wholesalers represent the vast majority of the recipients of the Company's chargeback credits. We continually monitor current pricing trends and wholesaler inventory levels to ensure the contra-receivable for future chargebacks is fairly stated.

Rebates — Rebates include volume related incentives to direct and indirect customers, third-party managed care and Medicare Part D rebates, Medicaid rebates and other government rebates. Rebates are accrued based on an estimate of claims to be paid for product sold into trade by the Company. Volume rebates are generally contractually offered to customers as an incentive to use the Company's products and to encourage greater product sales. These rebate programs include contracted rebates based on customers' purchases made during an applicable monthly, quarterly or annual period. The provision for third-party rebates is estimated based on our customers' contracted rebate programs and the Company's historical experience of rebates paid. Any significant changes to our customer rebate programs are considered in establishing the provision for rebates. The provisions for government rebates are based, in part, upon historical experience of claims submitted by the various states and authorities, contractual terms and government regulations. We monitor legislative changes to determine what impact such legislation may have on our provision.

Cash Discounts — Cash discounts are provided to customers that pay within a specific time period. The provision for cash discounts is estimated based upon invoice billings and historical customer payment experience. The Company's experience of payment history is fairly consistent and most customer payments qualify for a cash discount.

Returns and Other Allowances — The Company's provision for returns and other allowances include returns, promotional allowances and loyalty cards.

Consistent with industry practice, the Company maintains a returns policy that allows customers to return product for a credit. In accordance with the Company's policy, credits for customer returns of products are applied against outstanding account activity or are settled in cash. Product exchanges are generally not permitted. Customer returns of product are generally not resalable. The Company's estimate of the provision for returns is based upon historical experience and current trends of actual customer returns. Additionally, we consider other factors when estimating the current period returns provision, including levels of inventory in the distribution channel, as well as significant market changes which may impact future expected returns.

Promotional allowances are credits with no discernable benefit offered to Allergan that are issued in connection with a product launch or as an incentive for customers to carry our product. The Company establishes a reserve for promotional allowances based upon contractual terms.

Loyalty cards allow end-user patients a discount per prescription and are accrued based on historical experience, contract terms and the volume of product and cards in the distribution channel.

The following table summarizes the activity from continuing operations in the Company's major categories of SRA ($ in millions):

	Chargebacks	Rebates	Returns and Other Allowances	Cash Discounts	Total
Balance at December 31, 2017	**$ 77.2**	**$ 1,799.2**	**$ 517.6**	**$ 36.5**	**$ 2,430.5**
Provision related to sales in 2018	1,117.7	5,464.7	1,725.3	322.2	8,629.9
Credits and payments	(1,133.1)	(5,355.4)	(1,676.3)	(328.0)	(8,492.8)
Balance at December 31, 2018	**$ 61.8**	**$ 1,908.5**	**$ 566.6**	**$ 30.7**	**$ 2,567.6**
Provision related to sales in 2019	1,123.5	6,153.8	1,625.1	337.3	9,239.7
Credits and payments	(1,117.5)	(5,959.0)	(1,559.3)	(331.0)	(8,966.8)
Balance at December 31, 2019	**$ 67.8**	**$ 2,103.3**	**$ 632.4**	**$ 37.0**	**$ 2,840.5**
Contra accounts receivable at December 31, 2019	**$ 67.8**	**$ 101.5**	**$ 35.7**	**$ 37.0**	**$ 242.0**
Accounts payable and accrued expenses at December 31, 2019	**$ -**	**$ 2,001.8**	**$ 596.7**	**$ -**	**$ 2,598.5**

The majority of rebates pertain to incentives to indirect customers, including third-party managed care and Medicare Part D rebates and Medicaid rebates.

The following table summarizes the balance sheet classification of our SRA reserves ($ in millions):

	December 31, 2019	December 31, 2018
Contra accounts receivable	$ 242.0	$ 207.7
Accounts payable and accrued expenses	2,598.5	2,359.9
Total	**$ 2,840.5**	**$ 2,567.6**

The SRA provisions recorded to reduce gross product sales to net product sales, excluding discontinued operations, were as follows ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Gross product sales	$ 24,968.8	$ 24,056.9	$ 23,688.4
Provisions to reduce gross product sales to net products sales	(9,239.7)	(8,629.9)	(8,120.0)
Net product sales	**$ 15,729.1**	**$ 15,427.0**	**$ 15,568.4**
Percentage of SRA provisions to gross sales	*37.0%*	*35.9%*	*34.3%*

Collectability Assessment

At the time of contract inception or customer account set-up, the Company performs a collectability assessment on the creditworthiness of such customer. The Company assesses the probability that the Company will collect the consideration to which it will be entitled in exchange for the goods sold. In evaluating collectability, the Company considers the customer's ability and intention to pay consideration when it is due. On a recurring basis, the Company estimates the amount of receivables considered uncollectible after sale to the customer to reflect allowances for doubtful accounts. Provision for bad debts, included in general and administrative expenses, were $35.8 million, $18.5 million and $11.6 million in the years ended December 31, 2019, 2018 and 2017, respectively.

Practical Expedients and Exemptions

The Company generally expenses sales commissions when incurred because the amortization period is one year or less. These costs are recorded within selling and marketing expenses.

The Company does not adjust the promised amount of consideration for the effects of the time value of money for contracts in which the anticipated period between when the Company transfers the goods or services to the customer and when the customer pays is equal to one year or less.

The Company has chosen not to elect the remaining practical expedients.

Product Rights and Other Definite Lived Intangible Assets

Our product rights and other definite lived intangible assets are stated at cost, less accumulated amortization, and are amortized using the economic benefit model or the straight-line method, if results are materially aligned, over their estimated useful lives. We determine amortization periods for product rights and other definite lived intangible assets based on our assessment of various factors impacting estimated cash flows. Such factors include the product's position in its life cycle, the existence or absence of like products in the market, various other competitive and regulatory issues, and contractual terms. Significant changes to any of these factors may result in an impairment, a reduction in the intangibles useful life or an acceleration of related amortization expense, which could cause our net results to decline.

Product rights and other definite lived intangible assets are tested periodically for impairment when events or changes in circumstances indicate that an asset's carrying value may not be recoverable. The impairment testing involves comparing the carrying amount of the asset to the forecasted undiscounted pre-tax future cash flows over its useful life, including any salvage value. In the event the carrying value of the asset exceeds the undiscounted future cash flows, the carrying value is considered not recoverable and an impairment exists. An impairment loss is measured as the excess of the asset's carrying value over its fair value, calculated using discounted future cash flows. The computed impairment loss is recognized in net (loss) / income in the period that the impairment occurs. Assets which are not impaired may require an adjustment to the remaining useful lives for which to amortize the asset. Our projections of discounted cash flows use a discount rate determined by our management to be commensurate with the risk inherent in our business model. Our estimates of future cash flows attributable to our other definite lived intangible assets require significant judgment based on our historical and anticipated results and are subject to many factors. Different assumptions and judgments could materially affect the calculation of the undiscounted cash flows of the other definite lived intangible assets which could trigger impairment.

Goodwill and Intangible Assets with Indefinite Lives

General

The Company tests goodwill and intangible assets with indefinite lives for impairment annually in the second quarter. Additionally, the Company may perform interim tests if an event occurs or circumstances change that could potentially reduce the fair value of a reporting unit or an indefinite lived intangible asset below its carrying amount such as those first quarter 2019 triggering events relating to the Company's General Medicine Reporting Unit as discussed in "NOTE 17 — Goodwill, Product Rights and Other Intangible Assets". The carrying value of each reporting unit is determined by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those reporting units.

The Company tests goodwill for impairment by either performing a qualitative evaluation or a quantitative test. The qualitative evaluation is an assessment of factors, including Reporting Unit specific operating results as well as industry, market and general economic conditions, to determine whether it is more likely than not that the fair values of a Reporting Unit is less than its carrying amount, including goodwill. The Company may elect to bypass this qualitative assessment for some or all of its Reporting Units and perform a quantitative test as of the measurement date of the test.

Goodwill is considered impaired if the carrying amount of the net assets exceeds the fair value of the reporting unit. Fair value is estimated by management using a discounted cash flow model. Management's cash flow projections include significant judgments and assumptions related to the discount rate, revenue forecasts, operating margins, impact of research and development pipeline events, and the long-term revenue growth rate. Impairment, if any, would be recorded in operating income / (loss) and this could result in a material impact to net income / (loss) and income / (loss) per share.

Prior to Allergan's 2018 annual impairment test, the Company adopted the new guidance under Accounting Standard Update No. 2017-04,*Intangibles – Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment* which eliminated step 2 of the goodwill impairment test, which required a hypothetical purchase price allocation to measure goodwill impairment loss as of January 1, 2018. A goodwill impairment loss under the new guidance is instead measured using a single step test based on the amount by which a reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill.

Acquired IPR&D intangible assets represent the value assigned to R&D projects acquired in a business combination that, as of the date acquired, represent the right to develop, use, sell and/or offer for sale a product or other intellectual property that has not been completed or approved. The IPR&D intangible assets are subject to impairment testing until completion or abandonment of each project. Upon abandonment, the assets are impaired if there is no future alternative use or ability to sell the asset. Impairment testing requires management to develop significant estimates and assumptions involving the determination of the fair value of the IPR&D asset, including estimated revenues, the probability of success of the project, determination of the appropriate discount rate, assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions. The major risks and uncertainties associated with the timely and successful completion of IPR&D projects include legal risk, market risk and regulatory risk. Changes in our assumptions could result in future impairment charges. No assurances can be given that the underlying assumptions used to prepare the discounted cash flow analysis will not change or the timely completion of each project and commercial success will occur. For these and other reasons, actual results may vary significantly from estimated results.

Upon successful completion of each project and approval of a product, we will make a separate determination of the useful life of the intangible asset, transfer the amount to currently marketed products ("CMP") and amortization expense will be recorded over the estimated useful life.

Allocation of Acquisition Fair Values to Assets Acquired and Liabilities Assumed

We account for acquired businesses using the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. The consolidated financial statements and results of operations reflect an acquired business after the completion of the acquisition. The fair value of the consideration paid, including contingent consideration, is assigned to the underlying net assets of the acquired business based on their respective fair values as determined using a market participant concept. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill.

The most material line items impacted by the allocation of acquisition fair values are:

- Intangible assets (including IPR&D assets upon successful completion of the project and approval of the product) which are amortized to amortization expense over the expected life of the asset. Significant judgments are used in determining the estimated fair values assigned to the assets acquired and liabilities assumed and in determining estimates of useful lives of long-lived assets. Fair value determinations and useful life estimates are based on, among other factors, estimates of expected future net cash flows, estimates of appropriate discount rates used to present value expected future net cash flow streams, the timing of approvals and the probability of success for IPR&D projects and the timing of related product launch dates, the assessment of each asset's life cycle, the impact of competitive trends on each asset's life cycle and other factors. These judgments can materially impact the estimates used to allocate acquisition date fair values to assets acquired and liabilities assumed and the future useful lives. For these and other reasons, actual results may vary significantly from estimated results.
- Inventory is recorded at fair market value factoring in selling price and costs to dispose. Inventory acquired is typically valued higher than replacement cost.

Income Taxes

Income taxes are accounted for using an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statement and tax basis of assets and liabilities at the applicable tax rates. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company evaluates the realizability of its deferred tax assets by assessing its valuation allowance and by adjusting the amount of such allowance, if necessary. The factors used to assess the likelihood of realization include the Company's forecast of future taxable income and available tax planning strategies that could be implemented to realize the net deferred tax assets. Failure to achieve forecasted taxable income in applicable tax jurisdictions could affect the ultimate realization of deferred tax assets and could result in an increase in the Company's effective tax rate on future earnings.

Income tax positions must meet a more-likely-than-not recognition threshold to be recognized. Income tax positions that previously failed to meet the more-likely-than-not threshold are recognized in the first financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold are derecognized in the first financial reporting period in which that threshold is no longer met. Inherent in these tax positions are various assumptions, including management's judgments as to the interpretation of tax law, management's expectations regarding the outcome of tax authority examinations, as well as the ultimate measurement of potential liabilities. The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of operations as income tax expense.

The TCJA introduced an additional U.S. tax on certain non-U.S. subsidiaries' earnings which are considered to be Global Intangible Low Taxed Income (referred to as "GILTI"). Under this provision, the amount of GILTI included by a U.S. shareholder will be taxed at a rate of 10.5% for tax years beginning after December 31, 2017 (increasing to 13.125% for tax years beginning after December 31, 2025) with a partial offset for foreign tax credits. After consideration of the relevant guidance and completing the accounting for the tax effects of the TCJA, the Company has elected to treat GILTI as a period cost.

Contingent Consideration and Other Commitments

We determine the acquisition date fair value of contingent consideration obligations for business acquisitions based on a probability-weighted income approach derived from revenue estimates, post-tax gross profit levels and a probability assessment with respect to the likelihood of achieving contingent obligations including contingent payments such as milestone obligations, royalty obligations and contract earn-out criteria, where applicable. The fair value measurement is based on significant inputs not observable in the market and thus represents a Level 3 measurement as defined using the fair value concepts defined in ASC Topic 820 "Fair Value Measurement," ("ASC 820"). The resultant probability-weighted cash flows are discounted using an appropriate effective annual interest rate. At each reporting date, the contingent consideration obligation will be revalued to estimated fair value and changes in fair value will be reflected as income or expense in our consolidated statement of operations. Changes in the fair value of the contingent consideration obligations may result from changes in discount periods and rates, changes in the timing and amount of future revenue estimates and changes in probability assumptions with respect to the likelihood of achieving the various contingent payment obligations. Changes in assumptions utilized in our contingent consideration fair value estimates could result in an increase or decrease in our contingent consideration obligation and a corresponding charge or reduction to operating results.

We are involved in various legal proceedings in the normal course of our business, including product liability litigation, intellectual property litigation, employment litigation and other litigation. We record reserves related to these legal matters when losses related to such litigation or contingencies are both probable and reasonably estimable. Refer to "NOTE 26 — Commitments and Contingencies" in the accompanying "Notes to the Consolidated Financial Statements" in this document for a description of our significant current legal proceedings.

Recent Accounting Pronouncements

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740) that simplifies the accounting for income taxes by eliminating certain exceptions to the guidance in ASC 740 related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The new guidance also simplifies aspects of the accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. It also provides a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early adoption is permitted. The Company is evaluating the impact, if any, that this pronouncement will have on our financial position and results of operations.

In November 2018, the FASB issued ASU No. 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606. The ASU provides more comparability in the presentation of revenue for certain transactions between collaborative arrangement participants and only allows a company to present units of account in collaborative arrangements that are within the scope of the revenue recognition standard together with revenue accounted for under the revenue recognition standard. The parts of the collaborative arrangement that are not in the scope of the revenue recognition standard should be presented separately from revenue accounted for under the revenue recognition standard. The amendments in ASU No. 2018-18 are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The adoption of this guidance is not anticipated to have a material impact on the Company's financial position and results of operations.

In August 2018, the FASB issued ASU No. 2018-15, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40), relating to a customer's accounting for implementation, set-up, and other upfront costs incurred in a cloud computing arrangement that is hosted by a vendor (i.e. a service contract). Under the new guidance, a customer will apply the same criteria for capitalizing implementation costs as it would for an arrangement that has a software license. The new guidance also prescribes the balance sheet, income statement, and cash flow classification of the capitalized implementation costs and related amortization expense, and requires additional quantitative and qualitative disclosures. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early application is permitted. The Company will adopt the new guidance prospectively to eligible costs incurred on or after the date this guidance is first applied. The Company evaluated the impact of this pronouncement. The guidance is not expected to have a material impact on our financial position and results of operations.

In August 2018, the FASB issued ASU No. 2018-14, Compensation - Retirement Benefits - Defined Benefit Plans - General (Subtopic 715-20) – Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans, which amends ASC 715 to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. The revisions to the disclosure requirements affect only the year-end financial statements of plan sponsors, as there are no changes related to interim financial statements. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early application is permitted. The ASU provisions will be applied on a retrospective basis to all periods presented.

In August 2018, the FASB issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement, which removes, adds and modifies certain disclosure requirements for fair value measurementsin Topic 820. The Company will no longer be required to disclose the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, and the valuation processes of Level 3 fair value measurements. However, the Company will be required to additionally disclose the changes in unrealized gains and losses included in other comprehensive income for recurring Level 3 fair value measurements, and the range and weighted average of assumptions used to develop significant unobservable inputs for Level 3 fair value measurements. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The amendments relating to additional disclosure requirements will be applied prospectively for only the most recent interim or annual period presented in the initial year of adoption. All other amendments will be applied retrospectively to all periods presented upon their effective date.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The ASU is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets including trade receivables held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early application will be permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The Company evaluated the impact of this pronouncement and concluded that the guidance is not expected to have a material impact on our financial position and results of operations.

ITEM 7A. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

The following discussion provides forward-looking quantitative and qualitative information about our potential exposure to market risk. Market risk represents the potential loss arising from adverse changes in the value of financial instruments. The risk of loss is assessed based on the likelihood of adverse changes in fair values, cash flows or future earnings. We are exposed to market risk for changes in the market values of our investments (Investment Risk), the impact of interest rate changes (Interest Rate Risk) and the impact of foreign currency exchange changes (Foreign Currency Exchange Risk).

We maintain our portfolio of cash equivalents and short-term investments in a variety of securities, including both government and government agency obligations with ratings of A or better and money market funds. Our investments in marketable securities are governed by our investment policy which seeks to preserve the value of our principal, provide liquidity and maximize return on the Company’s investment against minimal interest rate risk. Consequently, our interest rate and principal risk are minimal on our non-equity investment portfolio. The quantitative and qualitative disclosures about market risk are set forth below.

Investment Risk

As of December 31, 2019, our total investments in marketable and equity securities of other companies, including equity method investments, but excluding securities considered cash and cash equivalents, were $3,482.5 million (included in marketable

securities and investments and other assets). The fair values of these investments are subject to significant fluctuations due to volatility of the stock market and changes in general economic conditions.

We regularly review the carrying value of our investments and identify and recognize losses for income statement purposes.

Interest Rate Risk

Our exposure to interest rate risk relates primarily to our non-equity investment portfolio. Our cash is invested in money market securities.

Our permitted investments in marketable securities include highly liquid money market securities classified as available-for-sale securities. No security as of December 31, 2019 has a maturity in excess of one year. These investments include floating rate securities that are exposed to interest rate fluctuations. Because of the short-term nature of these investments, we are subject to minimal interest rate risk and do not believe that an increase in market rates would have a significant negative impact on the value of our portfolio.

Floating Rate Debt

In January 2019, Allergan entered into $500.0 million notional float to fixed interest rate swaps maturing on March 12, 2020 whereby it fixed the interest rates on $500.0 million floating rate notes due March 12, 2020 to an average interest rate of 3.98%. The swaps are a highly effective cash flow hedge and qualify for hedge accounting treatment.

At December 31, 2019, borrowings outstanding under the floating rate notes were $1,284.9 million. Assuming a one percent increase in the applicable interest rate on the Company's floating rates notes, annual interest expense would increase by approximately $12.8 million over the next twelve months.

Fixed Rate Debt

The Company has outstanding borrowings under its fixed rate notes. Changes in market interest rates generally affect the fair value of fixed-rate debt, but do not impact earnings or cash flows.

Euro Denominated Debt

The Company has outstanding borrowings under its Euro denominated notes. Changes in foreign exchange rates may impact cash flows for principal and interest.

Interest Rate

The Company may use interest rate swap contracts on certain investing and borrowing transactions to manage its net exposure to interest rate changes and its overall cost of borrowing. The Company does not use leveraged swaps and does not leverage any of its fixed income investments that would put principal capital at risk.

Foreign Currency Exchange Risk

Overall, we are a net recipient of currencies other than the U.S. dollar and, as such, benefit from a weaker dollar and are adversely affected by a stronger dollar relative to major currencies worldwide. Accordingly, changes in exchange rates, and in particular a strengthening of the U.S. dollar, may negatively affect our consolidated revenues or operating costs and expenses as expressed in U.S. dollars.

From time to time, we enter into foreign currency forward contracts which change in value as foreign exchange rates change to allow the Company to economically offset the effect of changes in the value of foreign currency assets and liabilities. We have entered into foreign currency forward contracts in amounts between minimum and maximum existing or anticipated foreign exchange exposures.

The Company is subject to transactional items which are denominated in currencies other than the functional currency and therefore movements in exchange rates may impact the results of operations. Net foreign currency losses / (gains) reflected in general and administrative expenses were $11.5 million, $28.8 million and $97.5 million for the years ended December 31, 2019, 2018 and 2017, respectively.

The currency for Argentina was deemed hyperinflationary in the third quarter of 2018 and is now being accounted for using the Company's functional currency. The impact is immaterial to the Company's operations.

In November 2018, the Company entered into a 700 million Euro forward contract to buy Euros while selling USD. The derivative which had a maturity of May 31, 2019, was marked-to-market in the statement of operations offsetting the revaluation impact on the Company's Euro 700 million variable interest debt. For the year ended December 31, 2019, the Company recorded a loss of $29.8 million relating to this instrument in general and administrative expenses.

The Company is exposed to foreign exchange risk in its international operations from foreign currency purchases, net investments in foreign subsidiaries, and foreign currency assets and liabilities created in the normal course of business, including the Euro Denominated Notes. In the year ended December 31, 2019, we used effective net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries. The total notional amount of our debt instruments designated as net investment hedges was $5.0 billion as of December 31, 2019 and $5.1 billion as of December 31, 2018. During the years ended December 31, 2019 and 2018, the impact of the net investment hedges recorded in other comprehensive loss was a gain of $113.0 million and a gain of $144.5 million, respectively.

Other

We do not believe that inflation has had a significant impact on our revenues or operations, nor do we have any material commodity price risks.

ITEM 8. *FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA*

The information required by this Item is contained in the financial statements set forth in Item 15 (a) under the caption "*Consolidated Financial Statements and Supplementary Data*" as a part of this Annual Report on Form 10-K.

ITEM 9. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE*

There have been no changes in or disagreements with accountants on accounting or financial disclosure matters.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Allergan plc maintains "disclosure controls and procedures," as such term is defined under Rule 13a-15(e) of the Exchange Act, that are designed to provide reasonable assurance that information required to be disclosed in the Allergan plc's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Allergan plc's management, including its Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective.

As required by SEC Rule 13a-15(b), Allergan plc carried out an evaluation, under the supervision and with the participation of Allergan plc's management, including Allergan plc's Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of Allergan plc's disclosure controls and procedures as of the end of the period covered by this annual report. Based on this evaluation Allergan plc's Principal Executive Officer and Principal Financial Officer concluded that Allergan plc's disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2019.

Warner Chilcott Limited maintains "disclosure controls and procedures," as such term is defined under Rule 13a-15(e) of the Exchange Act, that are designed to provide reasonable assurance that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Warner Chilcott Limited's management, including its Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective.

As required by SEC Rule 13a-15(b), Warner Chilcott Limited carried out an evaluation, under the supervision and with the participation of Warner Chilcott Limited's management, including Warner Chilcott Limited's Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of Warner Chilcott Limited's disclosure controls and procedures as of the end of the period covered by this annual report. Based on this evaluation Warner Chilcott Limited's Principal Executive Officer and Principal Financial Officer concluded that Warner Chilcott Limited's disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2019.

Management's Reports on Internal Control over Financial Reporting of Allergan plc and Warner Chilcott Limited

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined under Rule 13a-15(f) of the Exchange Act. We maintain internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management of Allergan plc and Warner Chilcott Limited has assessed the effectiveness of Allergan plc and Warner Chilcott Limited's internal control over financial reporting as of December 31, 2019, based on criteria set forth in "Internal Control — Integrated Framework" (2013) issued by Committee of Sponsoring Organizations of the Treadway Commission. Based on its assessment of internal control over financial reporting, management concluded that Allergan plc and Warner Chilcott Limited internal control over financial reporting was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles as of December 31, 2019.

The effectiveness of Allergan plc's internal control over financial reporting as of December 31, 2019, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein. The effectiveness of Warner Chilcott Limited's internal control over financial reporting as of December 31, 2019, has not been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm.

Changes in Internal Control Over Financial Reporting of Allergan plc and Warner Chilcott Limited

During the quarter ended December 31, 2019, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, Allergan plc and Warner Chilcott Limited's internal control over financial reporting.

ITEM 9B. ***OTHER INFORMATION***

From time to time, we use our website, our Facebook, Instagram, LinkedIn and Twitter accounts and other social media channels as additional means of disclosing public information to investors, the media and others interested in the Company. Additionally, our Chairman, President and Chief Executive Officer, Brent L. Saunders, and our Executive Vice President and Chief Commercial Officer, Bill Meury, may use similar social media channels to disclose public information. It is possible that certain information we post on our website and on social media could be deemed to be material information, and we encourage investors, the media and others interested in the Company to review the business and financial information we post on our website and on the social media channels identified above. The information on our website and those social media channels is not incorporated by reference into this Form 10-K.

PART III

ITEM 10. *DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE*

Information required by this item is incorporated herein by reference to the "Director Nominees For Election at the Annual Meeting," "Executive Officers" and "Section 16(a) Beneficial Ownership Reporting Compliance" sections of our definitive proxy statement, to be filed pursuant to Regulation 14A, related to our 2020 Annual General Meeting of Shareholders (our "2020 Proxy Statement") or, alternatively, will be provided by an amendment to this Annual Report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report.

Section 16(a) Compliance

The information concerning compliance with Section 16(a) of the Securities Exchange Act of 1934 required by this Item is incorporated by reference to the "Section 16(a) Beneficial Ownership Reporting Compliance" section of our 2019 Proxy Statement.

Code of Ethics

We have adopted a Code of Conduct that applies to our employees, including our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. The Code of Conduct is posted on our Internet website at www.Allergan.com. Any person may request a copy of our Code of Conduct by contacting us at our administrative address: 5 Giralda Farms, Madison, NJ 07940, Attn: Secretary. Any amendments to or waivers from the Code of Conduct will be posted on our website at www.Allergan.com under the caption "Corporate Governance" within the Investors section of our website.

ITEM 11. *EXECUTIVE COMPENSATION*

Information required by this item is incorporated herein by reference to the "Compensation Discussion and Analysis" section of our 2020 Proxy Statement or, alternatively, will be provided by an amendment to this Annual Report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report.

ITEM 12. *SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS*

Information required by this item is incorporated herein by reference to the "Stock Ownership of Directors and Executive Officers" and "Equity Compensation Plan Information as of December 31, 2019" sections of our 2020 Proxy Statement or, alternatively, will be provided by an amendment to this Annual Report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report.

ITEM 13. *CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE*

Information required by this item is incorporated by reference to the "Certain Relationships and Related Transactions" and "Director Independence" sections of our 2020 Proxy Statement or, alternatively, will be provided by an amendment to this Annual Report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report.

ITEM 14. *PRINCIPAL ACCOUNTING FEES AND SERVICES*

Information required by this item is incorporated by reference to the "Audit Fees" section of our 2020 Proxy Statement or, alternatively, will be provided by an amendment to this Annual Report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report.

PART IV

ITEM 15. ***Exhibits, Financial Statement Schedules***

(a) The following documents are filed as part of the Annual Report on Form 10-K:

1. *Consolidated Financial Statements and Supplementary Data*

2. *Financial Statement Schedules*

All other financial statement schedules have been omitted because they are not applicable or the required information is included in the Consolidated Financial Statements or Notes thereto.

3. *Exhibits*

EXHIBIT INDEX

Exhibit No.	Description
2.1	Transaction Agreement, dated as of June 25, 2019, by and among AbbVie Inc., Venice Subsidiary, LLC and Allergan plc (incorporated by reference to Exhibit 2.1 to Allergan plc's Current Report on Form 8-K filed on June 25, 2019).
2.2	Appendix III to the Rule 2.5 Announcement, dated as of June 25, 2019 (incorporated by reference to Exhibit 2.2 to Allergan plc's Current Report on Form 8-K filed on June 25, 2019).
2.3	Expenses Reimbursement Agreement, dated as of June 25, 2019, by and between Allergan plc and AbbVie Inc. (incorporated by reference to Exhibit 2.3 to Allergan plc's Current Report on Form 8-K filed on June 25, 2019).
3.1	Certificate of Incorporation of Allergan plc (incorporated by reference to Exhibit 3.1 to Allergan plc's Registration Statement on Form S-4, filed with the SEC on July 17, 2015).
3.2	Amended and Restated Memorandum and Articles of Association of Allergan plc (incorporated by reference to Exhibit 3.2 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on November 4, 2016).
4.1	Indenture between Watson Pharmaceuticals, Inc. (now known as Allergan Finance, LLC) and Wells Fargo Bank, N.A., as trustee, dated as of August 24, 2009 (incorporated by reference to Exhibit 4.1 to Watson Pharmaceuticals, Inc.'s Form 8-K, filed with the SEC on August 24, 2009).
4.2	Third Supplemental Indenture between Watson Pharmaceuticals, Inc. (now known as Allergan Finance, LLC) and Wells Fargo Bank, N. A., as trustee, dated as of October 2, 2012, including the forms of Watson Pharmaceuticals, Inc.'s 1.875% Notes due 2017, 3.250% Notes due 2022 and 4.625% Notes due 2042 (incorporated by reference to Exhibit 4.2 to Watson Pharmaceuticals, Inc.'s Current Report on Form 8-K, filed with the SEC on October 2, 2012).
4.3	Fourth Supplemental Indenture, dated as of October 1, 2013, by and among Actavis, Inc. (now known as Allergan Finance, LLC), Actavis plc (now known as Allergan plc), and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of Allergan plc's Current Report on Form 8-K, filed with the SEC on October 2, 2013).
4.4	Fifth Supplemental Indenture, dated as of April 16, 2015, by and among Actavis, Inc. (now known as Allergan Finance, LLC), Actavis plc (now known as Allergan plc), Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.4 to Allergan plc's Current Report on Form 8-K, filed with the SEC on April 22, 2015).
4.5	Indenture, dated as of September 14, 2010, among Allergan, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to Allergan, Inc.'s Current Report on Form 8-K filed with the SEC on September 14, 2010).
4.6	First Supplemental Indenture, dated as of September 14, 2010, among Allergan, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to Allergan, Inc.'s Current Report on Form 8-K filed with the SEC on September 14, 2010).
4.7	Second Supplemental Indenture, dated as of April 16, 2015, by and among Allergan, Inc., Actavis plc (now known as Allergan plc), Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to Allergan plc's Current Report on Form 8-K, filed with the SEC on April 22, 2015).
4.8	Form of 3.375% Note due 2020 (incorporated by reference to (and included in) the Supplemental Indenture dated as of September 14, 2010 among Allergan, Inc. and Wells Fargo Bank, National Association, as trustee, at Exhibit 4.2 to Allergan, Inc.'s Current Report on Form 8-K, filed with the SEC on September 14, 2010).
4.9	Indenture, dated as of March 12, 2013, among Allergan, Inc. and Wells Fargo, National Association, as trustee (incorporated by reference to Exhibit 4.1 to Allergan, Inc.'s Current Report on Form 8-K filed with the SEC on March 12, 2013).
4.10	First Supplemental Indenture, dated as of March 12, 2013, among Allergan, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to Allergan, Inc.'s Current Report on Form 8-K filed with the SEC on March 12, 2013).
4.11	Second Supplemental Indenture, dated as of April 16, 2015, by and among Allergan, Inc., Actavis plc (now known as Allergan plc), Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.3 to Allergan plc's Current Report on Form 8-K, filed with the SEC on April 22, 2015).

Exhibit No.	Description
4.12	Indenture, dated as of January 31, 2014, between Forest Laboratories, Inc., as issuer, and Wells Fargo Bank, NationalAssociation, as trustee (incorporated by reference to Exhibit 4.2 of Forest Laboratories, Inc.'s Current Report on Form 8-K filed with the SEC on February 3, 2014).
4.13	Indenture, dated as of December 10, 2013, by and among Forest Laboratories, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of Forest Laboratories, Inc.'s Current Report on Form 8-K filed with the SEC on December 11, 2013).
4.14	First Supplemental Indenture, dated as of June 12, 2014, between Forest Laboratories, Inc., as issuer, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of Forest Laboratories, Inc.'s Current Report on Form 8-K filed with the SEC on June 13, 2014).
4.15	First Supplemental Indenture, dated as of June 12, 2014, between Forest Laboratories, Inc., as issuer, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.3 of Forest Laboratories, Inc.'s Current Report on Form 8-K filed with the SEC on June 13, 2014).
4.16	Second Supplemental Indenture, between Tango Merger Sub 2 LLC and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.1 of Allergan plc's Current Report on Form 8-K filed with the SEC on July 3, 2014).
4.17	Second Supplemental Indenture, between Tango Merger Sub 2 LLC and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.3 of Allergan plc's Current Report on Form 8-K filed with the SEC on July 3, 2014.
4.18	Third Supplemental Indenture, among Actavis plc (now known as Allergan plc), Tango Merger Sub 2 LLC and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.4 of Allergan plc's Current Report on Form 8-K filed with the SEC on July 3, 2014).
4.19	Third Supplemental Indenture, among Actavis plc (now known as Allergan plc), Tango Merger Sub 2 LLC and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.5 of Allergan plc's Current Report on Form 8-K filed with the SEC on July 3, 2014).
4.20	Third Supplemental Indenture, among Actavis plc (now known as Allergan plc), Tango Merger Sub 2 LLC and Wells Fargo Bank, National Association, as trustee, dated January 1, 2018 (incorporated by reference to Exhibit 4.6 of Allergan plc's Current Report on Form 8-K filed with the SEC on July 3, 2014).
4.21	Fourth Supplemental Indenture, among Allergan Sales, LLC, Allergan plc and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.1 of Allergan plc's Current Report on Form 8-K filed with the SEC on January 2, 2018).
4.22	Fourth Supplemental Indenture, among Allergan Sales, LLC, Allergan plc and Wells Fargo Bank, National Association, as trustee, dated July 1, 2014 (incorporated by reference to Exhibit 4.2 of Allergan plc's Current Report on Form 8-K filed with the SEC on January 2, 2018).
4.23	Indenture, dated June 19, 2014, by and among Actavis Funding SCS (now known as Allergan Funding SCS), the guarantors named therein, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of Allergan plc's Current Report on Form 8-K filed with the SEC on June 20, 2014).
4.24	Indenture, dated as of March 12, 2015, among Actavis Funding SCS (now known as Allergan Funding SCS) Warner Chilcott Limited, Actavis Capital S.à r.l. (now known as Allergan Capital S.à r.l.) and Actavis, Inc. (now known as Allergan Finance, LLC), as guarantors and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on March 12, 2015).
4.25	First Supplemental Indenture, dated as of March 12, 2015, among Actavis Funding SCS (now known as Allergan Funding SCS) Warner Chilcott Limited, Actavis Capital S.à r.l. (now known as Allergan Capital S.à r.l.) and Actavis, Inc. (now known as Allergan Finance, LLC), as guarantors and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to Allergan plc's Current Report on Form 8-K, filed with the SEC on March 12, 2015).
4.26	Second Supplemental Indenture, dated as of May 7, 2015, among Actavis Funding SCS (now known as Allergan Funding SCS) and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.20 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 11, 2015).

Exhibit No.	Description
4.27	Third Supplemental Indenture, dated as of May 26, 2017, among Allergan Funding SCS and Wells Fargo Bank, National Association, as trustee, including the forms of Allergan Funding SCS's 0.500% Notes due 2021, 1.250% Notes due 2024, 2.215% Notes due 2029 and Floating Rate Notes due 2019 (incorporated by reference to Exhibit 4.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on May 26, 2017).
4.28	Fourth Supplemental Indenture, dated as of November 15, 2018, among Allergan Funding SCS and Wells Fargo Bank, National Association, as trustee, including the forms of Allergan Funding SCS's 1.500% Notes due 2023, 2.625% Notes due 2028 and Floating Rate Notes due 2020 (incorporated by reference to Exhibit 4.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on November 15, 2018).
4.29*	Fifth Supplemental Indenture, dated as of November 7, 2019, by and among Allergan Funding SCS, the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee.
4.30*	First Supplemental Indenture, dated as of November 7, 2019, by and among Allergan Funding SCS, the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee.
4.31*	Fifth Supplemental Indenture, dated as of November 7, 2019, by and among Allergan Sales, LLC, Allergan plc and Wells Fargo Bank, National Association, as trustee.
4.32*	Fifth Supplemental Indenture, dated as of November 7, 2019, by and among Allergan Sales, LLC, Allergan plc and Wells Fargo Bank, National Association, as trustee.
4.33*	Third Supplemental Indenture, dated as of November 7, 2019, by and among Allergan, Inc., Allergan plc, Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee.
4.34*	Third Supplemental Indenture, dated as of November 7, 2019, by and among Allergan, Inc., Allergan plc, Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee.
4.35*	Sixth Supplemental Indenture, dated as of November 7, 2019, by and among Allergan Finance, LLC, Allergan plc, Warner Chilcott Limited and Wells Fargo Bank, National Association, as trustee.
4.36*	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
10.1	Form of Director and Executive Officer Indemnity Agreement (incorporated by reference to Exhibit 10.1 to Allergan, Inc.'s Annual Report on Form 10-K for the Fiscal Year ended December 31, 2006).
10.2#	Amended and Restated Allergan plc 2011 Incentive Award Plan (incorporated by reference to Exhibit 10.1 to Allergan, plc's Quarterly Report on Form 10-Q for the Quarter ended June 30, 2016).
10.3#	Form of Non-Qualified Stock Option Grant Agreement for Employees under the Allergan, Inc. 2011 Incentive Award Plan (Amended February 2014) (incorporated by reference to Exhibit 10.40 to Allergan, Inc.'s Annual Report on Form 10-K for the Fiscal Year ended December 31, 2013).
10.4#	Form of Restricted Stock Unit Grant Agreement for Employees under the Allergan, Inc. 2011 Incentive Award Plan (Amended February 2014) (incorporated by reference to Exhibit 10.41 to Allergan, Inc.'s Annual Report on form 10-K for the Fiscal Year ended December 31, 2013).
10.5#	Form of Restricted Stock Unit Award Grant Agreement for Employees under the Allergan, Inc. 2011 Incentive Award Plan (Amended February 2015) (incorporated by reference to Exhibit 10.48 to Allergan, Inc.'s Annual Report on Form 10-K for the Fiscal Year ended December 31, 2014).
10.6#	Form of Non-Qualified Stock Option Grant Agreement for Employees under the Allergan, Inc. 2011 Incentive Award Plan (Amended February 2015) (incorporated by reference to Exhibit 10.50 to Allergan, Inc.'s Annual Report on Form 10-K for the Fiscal Year ended December 31, 2014).
10.7#	Form of Non-Qualified Stock Option Grant Agreement for Employees under the Amended and Restated Allergan, Inc. 2011 Incentive Award Plan (March 2015) (incorporated by reference to Exhibit 10.35 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 11, 2015).
10.8#	Form of Performance-Based Restricted Stock Unit Award Grant Agreement for Employees under the Amended and Restated Allergan, Inc. 2011 Incentive Award Plan (March 2015) (incorporated by reference to Exhibit 10.36 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 11, 2015).

Exhibit No.	Description
10.9#	Form of Restricted Stock Unit Award Grant Agreement for Employees under the Amended and Restated Allergan, Inc. 2011 Incentive Award Plan (March 2015) (incorporated by reference to Exhibit 10.37 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 11, 2015).
10.10	Form of Deed of Indemnification, Actavis plc (now known as Allergan plc) (incorporated by reference to Exhibit 10.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on March 18, 2015).
10.11	Form of Indemnification Agreement, Actavis W.C. Holding Inc. (now known as Allergan W.C. Holding Inc.) (incorporated by reference to Exhibit 10.2 to Allergan plc's Current Report on Form 8-K, filed with the SEC on March 18, 2015).
10.12	Form of Deed of Indemnification, Actavis plc (now known as Allergan plc) (incorporated by reference to Exhibit 10.6 of Allergan plc's Current Report on Form 8-K, filed with the SEC on October 2, 2013).
10.13	Form of Deed of Indemnification, Actavis plc (now known as Allergan plc) (incorporated by reference to Exhibit 10.4 of Allergan plc's Current Report on Form 8-K, filed with the SEC on July 3, 2014).
10.14	Form of Indemnification Agreement, Actavis W.C. Holding Inc. (now known as Allergan W.C. Holding Inc.) (incorporated by reference to Exhibit 10.7 of Allergan plc's Current Report on Form 8-K, filed with the SEC on October 2, 2013).
10.15	Form of Indemnification Agreement, Actavis W.C. Holding Inc. (now known as Allergan W.C. Holding Inc.) (incorporated by reference to Exhibit 10.5 of Allergan plc's Current Report on Form 8-K, filed with the SEC on July 3, 2014).
10.16#	Form of Transformation Incentive Award Agreement (incorporated by reference to Exhibit 10.3 to Allergan plc's Current Report on Form 8-K filed on March 18, 2015).
10.17#	Form of retention bonus letter (one payment) (incorporated by reference to Exhibit 10.26 to Allergan plc's Annual Report on Form 10-K, filed with the SEC for the year ended December 31, 2013).
10.18#	Form of retention bonus letter (two payments) (incorporated by reference to Exhibit 10.27 to Allergan plc's Annual Report on Form 10-K, filed with the SEC for the year ended December 31, 2013).
10.19#	The Amended and Restated 2013 Incentive Award Plan of Allergan plc (incorporated by reference to Exhibit 10.2 of Allergan plc's Report on Form 10-Q filed with the SEC for the Quarter ended June 30, 2016).
10.20#	Employee Severance Pay Plan for Employees of Actavis Inc. (now known as Allergan Finance, LLC) and Certain of Its U.S. Subsidiaries (incorporated by reference to Exhibit 10.1 of Allergan plc's Quarterly Report on Form 10-Q for the period ending March 31, 2014).
10.21#	2004 Stock Option Plan of Forest Laboratories, Inc. (incorporated by reference to Appendix C of Forest Laboratories, Inc.'s Proxy Statement for the fiscal year ended March 31, 2004 filed with the SEC on June 28, 2004).
10.22#	2007 Equity Incentive Plan of Forest Laboratories, Inc., as amended (incorporated by reference to Exhibit 10.1 of Forest Laboratories, Inc.'s Current Report on Form 8-K filed with the SEC on August 21, 2013).
10.23#	Amendment to 2007 Equity Incentive Plan of Forest Laboratories, Inc., as amended (Amended Forest Plan) (incorporated by reference to Exhibit 99.7 of the Actavis July 1, 2014 S-8).
10.24#	Form of Notice of Grant and Signature Page and Form of Option Award Agreement (Actavis Plan) (incorporated by reference to Exhibit 99.5 of the Actavis July 1, 2014 S-8).
10.25#	Form of Notice of Grant and Signature Page and Form of Restricted Stock Unit Award Agreement (Actavis Plan) (incorporated by reference to Exhibit 99.6 of the Actavis July 1, 2014 S-8).
10.26#	Form of Notice of Grant and Signature Page and Form of Other Cash-Based Award Agreement (Actavis Plan) (incorporated by reference to Exhibit 10.44 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on August 5, 2014).
10.27#	Form of Amended and Restated Other Cash-Based Award Agreement (incorporated by reference to Exhibit 10.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on August 8, 2016).
10.28#	Form Employee Stock Unit Agreement (Performance-Based Conditions) (Forest Plan) (incorporated by reference to Exhibit 99.8 of the Actavis July 1, 2014 S-8).

Exhibit No.	Description
10.29	Amended and Restated Stockholder Voting Agreement, dated as of August 4, 2015, by and between Allergan plc andthe individuals listed therein (incorporated by reference to Exhibit 10.1 to Allergan plc's Current Report on Form 8-K, filed with the SEC on August 5, 2015).
10.30#	Form of Notice of Grant and Signature Page and Form of Other Cash-Based Award Agreement (The Amended and Restated 2013 Incentive Award Plan of Actavis plc) (incorporated by reference to Exhibit 10.3 to Allergan plc's Current Report on Form 8-K, filed with the SEC on March 18, 2015).
10.31#	Form of Performance-Based Restricted Stock Unit Award Grant Agreement for Employees under the Amended and Restated 2013 Incentive Award Plan of Allergan plc (incorporated by reference to Exhibit 10.1 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 9, 2017).
10.32#	Allergan plc 2017 Executive Severance Plan (Effective July 20, 2017) (incorporated by reference to Exhibit 10.1 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on August 9, 2017).
10.33#	Amended and Restated Employment Agreement, dated August 3, 2015, between Allergan plc and Brenton L. Saunders (incorporated by reference to Exhibit 10.3 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on August 6, 2015).
10.34#	Separation Agreement and Release between Maria Teresa Hilado and Allergan, Inc. dated February 6, 2018 (incorporated by reference to Exhibit 10.48 to Allergan plc's Annual Report on Form 10-K, filed with the SEC on February 16, 2018).
10.35#	Consulting Agreement by and between Allergan plc and Maria Teresa Hilado dated as of February 6, 2018 (incorporated by reference to Exhibit 10.49 to Allergan plc's Annual Report on Form 10-K, filed with the SEC on February 16, 2018).
10.36#	Separation Agreement by and between Robert A. Stewart and Allergan, Inc. dated as of March 8, 2018 (incorporated by reference to Exhibit 10.1 to Allergan plc's Quarterly Report on Form 10-Q, filed with the SEC on May 3, 2018.
10.37#	Offer Letter from Allergan plc to Matthew M. Walsh, dated January 30, 2018 (incorporated by reference to Exhibit 10.2 to Allergan plc's Amended Quarterly Report on Form 10-Q/A, filed with the SEC on May 25, 2018).
21.1*	Subsidiaries of the Company.
23.1*	Allergan plc Consent of PricewaterhouseCoopers LLP.
23.2*	Warner Chilcott Limited Consent of PricewaterhouseCoopers LLP.
24.1*	Power of Attorney
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14a of the Securities Exchange Act of 1934.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14a of the Securities Exchange Act of 1934.
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. of Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. of Section 1350, as adopted pursuant to by Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Label Definition Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

# Indicates a management contract or compensatory plan or arrangement.

* Filed herewith.

** Furnished herewith and not “filed” for purposes of Section 18 of the Exchange Act.

ITEM 16. ***Form 10-K Summary***

Not applicable.

SIGNATURES Registrant

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized on the 18th day of February 2020.

ALLERGAN plc

By: /s/ Brenton L. Saunders
Brenton L. Saunders
Chief Executive Officer and President

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons and in the capacities indicated on the 18th day of February 2020.

Signature	Title
/s/ Brenton L. Saunders **Brenton L. Saunders**	Chairman, Chief Executive Officer, President, Director
/s/ Matthew M. Walsh **Matthew M. Walsh**	Executive Vice President and Chief Financial Officer
/s/ James C. D'Arecca **James C. D'Arecca**	Chief Accounting Officer
* **Nesli Basgoz, M.D.**	Director
* **Joseph H. Boccuzi**	Director
* **Christopher W. Bodine**	Director
* **Adriane M. Brown**	Director
* **Christopher J. Coughlin**	Director
* **Carol Anthony (John) Davidson**	Director
* **Michael E. Greenberg, PhD**	Director
* **Thomas C. Freyman**	Director
* **Robert J. Hugin**	Director
* **Peter J. McDonnell, M.D.**	Director

*By: /s/ A. Robert D. Bailey
A. Robert D. Bailey
Attorney-in-fact

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized on the 18th day of February 2020.

WARNER CHILCOTT LIMITED

By: /s/ A. Robert D. Bailey
A. Robert D. Bailey
Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons and in the capacities indicated on the 18th day of February 2020.

Signature	Title
/s/ James C. D'Arecca **James C. D'Arecca**	Chief Accounting Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ A. Robert D. Bailey **A. Robert D. Bailey**	Authorized Representative in the United States
/s/ Patricia Haran **Patricia Haran**	Director
/s/ Donnan Hurst **Donnan Hurst**	Director

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

The following Consolidated Financial Statements of the Registrants and their subsidiaries are required to be included in Item 15:

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Allergan plc

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Allergan plc and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations, of comprehensive (loss) income, of equity and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes and financial statement schedule listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Changes in Accounting Principles

As discussed in Note 4 and Note 20 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019 and the manner in which it accounts for goodwill and income taxes in 2018.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting of Allergan plc appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill Impairment Assessment

As described in Notes 4 and 17 to the consolidated financial statements, the Company has a consolidated goodwill balance of $42,248 million as of December 31, 2019. Management tests goodwill for impairment annually in the second quarter and may perform interim tests if an event occurs or circumstances change that could potentially reduce the fair value of a reporting unit below its carrying amount. The carrying value of each reporting unit is determined by management by assigning the assets and liabilities, including the existing goodwill, to those reporting units. Goodwill is considered impaired if the carrying amount of the net assets exceeds the fair value of a reporting unit. Fair value is estimated by management using a discounted cash flow model. Management's cash flow projections include significant judgments and assumptions related to the discount rate, revenue forecasts, operating margins, impact of research and development pipeline events, and the long-term revenue growth rate.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment is a critical audit matter are there was significant judgment by management when developing the fair value measurements of the Company's reporting units. This in turn led to significant auditor judgment, subjectivity and effort in performing procedures to evaluate management's significant assumptions, including the discount rate, revenue forecasts and the impact of research and development pipeline events. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessment, including controls over the valuation of the Company's reporting units. These procedures also included, among others, testing management's process for developing the fair value estimates, evaluating the appropriateness of the discounted cash flow models, testing the completeness, accuracy and relevance of underlying data used in the models, and evaluating the significant assumptions used by management, including the discount rate, revenue forecasts and the impact of research and development pipeline events. Evaluating management's assumptions related to revenue forecasts and the impact of research and development pipeline events involved evaluating whether the assumptions used by management were reasonable considering historical performance of the reporting units, consistency with third party market and industry data or third party analyses, and consistency with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow models and certain significant assumptions, including the discount rates.

Acquired In-Process Research and Development – Gastrointestinal (GI) Project Impairment Assessment

As described in Notes 4 and 17 to the consolidated financial statements, the Company has a consolidated in-process research and development (IPR&D) balance of $4,537 million as of December 31, 2019, of which a significant portion relates to a GI Project acquired as part of the Tobira Therapeutics acquisition in 2016. Management tests acquired IPR&D for impairment annually in the second quarter. Additionally, management may perform interim tests if an event occurs or circumstances change that could potentially reduce the fair value of an acquired IPR&D asset below its carrying amount. Acquired IPR&D assets are subject to impairment testing until completion or abandonment of each project. Upon abandonment, the assets are impaired if there is no future alternative use or ability to sell the asset. Fair value is estimated by management using a discounted cash flow model. Impairment testing requires management to develop significant estimates and assumptions involving the determination of the fair value of the IPR&D asset, including estimated revenues, the probability of success of the project, determination of the appropriate discount rate, assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions.

The principal considerations for our determination that performing procedures relating to the acquired in-process research and development for GI project impairment assessment is a critical audit matter are there was significant judgment by management when developing the fair value measurement of the acquired in-process research and development. This in turn led to significant auditor judgment, subjectivity and effort in performing procedures to evaluate management's cash flow projections and significant assumptions, including estimated revenues, the probability of success of the project, determination of the appropriate discount rate,

assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's acquired in-process research and development impairment assessment, including controls over the valuation of the Company's acquired in-process research and development assets. These procedures also included, among others, testing management's process for developing the fair value estimate, evaluating the appropriateness of the discounted cash flow model, testing the completeness, accuracy and relevance of underlying data used in the model, and evaluating the significant assumptions used by management, including estimated revenues, the probability of success of the project, determination of the appropriate discount rate, assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions. Evaluating management's assumptions related to estimated revenues, the probability of success of the project, determination of the appropriate discount rate, assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions involved evaluating whether the assumptions used by management were reasonable considering the historical performance of similar commercial products, reviewing third party market and industry data or third party analyses, and consistency with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow model and certain significant assumptions, including the discount rate.

Uncertain Tax Positions

As described in Notes 4 and 20 to the consolidated financial statements, the Company has recorded liabilities for uncertain tax positions of $1,214 million as of December 31, 2019. The Company conducts business globally and as a result, files U.S. federal, state and foreign tax returns. Management strives to resolve open matters with each tax authority at the examination level and could reach agreement with a tax authority at any time. Inherent in uncertain tax positions are various assumptions, including management's judgments as to the interpretation of tax law, management's expectations regarding the outcome of tax authority examinations, as well as the ultimate measurement of potential liabilities.

The principal considerations for our determination that performing procedures relating to uncertain tax positions is a critical audit matter are there was significant judgment used by management when determining uncertain tax positions, including a high degree of estimation uncertainty relative to the numerous and complex tax laws, frequency of tax audits, and potential for significant adjustments as a result of such audits. This in turn led to a high degree of auditor judgment, effort and subjectivity in performing procedures to evaluate the timely identification and accurate measurement of uncertain tax positions. Also, the evaluation of audit evidence available to support the tax liabilities for uncertain tax positions is complex and required significant auditor judgment as the nature of the evidence is often highly subjective, and the audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the identification and recognition of the liability for uncertain tax positions, and controls addressing completeness of the uncertain tax positions, as well as controls over measurement of the liability. These procedures also included, among others, (i) testing the information used in the calculation of the liability for uncertain tax positions, including intercompany agreements, international, federal, and state filing positions, and the related final tax returns; (ii) testing the calculation of the liability for uncertain tax positions by jurisdiction, including management's assessment of the technical merits of tax positions and estimates of the amount of tax benefit expected to be sustained; (iii) testing the completeness of management's assessment of both the identification of uncertain tax positions and possible outcomes of each uncertain tax position; and (iv) evaluating the status and results of income tax audits with the relevant tax authorities. Professionals with specialized skill and knowledge were used to assist in the evaluation of the completeness and measurement of the Company's uncertain tax positions, including evaluating the reasonableness of management's assessment of whether tax positions are more-likely-than-not of being sustained and the amount of potential benefit to be realized, the application of relevant tax laws, and estimated interest and penalties.

Third-Party Managed Care, Medicare Part D and Medicaid Rebates

As described in Note 4 to the consolidated financial statements, the Company's gross product sales in the United States are reduced by various sales-related deductions including, but not limited to: chargebacks, trade discounts, sales returns and allowances, commercial and government rebates, customer loyalty programs and fee-for-service arrangements with certain distributors which the Company refers to in the aggregate as sales returns and allowances (SRAs) in order to arrive at reported net sales. The estimated SRAs are recorded at the time the Company sells product. The SRAs are recorded as a reduction to gross revenue and have a related balance sheet reserve under accounts receivable or accrued liabilities. The provisions for third-party managed care, Medicare Part D and Medicaid rebates are estimated by management based on historical payment experience, historical relationship of deductions to gross product revenues, government regulations, estimated utilization or redemption rates, estimated customer inventory levels and current

contract sales terms. The amounts recognized within accrued liabilities for SRAs relating to rebates amounted to $2,103 million as of December 31, 2019. As disclosed by management, the majority of rebates pertain to incentives to indirect customers, including third-party managed care and Medicare Part D rebates and Medicaid rebates.

The principal considerations for our determination that performing procedures relating to third-party managed care, Medicare Part D, and Medicaid rebates is a critical audit matter are there was significant judgment by management due to the significant measurement uncertainty involved in developing these reserves, as the reserves are based on assumptions using historical payment experience, government regulations, estimated utilization or redemption rates, estimated customer inventory levels and current contract sales terms. This in turn led to significant auditor judgment, effort, and subjectivity in applying procedures relating to these assumptions. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue reductions and associated accruals for the third-party managed care, Medicare Part D, and Medicaid rebate programs, including controls over the assumptions used to estimate these rebates. These procedures also included, among others, (i) developing an independent estimate of the rebates by utilizing historical Company experience and current wholesale/retail inventory levels, (ii) comparing the independent estimate to management's estimates, (iii) testing rebate payments processed by the Company, including evaluating those payments for consistency with the contractual and mandated terms of the Company's rebate arrangements, and (iv) evaluating management's analysis over the current year movement in rebate accrual balances, including corroborating the movements by obtaining and evaluating relevant supporting documentation. Professionals with specialized skill and knowledge were used to assist in the evaluation of the appropriateness of the Company's application of the US governmental rebate program.

/s/ PricewaterhouseCoopers LLP
Florham Park, New Jersey
February 18, 2020

We have served as the Company's auditor since at least 1994. We have not been able to determine the specific year we began serving as auditor of the Company

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Members of Warner Chilcott Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Warner Chilcott Limited and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations, of comprehensive (loss) income, of equity and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes and financial statement schedule listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 4 and Note 20 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019 and the manner in which it accounts for goodwill and income taxes in 2018.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Florham Park, New Jersey
February 18, 2020

We have served as the Company's auditor since 2014.

ALLERGAN PLC
CONSOLIDATED BALANCE SHEETS
(In millions, except par value and share data)

	December 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,503.3	$ 880.4
Marketable securities	3,411.6	1,026.9
Accounts receivable, net	3,192.3	2,868.1
Inventories	1,133.1	846.9
Current assets held for sale	-	34.0
Prepaid expenses and other current assets	886.4	819.1
Total current assets	11,126.7	6,475.4
Property, plant and equipment, net	1,926.5	1,787.0
Right of use asset - operating leases	490.4	-
Investments and other assets	408.0	1,970.6
Non current assets held for sale	31.7	882.2
Deferred tax assets	576.9	1,063.7
Product rights and other intangibles	37,890.6	43,695.4
Goodwill	42,248.3	45,913.3
Total assets	$ 94,699.1	$ 101,787.6
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,348.7	$ 4,787.2
Income taxes payable	65.1	72.4
Current portion of long-term debt and capital leases	4,532.5	868.3
Current portion of lease liability - operating	124.4	-
Total current liabilities	11,070.7	5,727.9
Long-term debt and capital leases	18,116.5	22,929.4
Lease liability - operating	446.1	-
Other long-term liabilities	800.9	882.0
Other taxes payable	1,704.8	1,615.5
Deferred tax liabilities	4,363.7	5,501.8
Total liabilities	36,502.7	36,656.6
Commitments and contingencies (Refer to Note 26)		
Equity:		
Ordinary shares; $0.0001 par value per share; 1,000.0 million shares authorized, 328.6 million and 332.6 million shares issued and outstanding, respectively	-	-
Additional paid-in capital	55,974.9	56,510.0
Retained earnings	991.5	7,258.9
Accumulated other comprehensive income	1,207.2	1,345.2
Total shareholders' equity	58,173.6	65,114.1
Noncontrolling interest	22.8	16.9
Total equity	58,196.4	65,131.0
Total liabilities and equity	$ 94,699.1	$ 101,787.6

See accompanying Notes to the Consolidated Financial Statements.

ALLERGAN PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Years Ended December 31,		
	2019	**2018**	**2017**
Net revenues	$ 16,088.9	$ 15,787.4	$ 15,940.7
Operating expenses:			
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	2,493.1	2,191.4	2,168.0
Research and development	1,812.0	2,266.2	2,100.1
Selling and marketing	3,461.7	3,250.6	3,514.8
General and administrative	2,481.8	1,271.2	1,501.9
Amortization	5,856.6	6,552.3	7,197.1
Goodwill impairments	3,552.8	2,841.1	-
In-process research and development impairments	436.0	804.6	1,452.3
Asset sales and impairments, net	440.2	2,857.6	3,927.7
Total operating expenses	20,534.2	22,035.0	21,861.9
Operating (loss)	(4,445.3)	(6,247.6)	(5,921.2)
Interest income	76.8	45.2	67.7
Interest (expense)	(783.0)	(911.2)	(1,095.6)
Other income / (expense), net	32.8	256.7	(3,437.3)
Total other (expense), net	(673.4)	(609.3)	(4,465.2)
(Loss) before income taxes and noncontrolling interest	(5,118.7)	(6,856.9)	(10,386.4)
Provision / (Benefit) for income taxes	146.4	(1,770.7)	(6,670.4)
Net (loss) from continuing operations, net of tax	(5,265.1)	(5,086.2)	(3,716.0)
(Loss) / income from discontinued operations, net of tax	-	-	(402.9)
Net (loss) / income	(5,265.1)	(5,086.2)	(4,118.9)
(Income) attributable to noncontrolling interest	(5.9)	(10.2)	(6.6)
Net (loss) / income attributable to shareholders	(5,271.0)	(5,096.4)	(4,125.5)
Dividends on preferred shares	-	46.4	278.4
Net (loss) / income attributable to ordinary shareholders	$ (5,271.0)	$ (5,142.8)	$ (4,403.9)
(Loss) / income per share attributable to ordinary shareholders - basic:			
Continuing operations	$ (16.02)	$ (15.26)	$ (11.99)
Discontinued operations	-	-	(1.20)
Net (loss) / income per share - basic	$ (16.02)	$ (15.26)	$ (13.19)
(Loss) / income per share attributable to ordinary shareholders - diluted:			
Continuing operations	$ (16.02)	$ (15.26)	$ (11.99)
Discontinued operations	-	-	(1.20)
Net (loss) / income per share - diluted	$ (16.02)	$ (15.26)	$ (13.19)
Weighted average ordinary shares outstanding:			
Basic	329.0	337.0	333.8
Diluted	329.0	337.0	333.8

See accompanying Notes to the Consolidated Financial Statements.

ALLERGAN PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) / INCOME
(In millions)

	Years Ended December 31,		
	2019	**2018**	**2017**
Net (loss) / income	$ (5,265.1)	$ (5,086.2)	$ (4,118.9)
Other comprehensive (loss) / income			
Foreign currency translation (losses) / gains	(151.8)	(474.4)	1,248.0
Net impact of other-than-temporary loss on investment in Teva securities	-	-	1,599.4
Unrealized (losses) / gains, net of tax	13.8	(38.1)	111.7
Total other comprehensive (loss) / income, net of tax	(138.0)	(512.5)	2,959.1
Comprehensive (loss) / income	(5,403.1)	(5,598.7)	(1,159.8)
Comprehensive (income) attributable to noncontrolling interest	(5.9)	(10.2)	(6.6)
Comprehensive (loss) / income attributable to ordinary shareholders	$ (5,409.0)	$ (5,608.9)	$ (1,166.4)

See accompanying Notes to the Consolidated Financial Statements.

ALLERGAN PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2019	**2018**	**2017**
Cash Flows From Operating Activities:			
Net (loss) / income	$ (5,265.1)	$ (5,086.2)	$ (4,118.9)
Reconciliation to net cash provided by operating activities:			
Depreciation	204.5	196.3	171.5
Amortization	5,856.6	6,552.3	7,197.1
Provision for inventory reserve	160.2	96.4	102.2
Share-based compensation	214.3	239.8	293.3
Deferred income tax benefit	(660.9)	(1,255.7)	(7,783.1)
Goodwill impairments	3,552.8	2,841.1	-
In-process research and development impairments	436.0	804.6	1,452.3
Loss on asset sales and impairments, net	440.2	2,857.6	3,927.7
Net income impact of other-than-temporary loss on investment in Teva securities	-	-	3,273.5
Charge to settle Teva related matters	-	-	387.4
Loss on forward sale of Teva shares	-	-	62.9
Gain on sale of Teva securities, net	-	(60.9)	-
Amortization of inventory step-up	-	-	131.7
Gain on sale of businesses	-	(182.6)	-
Non-cash extinguishment of debt	0.2	30.0	(15.7)
Cash (discount) / charge related to extinguishment of debt	-	(45.6)	205.6
Amortization of deferred financing costs	17.5	22.6	27.8
Amortization of right of use assets	130.9	-	-
Contingent consideration adjustments, including accretion	54.1	(106.5)	(133.2)
Other, net	(5.5)	29.0	(37.0)
Changes in assets and liabilities (net of effects of acquisitions):			
Decrease / (increase) in accounts receivable, net	(358.8)	(37.0)	(188.3)
Decrease / (increase) in inventories	(393.4)	(145.7)	(144.8)
Decrease / (increase) in prepaid expenses and other current assets	(78.1)	4.3	27.9
Increase / (decrease) in accounts payable and accrued expenses	1,434.4	151.6	95.9
Increase / (decrease) in income and other taxes payable	1,697.9	(1,191.6)	1,114.1
Increase / (decrease) in other assets and liabilities	(199.1)	(73.7)	29.1
Net cash provided by operating activities	7,238.7	5,640.1	6,079.0
Cash Flows From Investing Activities:			
Additions to property, plant and equipment	(375.2)	(253.5)	(349.9)
Additions to product rights and other intangibles	(58.3)	-	(614.3)
Additions to investments	(3,938.0)	(2,471.7)	(9,783.8)
Proceeds from sale of investments and other assets	1,569.6	6,259.3	15,153.3
Payments to settle Teva related matters	-	(466.0)	-
Proceeds from sales of property, plant and equipment	23.7	30.4	7.1
Acquisitions of businesses, net of cash acquired	(80.6)	-	(5,290.4)
Net cash provided by / (used in) investing activities	(2,858.8)	3,098.5	(878.0)
Cash Flows From Financing Activities:			
Proceeds from borrowings of long-term indebtedness, including credit facility	11.9	2,657.0	3,550.0
Payments on debt, including capital lease obligations and credit facility	(1,044.9)	(8,804.5)	(6,413.6)
Debt issuance and other financing costs	-	(10.4)	(20.6)
Cash charge related to extinguishment of debt	-	-	(205.6)
Payments of contingent consideration and other financing	(9.3)	(30.9)	(511.6)
Proceeds from stock plans	91.2	102.4	183.4
Proceeds from forward sale of Teva securities	-	465.5	-
Payments to settle Teva related matters	-	(234.0)	-
Repurchase of ordinary shares	(840.6)	(2,775.4)	(493.0)
Dividends paid	(974.4)	(1,049.8)	(1,218.2)
Net cash (used in) financing activities	(2,766.1)	(9,680.1)	(5,129.2)
Effect of currency exchange rate changes on cash and cash equivalents	9.1	4.7	21.4
Net (decrease) / increase in cash and cash equivalents	1,622.9	(936.8)	93.2
Cash and cash equivalents at beginning of period	880.4	1,817.2	1,724.0
Cash and cash equivalents at end of period	$ 2,503.3	$ 880.4	$ 1,817.2
Supplemental Disclosures of Cash Flow Information:			
Cash paid / (received) during the year for:			
Income taxes other, net of refunds	$ (876.5)	$ 717.4	$ (5.1)
Interest	$ 784.9	$ 965.7	$ 1,144.4
Schedule of Non-Cash Investing and Financing Activities:			
Conversion of mandatory convertible preferred shares	$ -	$ 4,929.7	$ -
Settlement of Teva Shares	$ -	$ 465.5	$ -
Settlement of secured financing	$ -	$ (465.5)	$ -
Non-cash equity issuance for the acquisition of Zeltiq net assets	$ -	$ -	$ 8.5
Dividends accrued	$ 1.1	$ 1.4	$ 24.6

See accompanying Notes to the Consolidated Financial Statements .

ALLERGAN PLC
CONSOLIDATED STATEMENTS OF EQUITY
(In millions)

	Ordinary Shares		Preferred Shares		Additional Paid-in-	Retained Earnings/ (Accumulated	Accumulated Other Comprehensive	Noncontrolling	
	Shares	Amount	Shares	Amount	Capital	Deficit)	Income / (Loss)	Interest	Total
BALANCE, January 1, 2017	**334.9**	**$ -**	**5.1**	**$ 4,929.7**	**$ 53,958.9**	**$ 18,342.5**	**$ (1,038.4)**	**$ 7.8**	**76,200.5**
Comprehensive (loss):									
Net (loss) attributable to shareholders	-	-	-	-	-	(4,125.5)	-	-	(4,125.5)
Other comprehensive income, net of tax	-	-	-	-	-	-	1,359.7	-	1,359.7
Net impact of other-than-temporary loss on investment in Teva securities	-	-	-	-	-	-	1,599.4	-	1,599.4
Share-based compensation	-	-	-	-	293.3	-	-	-	293.3
Issuance for the Zeltiq acquisition	-	-	-	-	8.5	-	-	-	8.5
Ordinary shares issued under employee stock plans	2.2	-	-	-	183.4	-	-	-	183.4
Impact of change in accounting for share-based compensation plans	-	-	-	-	62.4	(41.6)	-	-	20.8
Dividends declared	-	-	-	-	-	(1,218.2)	-	-	(1,218.2)
Repurchase of ordinary shares under the share repurchase programs including repurchases under the ASR program	(6.8)	-	-	-	(450.0)	-	-	-	(450.0)
Repurchase of ordinary shares	(0.1)	-	-	-	(43.0)	-	-	-	(43.0)
Movement in noncontrolling interest	-	-	-	-	-	-	-	8.2	8.2
BALANCE, December 31, 2017	**330.2**	**$ -**	**5.1**	**$ 4,929.7**	**$ 54,013.5**	**$ 12,957.2**	**$ 1,920.7**	**$ 16.0**	**$ 73,837.1**
Comprehensive (loss):									
Net (loss) attributable to shareholders	-	-	-	-	-	(5,096.4)	-	-	(5,096.4)
Other comprehensive (loss), net of tax	-	-	-	-	-	-	(512.5)	-	(512.5)
Share-based compensation	-	-	-	-	239.8	-	-	-	239.8
Ordinary shares issued under employee stock plans	1.6	-	-	-	102.4	-	-	-	102.4
Dividends declared	-	-	-	-	-	(1,026.6)	-	-	(1,026.6)
Conversion of Mandatory Preferred Shares	17.8	-	(5.1)	(4,929.7)	4,929.7	-	-	-	-
Implementation of new accounting pronouncements	-	-	-	-	-	424.7	(63.0)	-	361.7
Repurchase of ordinary shares under the share repurchase programs	(16.8)	-	-	-	(2,740.4)	-	-	-	(2,740.4)
Repurchase of ordinary shares	(0.2)	-		-	(35.0)	-	-	-	(35.0)
Movement in noncontrolling interest	-	-	-	-	-	-	-	0.9	0.9
BALANCE, December 31, 2018	**332.6**	**$ -**	**-**	**$ -**	**$ 56,510.0**	**$ 7,258.9**	**$ 1,345.2**	**$ 16.9**	**$ 65,131.0**
Implementation of new accounting pronouncements	-	-	-	-	-	(22.0)	-	-	(22.0)
BALANCE, January 1, 2019	**332.6**	**-**	**-**	**-**	**56,510.0**	**7,236.9**	**1,345.2**	**16.9**	**65,109.0**
Comprehensive (loss):									
Net (loss) attributable to shareholders	-	-	-	-	-	(5,271.0)	-	-	(5,271.0)
Other comprehensive (loss), net of tax	-	-	-	-	-	-	(138.0)	-	(138.0)
Share-based compensation	-	-	-	-	214.3	-	-	-	214.3
Ordinary shares issued under employee stock plans	1.6	-	-	-	91.2	-	-	-	91.2
Dividends declared	-	-	-	-	-	(974.4)	-	-	(974.4)
Repurchase of ordinary shares under the share repurchase programs	(5.3)	-	-	-	(800.0)	-	-	-	(800.0)
Repurchase of ordinary shares	(0.3)	-	-	-	(40.6)	-	-	-	(40.6)
Movement in noncontrolling interest		-	-	-	-	-	-	5.9	5.9
BALANCE, December 31, 2019	**328.6**	**-**	**-**	**-**	**55,974.9**	**991.5**	**1,207.2**	**22.8**	**58,196.4**

See accompanying Notes to the Consolidated Financial Statements.

WARNER CHILCOTT LIMITED
CONSOLIDATED BALANCE SHEETS
(In millions)

	December 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,497.1	$ 878.6
Marketable securities	3,411.6	1,026.9
Accounts receivable, net	3,192.3	2,868.1
Receivables from Parents	409.3	640.9
Inventories	1,133.1	846.9
Current assets held for sale	-	34.0
Prepaid expenses and other current assets	886.4	818.7
Total current assets	11,529.8	7,114.1
Property, plant and equipment, net	1,926.5	1,787.0
Right of use asset - operating leases	490.4	-
Investments and other assets	408.0	1,970.6
Non current assets held for sale	31.7	882.2
Deferred tax assets	576.9	1,063.7
Product rights and other intangibles	37,890.6	43,695.4
Goodwill	42,248.3	45,913.3
Total assets	$ 95,102.2	$ 102,426.3
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,347.0	$ 4,787.4
Payables to Parents	2,715.5	2,829.2
Income taxes payable	65.1	72.4
Current portion of long-term debt and capital leases	4,532.5	868.3
Current portion of lease liability - operating	124.4	-
Total current liabilities	13,784.5	8,557.3
Long-term debt and capital leases	18,116.5	22,929.4
Lease liability - operating	446.1	-
Other long-term liabilities	801.4	882.0
Other taxes payable	1,698.6	1,615.5
Deferred tax liabilities	4,363.2	5,501.8
Total liabilities	39,210.3	39,486.0
Commitments and contingencies (Refer to Note 26)		
Equity:		
Members' capital	64,023.6	65,797.9
Retained earnings	(9,361.7)	(4,219.7)
Accumulated other comprehensive income	1,207.2	1,345.2
Total members’ equity	55,869.1	62,923.4
Noncontrolling interest	22.8	16.9
Total equity	55,891.9	62,940.3
Total liabilities and equity	$ 95,102.2	$ 102,426.3

See accompanying Notes to the Consolidated Financial Statements.

WARNER CHILCOTT LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)

	Years Ended December 31,		
	2019	**2018**	**2017**
Net revenues	$ 16,088.9	$ 15,787.4	$ 15,940.7
Operating expenses:			
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	2,493.1	2,191.4	2,168.0
Research and development	1,812.0	2,266.2	2,100.1
Selling and marketing	3,461.7	3,250.6	3,514.8
General and administrative	2,330.8	1,177.5	1,402.3
Amortization	5,856.6	6,552.3	7,197.1
Goodwill impairments	3,552.8	2,841.1	-
In-process research and development impairments	436.0	804.6	1,452.3
Asset sales and impairments, net	440.2	2,857.6	3,927.7
Total operating expenses	20,383.2	21,941.3	21,762.3
Operating (loss)	(4,294.3)	(6,153.9)	(5,821.6)
Interest income	76.8	270.1	166.3
Interest (expense)	(783.0)	(911.2)	(1,095.6)
Other income / (expense), net	32.8	256.7	(3,437.3)
Total other (expense), net	(673.4)	(384.4)	(4,366.6)
(Loss) before income taxes and noncontrolling interest	(4,967.7)	(6,538.3)	(10,188.2)
Provision / (Benefit) for income taxes	146.4	(1,776.4)	(6,670.4)
Net (loss) from continuing operations, net of tax	(5,114.1)	(4,761.9)	(3,517.8)
(Loss) / income from discontinued operations, net of tax	-	-	(402.9)
Net (loss) / income	(5,114.1)	(4,761.9)	(3,920.7)
(Income) attributable to noncontrolling interest	(5.9)	(10.2)	(6.6)
Net (loss) / income attributable to members	$ (5,120.0)	$ (4,772.1)	$ (3,927.3)

See accompanying Notes to the Consolidated Financial Statements.

WARNER CHILCOTT LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) / INCOME
(In millions)

	Years Ended December 31,		
	2019	**2018**	**2017**
Net (loss) / income	$ (5,114.1)	$ (4,761.9)	$ (3,920.7)
Other comprehensive (loss) / income			
Foreign currency translation (losses) / gains	(151.8)	(474.4)	1,248.0
Net impact of other-than-temporary loss on investment in Teva securities	-	-	1,599.4
Unrealized (losses) / gains, net of tax	13.8	(38.1)	111.7
Total other comprehensive (loss) / income, net of tax	(138.0)	(512.5)	2,959.1
Comprehensive (loss) / income	(5,252.1)	(5,274.4)	(961.6)
Comprehensive (income) attributable to noncontrolling interest	(5.9)	(10.2)	(6.6)
Comprehensive (loss) / income attributable to members	$ (5,258.0)	$ (5,284.6)	$ (968.2)

See accompanying Notes to the Consolidated Financial Statements.

WARNER CHILCOTT LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2019	**2018**	**2017**
Cash Flows From Operating Activities:			
Net (loss) / income	$ (5,114.1)	$ (4,761.9)	$ (3,920.7)
Reconciliation to net cash provided by operating activities:			
Depreciation	204.5	196.3	171.5
Amortization	5,856.6	6,552.3	7,197.1
Provision for inventory reserve	160.2	96.4	102.2
Share-based compensation	214.3	239.8	293.3
Deferred income tax benefit	(660.9)	(1,255.7)	(7,783.1)
Goodwill impairments	3,552.8	2,841.1	-
In-process research and development impairments	436.0	804.6	1,452.3
Loss on asset sales and impairments, net	440.2	2,857.6	3,927.7
Net income impact of other-than-temporary loss on investment in Teva securities	-	-	3,273.5
Charge to settle Teva related matters	-	-	387.4
Loss on forward sale of Teva shares	-	-	62.9
Gain on sale of Teva securities, net	-	(60.9)	-
Amortization of inventory step-up	-	-	131.7
Gain on sale of businesses	-	(182.6)	-
Non-cash extinguishment of debt	0.2	30.0	(15.7)
Cash (discount) / charge related to extinguishment of debt	-	(45.6)	205.6
Amortization of deferred financing costs	17.5	22.6	27.8
Amortization of right of use asset	130.9		
Contingent consideration adjustments, including accretion	54.1	(106.5)	(133.2)
Other, net	(5.5)	29.0	(37.0)
Changes in assets and liabilities (net of effects of acquisitions):			
Decrease / (increase) in accounts receivable, net	(358.8)	(37.0)	(188.3)
Decrease / (increase) in inventories	(393.4)	(145.7)	(144.8)
Decrease / (increase) in prepaid expenses and other current assets	(78.5)	4.7	28.8
Increase / (decrease) in accounts payable and accrued expenses	1,436.3	151.4	121.7
Increase / (decrease) in income and other taxes payable	1,697.9	(1,191.6)	1,114.1
Increase / (decrease) in other assets and liabilities, including receivable / payable with Parents	(305.5)	(46.3)	(45.5)
Net cash provided by operating activities	7,284.8	5,992.0	6,229.3
Cash Flows From Investing Activities:			
Additions to property, plant and equipment	(375.2)	(253.5)	(349.9)
Additions to product rights and other intangibles	(58.3)	-	(614.3)
Sale of businesses to Teva	-	-	-
Additions to investments	(3,938.0)	(2,471.7)	(9,783.8)
Proceeds from the sale of investments and other assets	1,569.6	6,259.3	15,153.3
Payments to settle Teva related matters	-	(466.0)	-
Proceeds from sales of property, plant and equipment	23.7	30.4	7.1
Acquisitions of businesses, net of cash acquired	(80.6)	-	(5,290.4)
Net cash provided by / (used in) investing activities	(2,858.8)	3,098.5	(878.0)
Cash Flows From Financing Activities:			
Proceeds from borrowings of long-term indebtedness, including credit facility	11.9	2,657.0	3,550.0
Payments on debt, including capital lease obligations and credit facility	(1,044.9)	(8,804.5)	(6,413.6)
Debt issuance and other financing costs	-	(10.4)	(20.6)
Cash charge related to extinguishment of debt	-	-	(205.6)
Payments of contingent consideration and other financing	(9.3)	(30.9)	(511.6)
Proceeds from forward sale of Teva securities	-	465.5	-
Payments to settle Teva related matters	-	(234.0)	-
Dividends to Parents	(1,774.3)	(4,075.6)	(1,668.2)
Net cash (used in) financing activities	(2,816.6)	(10,032.9)	(5,269.6)
Effect of currency exchange rate changes on cash and cash equivalents	9.1	4.7	21.4
Net (decrease) / increase in cash and cash equivalents	1,618.5	(937.7)	103.1
Cash and cash equivalents at beginning of period	878.6	1,816.3	1,713.2
Cash and cash equivalents at end of period	$ 2,497.1	$ 878.6	$ 1,816.3
Supplemental Disclosures of Cash Flow Information:			
Cash paid / (received) during the year for:			
Income taxes other, net of refunds	$ (876.5)	$ 717.4	$ (5.1)
Interest	$ 784.9	$ 965.7	$ 1,144.4
Schedule of Non-Cash Investing and Financing Activities:			
Settlement of Teva Shares	$ -	$ 465.5	$ -
Settlement of secured financing	$ -	$ (465.5)	$ -
Non-cash dividends to Parents	$ -	$ 9,344.3	$ 4,203.9

See accompanying Notes to the Consolidated Financial Statements.

WARNER CHILCOTT LIMITED
CONSOLIDATED STATEMENTS OF EQUITY
(In millions, except share data)

	Members' Capital					
	Shares	Amount	Retained Earnings	Accumulated Other Comprehensive Income / (Loss)	Noncontrolling Interest	Total
BALANCE, January 1, 2017	**100.0**	**$ 72,935.1**	**$ 16,189.0**	**$ (1,038.4)**	**$ 7.8**	**$ 88,093.5**
Comprehensive (loss):						
Net (loss) attributable to members	-	-	(3,927.3)	-	-	(3,927.3)
Other comprehensive income, net of tax	-	-	-	1,359.7	-	1,359.7
Net impact of other-than-temporary loss on investment in Teva securities	-	-	-	1,599.4	-	1,599.4
Impact of change in accounting for share-based compensation plans	-	-	20.8	-	-	20.8
Dividends to Parents	-	-	(5,872.1)	-	-	(5,872.1)
Movement in noncontrolling interest	-	-	-	-	8.2	8.2
BALANCE, December 31, 2017	**100.0**	**$ 72,935.1**	**$ 6,410.4**	**$ 1,920.7**	**$ 16.0**	**$ 81,282.2**
Comprehensive (loss):						
Net (loss) attributable to members	-	-	(4,772.1)	-	-	(4,772.1)
Other comprehensive (loss), net of tax	-	-	-	(512.5)	-	(512.5)
Dividends to Parents	-	(7,137.2)	(6,282.7)	-	-	(13,419.9)
Implementation of new accounting pronouncements	-	-	424.7	(63.0)	-	361.7
Movement in noncontrolling interest	-	-	-	-	0.9	0.9
BALANCE, December 31, 2018	**100.0**	**65,797.9**	**(4,219.7)**	**1,345.2**	**16.9**	**62,940.3**
Implementation of new accounting pronouncements	-	-	(22.0)	-	-	(22.0)
BALANCE, January 1, 2019	**100.0**	**65,797.9**	**(4,241.7)**	**1,345.2**	**16.9**	**62,918.3**
Comprehensive (loss):						
Net (loss) attributable to members	-	-	(5,120.0)	-	-	(5,120.0)
Other comprehensive (loss), net of tax	-	-		(138.0)	-	(138.0)
Dividends to Parents	-	(1,774.3)	-	-	-	(1,774.3)
Movement in noncontrolling interest	-	-	-	-	5.9	5.9
BALANCE, December 31, 2019	**100.0**	**64,023.6**	**(9,361.7)**	**1,207.2**	**22.8**	**55,891.9**

See accompanying Notes to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — Description of Business

Allergan plc is a global pharmaceutical leader. Allergan is focused on developing, manufacturing and commercializing branded pharmaceutical, device, biologic, surgical and regenerative medicine products for patients around the world. Allergan markets a portfolio of leading brands and best-in-class products primarily focused on four key therapeutic areas including medical aesthetics, eye care, central nervous system and gastroenterology. Allergan is an industry leader in Open Science, a model of research and development, which defines our approach to identifying and developing game-changing ideas and innovation for better patient care. The Company has operations in more than 100 countries. Warner Chilcott Limited is an indirect wholly-owned subsidiary of Allergan plc and has the same principal business activities.

On June 25, 2019, the Company announced that it entered into a transaction agreement (the "AbbVie Agreement") under which AbbVie Inc. ("AbbVie"), a global, research-driven biopharmaceutical company, would acquire Allergan plc in a stock and cash transaction (the "AbbVie Transaction"), valued at $188.24 per Allergan share, or approximately $63.0 billion, based on AbbVie's then-current stock price at the time the AbbVie Transaction was announced. At the closing of the proposed AbbVie Transaction, Company shareholders will receive 0.8660 shares of AbbVie common stock and $120.30 in cash for each of their existing shares. On October 14, 2019, the Company's shareholders voted to approve the AbbVie Transaction. The AbbVie Transaction is subject to customary regulatory approvals and other customary closing conditions.

On October 25, 2019, in connection with the AbbVie Transaction, AbbVie commenced offers to exchange all Allergan Senior Notes issued by Allergan and maturing from September 15, 2020 through March 15, 2045 for up to approximately $19.6 billion aggregate principal amount of new notes to be issued by AbbVie and cash. In conjunction with the exchange offer, AbbVie solicited and obtained consents from eligible holders of the Allergan Senior Notes to amend each of the indentures governing the Allergan Senior Notes to eliminate substantially all of the restrictive covenants in such indentures and eliminate any guarantees of the related Allergan Senior Notes. Consummation of the exchange offer is conditioned upon, among other things, the closing of the AbbVie Transaction. The exchange offers are expected to close, and such amendments are expected to become operative, on or about the closing date of the AbbVie Transaction.

On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into definitive agreements to divest (a) brazikumab, an IL-23 inhibitor currently being evaluated in a phase IIb/III study as a potential treatment for Crohn's Disease and in a phase II study for ulcerative colitis, and (b) Zenpep®, a product approved for treating exocrine pancreatic insufficiency due to cystic fibrosis and other conditions, and Viokace®, another pancreatic enzyme preparation. These agreements were made in conjunction with the ongoing regulatory approval process for the AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. Nestle SA will acquire Zenpep® and Viokace®. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, the closing of the divestitures of Zenpep® and Viokace® is contingent upon receipt of of U.S. Federal Trade Commission approval, and closings of both divestitures are contingent upon the closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

NOTE 2 — Formation of the Company

Allergan plc was incorporated in Ireland on May 16, 2013 as a private limited company and re-registered effective September 20, 2013 as a public limited company. It was established for the purpose of facilitating the business combination between Allergan Finance, LLC (formerly known as Actavis, Inc.) and Warner Chilcott plc ("Warner Chilcott"). Following the consummation of the acquisition of Warner Chilcott on October 1, 2013 (the "Warner Chilcott Acquisition"), Allergan Finance, LLC and Warner Chilcott became wholly-owned subsidiaries of Allergan plc. Each of Allergan Finance, LLC's common shares was converted into one Company ordinary share. Effective October 1, 2013, through a series of related-party transactions, Allergan plc contributed its indirect subsidiaries, including Allergan Finance, LLC, to its subsidiary Warner Chilcott Limited.

Except where otherwise indicated, and excluding certain insignificant cash and non-cash transactions at the Allergan plc level, the consolidated financial statements and disclosures are for two separate registrants, Allergan plc and Warner Chilcott Limited. The results of Warner Chilcott Limited are consolidated into the results of Allergan plc. Due to the de minimis activity between Allergan plc and Warner Chilcott Limited, references throughout this document relate to both Allergan plc and Warner Chilcott Limited. Refer to "Note 3 —Reconciliation of Warner Chilcott Limited results to Allergan plc results" in the accompanying "Notes to the Consolidated Financial Statements" in this document for a summary of the details on the differences between Allergan plc and Warner Chilcott Limited.

Pursuant to Rule 12g-3(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Allergan plc"AGN" ordinary shares are deemed to be registered under Section 12(b) of the Exchange Act, are subject to the informational requirements of the Exchange Act, and the rules and regulations promulgated thereunder.

References throughout to "we," "our," "us," the "Company" or "Allergan" refer to financial information and transactions of Allergan plc. References to "Warner Chilcott Limited" refer to Warner Chilcott Limited, the Company's indirect wholly-owned subsidiary, and, unless the context otherwise requires, its subsidiaries.

References throughout to "Ordinary Shares" refer to Allergan plc's ordinary shares, par value $0.0001 per share.

NOTE 3 — Reconciliation of Warner Chilcott Limited results to Allergan plc results

Warner Chilcott Limited is an indirect wholly-owned subsidiary of Allergan plc, the ultimate parent of the group (together with other direct or indirect parents of Warner Chilcott Limited, the "Parents"). The results of Warner Chilcott Limited are consolidated into the results of Allergan plc. Due to the de minimis activity between Warner Chilcott Limited and the Parents (including Allergan plc), content throughout this filing relates to both Allergan plc and Warner Chilcott Limited. Warner Chilcott Limited disclosures relate only to itself and not to any other company. Except where otherwise indicated, and excluding certain insignificant cash and non-cash transactions at the Allergan plc level, these notes relate to the consolidated financial statements for both separate registrants, Allergan plc and Warner Chilcott Limited. In addition to certain inter-company payable and receivable amounts between the entities, the following is a reconciliation of the financial position and results of operations of Warner Chilcott Limited to Allergan plc ($ in millions):

	December 31, 2019			December 31, 2018		
	Allergan plc	Warner Chilcott Limited	Difference	Allergan plc	Warner Chilcott Limited	Difference
Cash and cash equivalents	$ 2,503.3	$ 2,497.1	$ 6.2	$ 880.4	$ 878.6	$ 1.8
Prepaid expenses and other current assets	886.4	886.4	-	819.1	818.7	0.4
Accounts payable and accrued liabilities	6,348.7	6,347.0	1.7	4,787.2	4,787.4	(0.2)
Other taxes payables	1,704.8	1,698.6	6.2	1,615.5	1,615.5	-
Deferred tax liabilities	4,363.7	4,363.2	0.5	5,501.8	5,501.8	-
Total Equity	58,196.4	55,891.9	2,304.5	65,131.0	62,940.3	2,190.7

	Year Ended December 31, 2019			Year Ended December 31, 2018			Year Ended December 31, 2017		
	Allergan plc	Warner Chilcott Limited	Difference	Allergan plc	Warner Chilcott Limited	Difference	Allergan plc	Warner Chilcott Limited	Difference
General and administrative expenses	$ 2,481.8	$ 2,330.8	$ 151.0	$ 1,271.2	$ 1,177.5	$ 93.7	$ 1,501.9	$ 1,402.3	$ 99.6
Operating (loss)	(4,445.3)	(4,294.3)	(151.0)	(6,247.6)	(6,153.9)	(93.7)	(5,921.2)	(5,821.6)	(99.6)
Interest Income	76.8	76.8	-	45.2	270.1	(224.9)	67.7	166.3	(98.6)
Other income / (expense), net	32.8	32.8	-	256.7	256.7	-	(3,437.3)	(3,437.3)	-
(Loss) before income taxes and noncontrolling interest	(5,118.7)	(4,967.7)	(151.0)	(6,856.9)	(6,538.3)	(318.6)	(10,386.4)	(10,188.2)	(198.2)
Net (loss) from continuing operations, net of tax	(5,265.1)	(5,114.1)	(151.0)	(5,086.2)	(4,761.9)	(324.3)	(3,716.0)	(3,517.8)	(198.2)
Net (loss) / income	(5,265.1)	(5,114.1)	(151.0)	(5,086.2)	(4,761.9)	(324.3)	(4,118.9)	(3,920.7)	(198.2)
Dividends on preferred shares	-	-	-	46.4	-	46.4	278.4	-	278.4
Net (loss) / income attributable to ordinary shareholders/members	(5,271.0)	(5,120.0)	(151.0)	(5,142.8)	(4,772.1)	(370.7)	(4,403.9)	(3,927.3)	(476.6)

The differences between general and administrative expenses in the years ending December 31, 2019, 2018 and 2017 were due to corporate related expenses incurred at Allergan plc as well as transaction costs. The differences in total equity were due to historical differences in the results of operations of the companies and differences in equity awards.

NOTE 4 — Summary of Significant Accounting Policies

Basis of Presentation

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("U.S.") ("GAAP"). The consolidated financial statements include the accounts of wholly owned subsidiaries, after elimination of intercompany accounts and transactions. The consolidated financial information presented herein reflects all financial information that, in the opinion of management, is necessary for a fair statement of financial position, results of operations and cash flows for the periods presented.

The Company's consolidated financial statements include the financial results of all acquired companies subsequent to the acquisition date.

Implementation of New Guidance

In February 2016, the Financial Accounting Standards Board ("FASB") established Topic 842, Leases, by issuing Accounting Standards Update ("ASU") No. 2016-02, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. Topic 842 was subsequently amended by ASU No. 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU No. 2018-10, Codification Improvements to Topic 842, Leases; and ASU No. 2018-11, Targeted Improvements. The new standard established a right-of-use ("ROU") model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases are classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement.

On January 1, 2019, the Company adopted the new standard using the modified retrospective transition approach applied to all leases existing at the effective date of initial application of January 1, 2019. Prior period amounts are not adjusted and continue to be reported in accordance with historical accounting practices and the disclosures under the new standard are not required for dates and periods prior to January 1, 2019.

When evaluating whether a contract contains a lease under the new standard, the Company considers whether (1) the contract explicitly or implicitly identifies assets that are contractually defined and (2) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company does not have the right to use an identified asset if the supplier has the substantive right to substitute the asset throughout the period without the Company's approval.

The new standard provided a number of optional practical expedients in transition, the Company elected the 'package of practical expedients' which permits us not to reassess our prior conclusions about lease identification, lease classification and initial direct costs under the new standard. The Company did not elect the use-of-hindsight or the practical expedient pertaining to land easements; the latter was not applicable to the Company.

This standard has a significant impact on our consolidated balance sheet but did not have a significant impact on our consolidated statements of operations. The most significant effects relate to the recognition of ROU assets and lease liabilities on our balance sheet for our real estate and fleet operating leases.

Upon adoption, the Company recognized lease liabilities and corresponding ROU assets as follows ($ in millions):

	ROU Asset	Lease Liability
Real estate	$ 304.2	$ 370.6
Fleet	100.4	100.4
Other	57.5	77.6
Total operating leases	**$ 462.1**	**$ 548.6**

The cumulative effective adjustment as of the effective date of $22.0 million was recorded on January 1, 2019 to opening retained earnings. The Company has an immaterial amount of finance leases.

The new standard also provides practical expedients for an entity's ongoing accounting. The Company elected the lease recognition exemption for all leases with lease terms of 12 months or less. For leases that qualify under this exception, the Company will not recognize ROU assets or lease liabilities and did not recognize ROU assets or lease liabilities for existing short-term leases of those assets in transition. The Company also elected the practical expedient to not separate lease and non-lease components for leases of real estate, fleet, IT and office equipment.

Refer to "NOTE 14 – Leases" for further information related to the Company's leases.

In February 2018, the FASB issued ASU No. 2018-02, Income Statement-Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income. This update allows for the optional reclassification of stranded tax effects resulting from the Tax Cuts and Jobs Act ("TCJA") from accumulated other comprehensive income to retained earnings. The amount of the reclassification is calculated as the difference between the historical and newly enacted tax rates on deferred taxes originally recorded through accumulated other comprehensive income. The Company adopted the standard as of January 1, 2019; however, due to the immaterial amount of the stranded tax effects, the Company elected not to reclassify the income tax effects from accumulated other comprehensive income to retained earnings. Tax effects unrelated to the TCJA are released from accumulated other comprehensive income using either the specific identification approach or the portfolio approach based on the nature of the underlying item.

Use of Estimates

Management is required to make certain estimates and assumptions in order to prepare consolidated financial statements in conformity with GAAP. Such estimates and assumptions affect the reported financial statements. The Company's most significant estimates relate to the determination of SRAs (defined below) included within either accounts receivable or accrued liabilities, the valuation of inventory balances, the determination of useful lives for intangible assets, pension and other post-retirement benefit plan assumptions, the assessment of expected cash flows used in evaluating goodwill and other long-lived assets for impairment and recognition and measurement of assets acquired and liabilities assumed in business combinations at fair value. The estimation process required to prepare the Company's consolidated financial statements requires assumptions to be made about future events and conditions, and as such, is inherently subjective and uncertain. The Company's actual results could differ materially from those estimates.

Foreign Currency Translation

For most of the Company's international operations, the local currency has been determined to be the functional currency. The results of its non-U.S. dollar based operations are translated to U.S. dollars at the average exchange rates during the period. Assets and liabilities are translated at the rate of exchange prevailing on the balance sheet date. Equity is translated at the prevailing rate of exchange at the date of the equity transaction. Translation adjustments are reflected in shareholders' equity and are included as a component of other comprehensive (loss) / income. The translational effects of revaluing non-functional currency assets and liabilities into the functional currency are recorded as general and administrative expenses in the consolidated statements of operations.

The Company realizes foreign currency gains / (losses) in the normal course of business based on movement in the applicable exchange rates. These transactional gains / (losses) are included as a component of general and administrative expenses.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash in banks, commercial paper and deposits with financial institutions that can be liquidated without prior notice or penalty. The Company considers all highly liquid investments with an original maturity from the date acquired of three months or less to be cash equivalents.

Fair Value of Other Financial Instruments

The Company's financial instruments consist primarily of cash and cash equivalents, marketable securities, accounts and other receivables, investments, trade accounts payable, and long-term debt, including the current portion. The carrying amounts of cash and cash equivalents, marketable securities, accounts and other receivables and trade accounts payable are representative of their respective fair values due to their relatively short maturities. The fair values of investments in companies that are publicly traded are based on quoted market prices. The Company estimates the fair value of its fixed rate long-term obligations based on quoted market rates.

Inventories

Inventories consist of finished goods held for sale and distribution, raw materials and work in process. Inventory includes brand and aesthetic products which represent Food and Drug Administration ("FDA") approved or likely to be approved indications. Inventory valuation reserves are established based on a number of factors/situations including, but not limited to, raw materials, work in process or finished goods not meeting product specifications, product obsolescence, or application of the lower of cost (first-in, first-out method) or net realizable value concepts. The determination of events requiring the establishment of inventory valuation reserves, together with the calculation of the amount of such reserves may require judgment. Assumptions utilized in our quantification of inventory reserves include, but are not limited to, estimates of future product demand, consideration of current and future market conditions, product net selling price, anticipated product launch dates, competition and potential product obsolescence and other events relating to special circumstances surrounding certain products. No material adjustments have been required to our inventory reserve estimates for the periods presented. Adverse changes in assumptions utilized in our inventory reserve calculations could result in an increase to our inventory valuation reserves and higher cost of sales.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation. Major renewals and improvements are capitalized if they add functionality or extend the life of the asset, while routine maintenance and repairs are expensed as incurred. The Company capitalizes interest on qualified construction projects. At the time property, plant and equipment are retired from service, the cost and accumulated depreciation are removed from the respective accounts.

Depreciation expense is computed principally on the straight-line method, over the estimated useful lives of the related assets.The following table provides the range of estimated useful lives used for each asset type:

Computer software/hardware (including internally developed)	3-10 years
Machinery and equipment	3-15 years
Research and laboratory equipment	3-10 years
Furniture and fixtures	3-10 years
Buildings, improvements, leasehold improvements and other	4-50 years
Transportation equipment	3-20 years

The Company assesses property, plant and equipment for impairment whenever events or changes in circumstances indicate that an asset's carrying amount may not be recoverable.

Investments

The Company's equity investments are accounted for under the equity method of accounting when the Company can exert significant influence and the Company's ownership interest does not exceed 50%. The Company records equity method investments at cost and adjusts for the appropriate share of investee net earnings or losses. Investments in which the Company owns less than a 20% interest and cannot exert significant influence are recorded at fair value and the Company recognizes any changes in fair value in net income. For equity investments without readily determinable fair values, the Company may make a separate election for each eligible investment to use a measurement alternative until the investment's fair value becomes readily determinable. Under the alternative method, the equity investments are accounted for at cost, less any impairment, plus or minus changes resulting from observable price changes in an orderly transaction for an identical or similar investment of the same issuer.

Marketable Securities

The Company's marketable securities consist of U.S. treasury and agency securities and debt and equity securities of publicly-held companies. The Company's marketable securities are recorded at fair value, based upon quoted market prices with an offset to interest income.

Product Rights and Other Definite Lived Intangible Assets

Our product rights and other definite lived intangible assets are stated at cost, less accumulated amortization, and are amortized using the economic benefit model or the straight-line method, if results are materially aligned, over their estimated useful lives. We determine amortization periods for product rights and other definite lived intangible assets based on our assessment of various factors impacting estimated cash flows. Such factors include the product's position in its life cycle, the existence or absence of like products in the market, various other competitive and regulatory issues, and contractual terms. Significant changes to any of these factors may result in an impairment, a reduction in the intangibles' useful life or an acceleration of related amortization expense, which could cause our net results to decline.

Product rights and other definite lived intangible assets are tested periodically for impairment when events or changes in circumstances indicate that an asset's carrying value may not be recoverable. The impairment testing involves comparing the carrying amount of the asset to the forecasted undiscounted pre-tax future cash flows over its useful life, including any salvage value. In the event the carrying value of the asset exceeds the undiscounted future cash flows, the carrying value is considered not recoverable and an impairment exists. An impairment loss is measured as the excess of the asset's carrying value over its fair value, calculated using discounted future cash flows. The computed impairment loss is recognized in net (loss) / income in the period that the impairment occurs. Assets which are not impaired may require an adjustment to the remaining useful lives for which to amortize the asset. Our projections of discounted cash flows use a discount rate determined by our management to be commensurate with the risk inherent in our business model. Our estimates of future cash flows attributable to our other definite lived intangible assets require significant judgment based on our historical and anticipated results and are subject to many factors. Different assumptions and judgments could materially affect the calculation of the undiscounted cash flows of the other definite lived intangible assets which could trigger impairment.

Goodwill and Intangible Assets with Indefinite Lives

The Company tests goodwill and intangible assets with indefinite lives for impairment annually in the second quarter. Additionally, the Company may perform interim tests if an event occurs or circumstances change that could potentially reduce the fair value of a reporting unit or an indefinite lived intangible asset below its carrying amount such as those first and second quarter 2019 triggering events relating to the Company's General Medicine Reporting Unit as discussed in "NOTE 17 — Goodwill, Product Rights and Other Intangible Assets". The carrying value of each reporting unit is determined by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those reporting units.

The Company tests goodwill for impairment by either performing a qualitative evaluation or a quantitative test. The qualitative evaluation is an assessment of factors, including Reporting Unit specific operating results as well as industry, market and general economic conditions, to determine whether it is more likely than not that the fair values of a Reporting Unit is less than its carrying amount, including goodwill. The Company may elect to bypass this qualitative assessment for some or all of its Reporting Units and perform a quantitative test as of the measurement date of the test.

Goodwill is considered impaired if the carrying amount of the net assets exceeds the fair value of the reporting unit. Fair value is estimated by management using a discounted cash flow model. Management's cash flow projections include significant judgments and assumptions related to the discount rate, revenue forecasts, operating margins, impact of research and development pipeline events, and the long-term revenue growth rate. Impairment, if any, would be recorded in operating income / (loss) and this could result in a material impact to net income / (loss) and income / (loss) per share.

Prior to Allergan's 2018 annual impairment test, the Company adopted the new guidance under Accounting Standard Update No. 2017-04,*Intangibles – Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment* which eliminated step 2 of the goodwill impairment test, which required a hypothetical purchase price allocation to measure goodwill impairment loss as of January 1, 2018. A goodwill impairment loss under the new guidance is instead measured using a single step test based on the amount by which a reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill.

Acquired in-process research and development ("IPR&D") intangible assets represent the value assigned to research and development ("R&D") projects acquired in a business combination that, as of the date acquired, represent the right to develop, use, sell and/or offer for sale a product or other intellectual property that has not been completed or approved. The IPR&D intangible assets are subject to impairment testing until completion or abandonment of each project. Upon abandonment, the assets are impaired if there is no future alternative use or ability to sell the asset. Impairment testing requires management to develop significant estimates and assumptions involving the determination of the fair value of the IPR&D asset, including estimated revenues, the probability of success of the project, determination of the appropriate discount rate, assessment of the asset's life, potential regulatory risks, and net revenue growth curve assumptions. The major risks and uncertainties associated with the timely and successful completion of IPR&D projects include legal risk, market risk and regulatory risk. Changes in our assumptions could result in future impairment charges. No assurances can be given that the underlying assumptions used to prepare the discounted cash flow analysis will not change or the timely completion of each project and commercial success will occur. For these and other reasons, actual results may vary significantly from estimated results.

Upon successful completion of each project and approval of a product, we will make a separate determination of the useful life of the intangible asset, transfer the amount to currently marketed products ("CMP") and amortization expense will be recorded over the estimated useful life.

Contingent Consideration

We determine the acquisition date fair value of contingent consideration obligations for business acquisitions based on a probability-weighted income approach derived from revenue estimates, post-tax gross profit levels and a probability assessment with respect to the likelihood of achieving contingent obligations including contingent payments such as milestone obligations, royalty obligations and contract earn-out criteria, where applicable. The fair value measurement is based on significant inputs not observable in the market and thus represents a Level 3 measurement as defined using the fair value concepts defined in ASC Topic 820 "Fair Value Measurement," ("ASC 820"). The resultant probability-weighted cash flows are discounted using an appropriate effective annual interest rate. At each reporting date, the contingent consideration obligation will be revalued to estimated fair value and changes in fair value will be reflected as income or expense in our consolidated statement of operations. Changes in the fair value of the contingent consideration obligations may result from changes in discount periods and rates, changes in the timing and amount of future revenue estimates and changes in probability assumptions with respect to the likelihood of achieving the various contingent payment obligations. Changes in assumptions utilized in our contingent consideration fair value estimates could result in an increase or decrease in our contingent consideration obligation and a corresponding charge or reduction to operating results. Refer to "NOTE 25 — Fair Value Measurement" for additional details regarding the fair value of contingent consideration.

Revenue Recognition

General

Topic 606 provides that revenues are recognized when control of the promised goods under a contract is transferred to a customer, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods as specified in the underlying terms with the customer. The Company warrants products against defects and for specific quality standards, permitting the return of products under certain circumstances. Product sales are recorded net of all sales-related deductions including, but not limited to: chargebacks, trade discounts, commercial and government rebates, customer loyalty programs, fee-for-service arrangements with certain distributors, returns, and other allowances which we refer to in the aggregate as sales returns and allowances ("SRA").

The Company's performance obligations are primarily achieved when control of the products is transferred to the customer. Transfer of control is based on contractual performance obligations, but typically occurs upon receipt of the goods by the customer as that is when the customer has obtained control of significantly all of the economic benefits.

Prior to the achievement of performance obligations, shipping and handling costs associated with outbound freight for a product to be transferred to a customer are accounted for as a fulfillment cost and are included in selling and marketing expenses. When the Company sells a business and future royalties are considered as part of the consideration, the Company recognizes the royalties as a component of "other income / (expense), net".

Other revenues earned are mainly comprised of royalty income from licensing of intellectual property. Royalty income is recognized when the licensee's subsequent sale occurs.

Refer to "NOTE 22 – Segments" for our revenues disaggregated by product and segment and our revenues disaggregated by geography for our international segment. We believe this level of disaggregation best depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

Significant Payment Terms

A contract with a customer states the final terms of the sale, including the description, quantity, and price of each product purchased. The Company's payment terms vary by the type and location of the customer and the products offered. A customer agrees to a stated rate and price in the contract and given that most of the products sold contain variable consideration, the amount of revenue recognized incorporates adjustments for SRAs as appropriate.

Determining the Transaction Price

The Company offers discounts and rebates to certain customers who participate in various programs that are referred to as SRA allowances as described further below in the section "Provisions for SRAs". Such discounting and rebating activity is included as part of the Company's estimate of the transaction price and is accounted for as a reduction to gross sales. At time of sale, the Company records the related SRA adjustments. The Company performs validation activities each period to assess the adequacy of the liability or contra receivable estimates recorded to reflect actual activity and will adjust the reserve balances accordingly.

Provisions for SRAs

As is customary in the pharmaceutical industry, certain customers may receive cash-based incentives or credits, which are variable consideration accounted for as SRAs. The Company estimates SRA amounts based on the expected amount to be provided to customers, which reduces the revenues recognized. The Company believes that there will not be significant changes to our estimates of variable consideration. The Company uses a variety of methods to assess the adequacy of the SRA reserves to ensure that our financial statements are fairly stated. These provisions are estimated based on historical payment experience, the historical relationship of the deductions to gross product revenues, government regulations, estimated utilization or redemption rates, estimated customer inventory levels and current contract sales terms. The estimation process used to determine our SRA provisions has been applied on a consistent basis and no material revenue adjustments to total reported revenues have been necessary to increase or decrease our reserves for SRA as a result of a significant change in underlying estimates.

Chargebacks — A chargeback represents an amount payable in the future to a wholesaler for the difference between the invoice price paid by such wholesaler customer for a particular product and the negotiated contract price that the wholesaler's customer pays for that product. The chargeback provision and related reserve varies with changes in product mix, changes in customer pricing and changes to estimated wholesaler inventories. The provision for chargebacks also takes into account an estimate of the expected wholesaler sell-through levels to indirect customers at certain contract prices. The Company validates the chargeback accrual quarterly through a review of the inventory reports obtained from our largest wholesale customers. This customer inventory information is used to verify the estimated liability for future chargeback claims based on historical chargeback and contract rates. These large wholesalers represent the vast majority of the recipients of the Company's chargeback credits. We continually monitor current pricing trends and wholesaler inventory levels to ensure the contra-receivable for future chargebacks is fairly stated.

Rebates — Rebates include volume related incentives to direct and indirect customers, third-party managed care and Medicare Part D rebates, Medicaid rebates and other government rebates. Rebates are accrued based on an estimate of claims to be paid for product sold into trade by the Company. Volume rebates are generally contractually offered to customers as an incentive to use the Company's products and to encourage greater product sales. These rebate programs include contracted rebates based on customers' purchases made during an applicable monthly, quarterly or annual period. The provision for third-party rebates is estimated based on our customers' contracted rebate programs and the Company's historical experience of rebates paid. Any significant changes to our customer rebate programs are considered in establishing the provision for rebates. The provisions for government rebates are based, in part, upon historical experience of claims submitted by the various states and authorities, contractual terms and government regulations. We monitor legislative changes to determine what impact such legislation may have on our provision.

Cash Discounts — Cash discounts are provided to customers that pay within a specific time period. The provision for cash discounts is estimated based upon invoice billings and historical customer payment experience. The Company's experience of payment history is fairly consistent and most customer payments qualify for a cash discount.

Returns and Other Allowances — The Company's provision for returns and other allowances include returns, promotional allowances and loyalty cards.

Consistent with industry practice, the Company maintains a returns policy that allows customers to return product for a credit. In accordance with the Company's policy, credits for customer returns of products are applied against outstanding account activity or are settled in cash. Product exchanges are generally not permitted. Customer returns of product are generally not resalable. The Company's estimate of the provision for returns is based upon historical experience and current trends of actual customer returns. Additionally, we consider other factors when estimating the current period returns provision, including levels of inventory in the distribution channel, as well as significant market changes which may impact future expected returns.

Promotional allowances are credits with no discernable benefit offered to Allergan that are issued in connection with a product launch or as an incentive for customers to carry our product. The Company establishes a reserve for promotional allowances based upon contractual terms.

Loyalty cards allow end-user patients a discount per prescription and are accrued based on historical experience, contract terms and the volume of product and cards in the distribution channel.

The following table summarizes the activity from continuing operations in the Company's major categories of SRA ($ in millions):

	Chargebacks	Rebates	Returns and Other Allowances	Cash Discounts	Total
Balance at December 31, 2017	**$ 77.2**	**$ 1,799.2**	**$ 517.6**	**$ 36.5**	**$ 2,430.5**
Provision related to sales in 2018	1,117.7	5,464.7	1,725.3	322.2	8,629.9
Credits and payments	(1,133.1)	(5,355.4)	(1,676.3)	(328.0)	(8,492.8)
Balance at December 31, 2018	**$ 61.8**	**$ 1,908.5**	**$ 566.6**	**$ 30.7**	**$ 2,567.6**
Provision related to sales in 2019	1,123.5	6,153.8	1,625.1	337.3	9,239.7
Credits and payments	(1,117.5)	(5,959.0)	(1,559.3)	(331.0)	(8,966.8)
Balance at December 31, 2019	**$ 67.8**	**$ 2,103.3**	**$ 632.4**	**$ 37.0**	**$ 2,840.5**
Contra accounts receivable at December 31, 2019	**$ 67.8**	**$ 101.5**	**$ 35.7**	**$ 37.0**	**$ 242.0**
Accounts payable and accrued expenses at December 31, 2019	**$ -**	**$ 2,001.8**	**$ 596.7**	**$ -**	**$ 2,598.5**

The following table summarizes the balance sheet classification of our SRA reserves ($ in millions):

	December 31, 2019	December 31, 2018
Contra accounts receivable	$ 242.0	$ 207.7
Accounts payable and accrued expenses	2,598.5	2,359.9
Total	**$ 2,840.5**	**$ 2,567.6**

The SRA provisions recorded to reduce gross product sales to net product sales, excluding discontinued operations, were as follows ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Gross product sales	$ 24,968.8	$ 24,056.9	$ 23,688.4
Provisions to reduce gross product sales to net products sales	(9,239.7)	(8,629.9)	(8,120.0)
Net product sales	**$ 15,729.1**	**$ 15,427.0**	**$ 15,568.4**
Percentage of SRA provisions to gross sales	*37.0%*	*35.9%*	*34.3%*

Collectability Assessment

At the time of contract inception or customer account set-up, the Company performs a collectability assessment on the creditworthiness of such customer. The Company assesses the probability that the Company will collect the consideration to which it will be entitled in exchange for the goods sold. In evaluating collectability, the Company considers the customer's ability and intention to pay consideration when it is due. On a recurring basis, the Company estimates the amount of receivables considered uncollectible after sale to the customer to reflect allowances for doubtful accounts. Provision for bad debts, included in general and administrative expenses, were $35.8 million, $18.5 million and $11.6 million in the years ended December 31, 2019, 2018 and 2017, respectively.

Practical Expedients and Exemptions

The Company generally expenses sales commissions when incurred because the amortization period is one year or less. These costs are recorded within selling and marketing expenses.

The Company does not adjust the promised amount of consideration for the effects of the time value of money for contracts in which the anticipated period between when the Company transfers the goods or services to the customer and when the customer pays is equal to one year or less.

The Company has chosen not to elect the remaining practical expedients.

Litigation and Contingencies

The Company is involved in various legal proceedings in the normal course of its business, including product liability litigation, intellectual property litigation, employment litigation and other litigation. Additionally, the Company, in consultation with its counsel, assesses the need to record a liability for contingencies on a case-by-case basis in accordance with FASB Accounting Standards Codification ("ASC") Topic 450 "Contingencies" ("ASC 450"). Accruals are recorded when the Company determines that a loss related to a matter is both probable and reasonably estimable. These accruals are adjusted periodically as assessment efforts progress or as additional information becomes available. Refer to "NOTE 26 — Commitments and Contingencies" for more information.

R&D Activities

R&D activities are expensed as incurred and consist of self-funded R&D costs, the costs associated with work performed under collaborative R&D agreements, regulatory fees, and acquisition and license related milestone payments, if any.

As of December 31, 2019, we are developing a number of products, some of which utilize novel drug delivery systems, through a combination of internal and collaborative programs including but not limited to the following:

Product	Therapeutic Area	Indication	Expected Launch Year	Phase
Bimatoprost SR	Eye Care	Glaucoma	2020	Review
Abicipar	Eye Care	Age Related Macular Degeneration	2020	Review
Atogepant	Central Nervous System	Prophylaxis Migraine	2021	III
Presbysol	Eye Care	Presbyopia	2021	III
Cenicriviroc	Gastrointestinal	NASH	2022	III
Brimonidine DDS	Eye Care	Geographic Atrophy	2023	II
Relamorelin	Gastrointestinal	Gastroparesis	2024	III
Botox	Medical Aesthetics	Platysma/Masseter	2025/2024	II
Abicipar	Eye Care	Diabetic Macular Edema	2025	II

In addition to the projects listed in the table above, the Company continues to develop brazikumab, a gastrointestinal development project for indications of Crohn's disease and ulcerative colitis. On January 27, 2020, in connection with the AbbVie Transaction, Allergan announced that it entered into a definitive agreement to divest brazikumab. This agreement was made in conjunction with the ongoing regulatory approval process for a AbbVie Transaction. AstraZeneca plc will acquire brazikumab, including global development and commercial rights. The closing of the divestiture of brazikumab is contingent upon receipt of U.S. Federal Trade Commission and European Commission approval, closing of the AbbVie Transaction and the satisfaction of other customary closing conditions.

Allocation of Acquisition Fair Values to Assets Acquired and Liabilities Assumed

We account for acquired businesses using the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. The consolidated financial statements and results of operations reflect an acquired business after the completion of the acquisition. The fair value of the consideration paid, including contingent consideration, is assigned to the underlying net assets of the acquired business based on their respective fair values as determined using a market participant concept. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill.

The most material line items impacted by the allocation of acquisition fair values are:

- Intangible assets (including IPR&D assets upon successful completion of the project and approval of the product) which are amortized to amortization expense over the expected life of the asset. Significant judgments are used in determining the estimated fair values assigned to the assets acquired and liabilities assumed and in determining estimates of useful lives of long-lived assets. Fair value determinations and useful life estimates are based on, among other factors, estimates of expected future net cash flows, estimates of appropriate discount rates used to present value expected future net cash flow streams, the timing of approvals and the probability of success for IPR&D projects and the timing of related product launch dates, the assessment of each asset's life cycle, the impact of competitive trends on each asset's life cycle and other factors. These judgments can materially impact the estimates used to allocate acquisition date fair values to assets acquired and liabilities assumed and the future useful lives. For these and other reasons, actual results may vary significantly from estimated results.
- Inventory is recorded at fair market value factoring in selling price and costs to dispose. Inventory acquired is typically valued higher than replacement cost.

Income Taxes

Income taxes are accounted for using an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statement and tax basis of assets and liabilities at the applicable tax rates. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company evaluates the realizability of its deferred tax assets by assessing its valuation allowance and by adjusting the amount of such allowance, if necessary. The factors used to assess the likelihood of realization include the Company's forecast of future taxable income and available tax planning strategies that could be implemented to realize the net deferred tax assets. Failure to achieve forecasted taxable income in applicable tax jurisdictions could affect the ultimate realization of deferred tax assets and could result in an increase in the Company's effective tax rate on future earnings.

Income tax positions must meet a more-likely-than-not recognition threshold to be recognized. Income tax positions that previously failed to meet the more-likely-than-not threshold are recognized in the first financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold are derecognized in the first financial reporting period in which that threshold is no longer met. Inherent in these tax positions are various assumptions, including management's judgments as to the interpretation of tax law, management's expectations regarding the outcome of tax authority examinations, as well as the ultimate measurement of potential liabilities. The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of operations as income tax expense.

The TCJA introduced an additional U.S. tax on certain non-U.S. subsidiaries' earnings which are considered to be Global Intangible Low Taxed Income (referred to as "GILTI"). Under this provision, the amount of GILTI included by a U.S. shareholder will be taxed at a rate of 10.5% for tax years beginning after December 31, 2017 (increasing to 13.125% for tax years beginning after December 31, 2025) with a partial offset for foreign tax credits. After consideration of the relevant guidance and completing the accounting for the tax effects of the TCJA, the Company has elected to treat GILTI as a period cost.

Comprehensive Income / (Loss)

Comprehensive income / (loss) includes all changes in equity during a period except those that resulted from investments by or distributions to the Company's stockholders. Other comprehensive income / (loss) refers to revenues, expenses, gains and losses that are included in comprehensive income / (loss), but excluded from net income / (loss) as these amounts are recorded directly as an adjustment to shareholders' equity. The Company's other comprehensive income / (loss) is primarily comprised of actuarial gains / (losses), the impact of hedging transactions, pension liabilities and foreign currency translation adjustments.

Earnings Per Share ("EPS")

The Company computes EPS in accordance with ASC Topic 260, "Earnings Per Share" ("ASC 260") and related guidance, which requires two calculations of EPS to be disclosed: basic and diluted. Basic EPS is computed by dividing net (loss) / income by the weighted average ordinary shares outstanding during a period. Diluted EPS is based on the treasury stock method and includes the effect from potential issuance of ordinary shares, such as shares issuable pursuant to the exercise of stock options and restricted stock units. Diluted EPS also includes the impact of ordinary share equivalents issued (or issuable in 2017) upon the mandatory conversion of the Company's preferred shares which occurred on March 1, 2018. Ordinary share equivalents have been excluded where their inclusion would be anti-dilutive to continuing operations.

A reconciliation of the numerators and denominators of basic and diluted EPS follows ($ in millions, except per share amounts):

	Years Ended December 31,		
	2019	**2018**	**2017**
Net (loss) / income:			
Net (loss) attributable to ordinary shareholders excluding (loss) / income from discontinued operations, net of tax	$ (5,271.0)	$ (5,142.8)	$ (4,001.0)
(Loss) / income from discontinued operations, net of tax	-	-	(402.9)
Net (loss) / income attributable to ordinary shareholders	$ (5,271.0)	$ (5,142.8)	$ (4,403.9)
Basic weighted average ordinary shares outstanding	329.0	337.0	333.8
Basic EPS:			
Continuing operations	$ (16.02)	$ (15.26)	$ (11.99)
Discontinued operations	$ -	$ -	$ (1.20)
Net (loss) / income per share	$ (16.02)	$ (15.26)	$ (13.19)
Dividends per ordinary share	$ 2.96	$ 2.88	$ 2.80
Diluted weighted average ordinary shares outstanding	329.0	337.0	333.8
Diluted EPS:			
Continuing operations	$ (16.02)	$ (15.26)	$ (11.99)
Discontinued operations	$ -	$ -	$ (1.20)
Net (loss) / income per share	$ (16.02)	$ (15.26)	$ (13.19)

Stock awards to purchase 2.1 million, 2.3 million, and 3.8 million ordinary shares for the years ended December 31, 2019, 2018 and 2017, respectively, were outstanding, but not included in the computation of diluted EPS, because the awards were anti-dilutive for continuing operations and as such the treatment for discontinued operations was also anti-dilutive.

The Company's preferred shares were converted to ordinary shares on March 1, 2018. The weighted average impact of ordinary share equivalents of 2.9 million for the year ended December 31, 2018, which would result from the mandatory conversion of the Company's preferred shares at the beginning of the period, were not included in the calculation of diluted EPS as their impact would be anti-dilutive. Similarly, the anti-diluted weighted average impact of ordinary share equivalents upon mandatory conversion of the preferred shares for the year ended December 31, 2017 were excluded from in the calculation of diluted EPS.

Refer to "NOTE 21 –Shareholders' Equity" for further discussion on the Company's share repurchase programs.

Employee Benefits

Defined Contribution Plans

The Company has defined contribution plans that are post-employment benefit plans under which the Company pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution plans are recognized as an employee benefit expense in the consolidated statement of operations in the periods during which the related services were rendered.

Defined Benefit Plans

The Company recognizes the overfunded or underfunded status of each of its defined benefit plans as an asset or liability on its consolidated balance sheets. The obligations are generally measured at the actuarial present value of all benefits attributable to employee service rendered, as provided by the applicable benefit formula. The estimates of the obligation and related expense of these plans recorded in the financial statements are based on certain assumptions. The most significant assumptions relate to discount rate and expected return on plan assets. Other assumptions used may include employee demographic factors such as compensation rate increases, retirement patterns, expected employee turnover and participant mortality rates. The difference between these assumptions and actual experience results in the recognition of an asset or liability based upon a net actuarial (gain) / loss. If the total net actuarial (gain) / loss included in accumulated other comprehensive income / (loss) exceeds a threshold of 10% of the greater of the projected benefit obligation or the market related value of plan assets, it is subject to amortization and recorded as a component of net periodic pension cost over the average remaining service lives of the employees participating in the pension plan. Net periodic benefit costs are recognized in the consolidated statement of operations.

Share-Based Compensation

The Company has adopted several equity award plans which authorize the granting of options, restricted shares, restricted stock units and other forms of equity awards of the Company's ordinary shares, subject to certain conditions.

The Company grants awards with the following features:

- Time-based restricted stock and restricted stock unit awards (including, in certain foreign jurisdictions, cash-settled restricted stock unit awards, which are recorded as a liability);
- Performance-based restricted stock unit awards measured against performance-based targets defined by the Company, including, but not limited to, total shareholder return metrics and R&D milestones, as defined by the Company; and
- Non-qualified options to purchase outstanding shares.

The Company recognizes share-based compensation expense for granted awards over the applicable vesting period.

Cash-settled performance-based awards are recorded as a liability. These cash-settled performance-based awards were measured against pre-established total shareholder returns metrics.

Restructuring Costs

The Company records liabilities for costs associated with exit or disposal activities in the period in which the liability is incurred. In accordance with existing benefit arrangements, employee severance costs are accrued when the restructuring actions are probable and estimable. Costs for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits are recognized ratably over the future service period. The Company also incurs costs with contract terminations and costs of transferring products as part of restructuring activities. Refer to "NOTE 23 — Business Restructuring Charges" for more information.

Recent Accounting Pronouncements

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740) that simplifies the accounting for income taxes by eliminating certain exceptions to the guidance in ASC 740 related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The new guidance also simplifies aspects of the accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. It also provides a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early adoption is permitted. The Company is evaluating the impact, if any, that this pronouncement will have on our financial position and results of operations.

In November 2018, the FASB issued ASU No. 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606. The ASU provides more comparability in the presentation of revenue for certain transactions between collaborative arrangement participants and only allows a company to present units of account in collaborative arrangements that are within the scope of the revenue recognition standard together with revenue accounted for under the revenue recognition standard. The parts of the collaborative arrangement that are not in the scope of the revenue recognition standard should be presented separately from revenue accounted for under the revenue recognition standard. The amendments in ASU No. 2018-18 are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The Company evaluated the impact of this pronouncement and concluded that the guidance does not have a material impact on our financial position and results of operations.

In August 2018, the FASB issued ASU No. 2018-15, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40), relating to a customer's accounting for implementation, set-up, and other upfront costs incurred in a cloud computing arrangement that is hosted by a vendor (i.e. a service contract). Under the new guidance, a customer will apply the same criteria for capitalizing implementation costs as it would for an arrangement that has a software license. The new guidance also prescribes the balance sheet, income statement, and cash flow classification of the capitalized implementation costs and related amortization expense, and requires additional quantitative and qualitative disclosures. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early application is permitted. The Company will adopt the new guidance prospectively to eligible costs incurred on or after the date this guidance is first applied. The Company evaluated the impact of this pronouncement. The guidance is not expected to have a material impact on our financial position and results of operations.

In August 2018, the FASB issued ASU No. 2018-14, Compensation - Retirement Benefits - Defined Benefit Plans - General (Subtopic 715-20) – Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans, which amends ASC 715 to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. The revisions to the disclosure requirements affect only the year-end financial statements of plan sponsors, as there are no changes related to interim financial statements. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early application is permitted. The ASU provisions will be applied on a retrospective basis to all periods presented.

In August 2018, the FASB issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement, which removes, adds and modifies certain disclosure requirements for fair value measurementsin Topic 820. The Company will no longer be required to disclose the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, and the valuation processes of Level 3 fair value measurements. However, the Company will be required to additionally disclose the changes in unrealized gains and losses included in other comprehensive income for recurring Level 3 fair value measurements, and the range and weighted average of assumptions used to develop significant unobservable inputs for Level 3 fair value measurements. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The amendments relating to additional disclosure requirements will be applied prospectively for only the most recent interim or annual period presented in the initial year of adoption. All other amendments will be applied retrospectively to all periods presented upon their effective date. The Company is permitted to early adopt either the entire ASU or only the provisions that eliminate or modify the requirements. The Company evaluated the impact of this pronouncement and concluded that the guidance does not have a material impact on our financial position and results of operations.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The ASU is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets including trade receivables held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company evaluated the impact of this pronouncement and concluded that the guidance does not have a material impact on our financial position and results of operations.

NOTE 5 — Business Developments

2019 Business Development

The following transaction was completed in the year ended December 31, 2019.

Envy Medical, Inc.

On March 26, 2019, the Company acquired Envy Medical, Inc. ("Envy"), a privately held medical aesthetics company that specializes in non-surgical, non-invasive skin resurfacing systems for an acquisition accounting purchase price of $81.4 million, which includes $67.4 million of product rights and other intangibles, $34.1 million of goodwill and other assets and liabilities. The transaction was treated as a business combination. The acquisition combines Envy's skin care product portfolio with the Company's leading medical aesthetics business.

2018 Business Developments

The following are the transactions that were completed or announced in the year ended December 31, 2018.

Licenses and Asset Acquisitions

Bonti, Inc.

On October 24, 2018, the Company acquired Bonti, Inc. ("Bonti"), a privately held clinical-stage biotechnology company focused on the development and commercialization of novel, fast-acting neurotoxin programs for aesthetic and therapeutic applications, for $195.0 million upfront plus contingent consideration of up to $90.0 million which may be recorded if the corresponding events become probable. The transaction was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $196.6 million was recorded as a component of R&D expense in the year ended December 31, 2018.

Elastagen Pty Ltd

On April 6, 2018, the Company completed the acquisition of Elastagen Pty Ltd, a clinical stage medical company developing medical and cosmetic treatments including recombinant human tropoelastin, the precursor of elastin, which will be combined with Allergan's existing fillers product lines. The transaction was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $96.1 million was recorded as a component of R&D expense during the year ended December 31, 2018. Under the terms of the agreement, Elastagen Pty Ltd is eligible to receive additional contingent consideration of up to $165.0 million which may be recorded if the corresponding events become probable.

Repros Therapeutics, Inc.

On January 31, 2018, the Company completed the acquisition of Repros Therapeutics, Inc., which was accounted for as an asset acquisition as the purchase primarily related to one asset. The aggregate upfront expense of $33.2 million was recorded as a component of R&D expense during the year ended December 31, 2018.

Divestitures

Aclaris Therapeutics, Inc.

On November 30, 2018, the Company divested Rhofade® to Aclaris Therapeutics, Inc. Under the terms of the agreement, the purchase price included an upfront cash payment, a potential development milestone payment for an additional dermatology product, and tiered payments based on annual net sales of Rhofade®, which have a fair value estimated to be $51.8 million as of December 31, 2019. As a result of this transaction, the Company recorded a net loss of $266.2 million for the year ended December 31, 2018, which is included as a component of "Asset sales and impairments, net".

Almirall, S.A.

On September 20, 2018, the Company completed the sale of five medical dermatology products (Aczone®, Tazorac®, Azelex®, Cordran® Tape and Seysara™) in the U.S. to Almirall, S.A. Allergan concluded that these assets constituted a business. As part of the sale, the Company received cash consideration of $550.0 million and is eligible to receive a contingent payment of up to an additional $100.0 million in the event that net sales of the divested products in a specified calendar year exceed a sales target, to which no fair value has been ascribed. As a result of this transaction, the Company recorded the following ($ in millions):

Purchase Price	**$**	**550.0**
Assets sold		
Intangible assets	$	205.4
Goodwill		184.0
Other assets		31.0
Net assets sold	**$**	**420.4**
Net gain included as a component of Other income / (expense), net	**$**	**129.6**

2017 Business Developments

The following are the transactions that were completed or announced in the year ended December 31, 2017.

Acquisitions

Keller Medical, Inc.

On June 23, 2017, the Company acquired Keller Medical, Inc. ("Keller"), a privately held medical device company and developer of the Keller Funnel® (the "Keller Acquisition"). The Keller Acquisition combined the Keller Funnel®, a surgical device used in conjunction with breast implants, with the Company's leading breast implants business.

Zeltiq® Aesthetics, Inc.

On April 28, 2017, the Company acquired Zeltiq® Aesthetics, Inc. ("Zeltiq") for an acquisition accounting purchase price of $2,405.4 million (the "Zeltiq Acquisition"). Zeltiq was focused on developing and commercializing products utilizing its proprietary controlled-cooling technology platform (Coolsculpting®). The Zeltiq Acquisition combined Zeltiq's body contouring business with the Company's leading portfolio of medical aesthetics.

Assets Acquired and Liabilities Assumed at Fair Value

The Zeltiq Acquisition has been accounted for using the acquisition method of accounting. This method requires that assets acquired and liabilities assumed in a business combination be recognized at their fair values as of the acquisition date.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the acquisition date and reflects purchase accounting adjustments subsequent to the acquisition date ($ in millions):

	Final Valuation
Cash and cash equivalents	$ 36.7
Accounts receivable	47.0
Inventories	59.3
Property, plant and equipment	12.4
Intangible assets	1,185.0
Goodwill	1,211.6
Other assets	17.1
Accounts payable and accrued expenses	(104.6)
Deferred revenue	(10.6)
Deferred taxes, net	(47.2)
Other liabilities	(1.3)
Net assets acquired	**$ 2,405.4**

IPR&D and Intangible Assets

The estimated fair value of the intangible assets, including customer relationships, was determined using the "income approach," which is a valuation technique that provides an estimate of the fair value of an asset based on market participant expectations of the cash flows an asset would generate over its remaining useful life. Some of the more significant assumptions inherent in the development of those asset valuations include the estimated net cash flows for each year for each asset or product (including net revenues, cost of sales, R&D costs, selling and marketing costs, other allocated costs, and working capital/contributory asset charges), the appropriate discount rate to select in order to measure the risk inherent in each future cash flow stream, the assessment of each asset's life cycle, the potential regulatory and commercial success risks, competitive trends impacting the asset and each cash flow stream. This technique is referred to herein as the "IPR&D and Intangible Asset Valuation Technique."

The fair value of the intangible assets acquired in the Zeltiq Acquisition was determined using the IPR&D and Intangible Asset Valuation Technique. The discount rate used to arrive at the present value for these acquired intangible assets ranged from 10.0% to 11.0% to reflect the internal rate of return and incremental commercial uncertainty in the cash flow projections. The discount rate of the Zeltiq Acquisition was driven by the life-cycle stage of the products and the therapeutic indication. For these and other reasons, actual results may vary significantly from estimated results.

The following table identifies the summarized amounts recognized and the weighted average useful lives using the economic benefit of intangible assets ($ in millions):

	Amount recognized as of the acquisition date	Weighted average useful lives (years)
Definite Lived Assets		
Consumables	$ 985.0	6.7
System	43.0	3.7
Total CMP	1,028.0	
Customer Relationships	157.0	6.6
Total Definite Lived Assets	**$ 1,185.0**	

Goodwill

Among the reasons the Company acquired Zeltiq and the factors that contributed to the recognition of goodwill was the expansion of the Company's leading medical aesthetics portfolio. Goodwill from the Zeltiq Acquisition of $954.7 million was assigned to the US Specialized Therapeutic segment and goodwill of $256.9 million was assigned to the International segment and is non-deductible for tax purposes.

Inventories

The fair value of inventories acquired included an acquisition accounting fair market value step-up of $22.9 million which was recognized as a component of cost of sales as the inventory acquired was sold to the Company's customers in the year ended December 31, 2017.

Deferred Tax Liabilities

Deferred tax liabilities result from identifiable intangible assets' fair value adjustments. These adjustments create excess book basis over tax basis which is tax-effected by the statutory tax rates of applicable jurisdictions.

LifeCell Corporation

On February 1, 2017, the Company acquired LifeCell Corporation ("LifeCell"), a regenerative medicine company, for an acquisition accounting price of $2,883.1 million (the "LifeCell Acquisition"). The LifeCell Acquisition combined LifeCell's novel, regenerative medicines business, including its high-quality and durable portfolio of dermal matrix products with the Company's leading portfolio of medical aesthetic products, breast implants and tissue expanders. The LifeCell Acquisition expanded the Company's medical aesthetics portfolio by adding Alloderm® and Strattice®.

Assets Acquired and Liabilities Assumed at Fair Value

The LifeCell Acquisition has been accounted for using the acquisition method of accounting.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the acquisition date and reflects purchase accounting adjustments subsequent to the acquisition date ($ in millions):

	Final Valuation
Cash and cash equivalents	$ 8.7
Accounts receivable	50.8
Inventories	175.4
Property, plant and equipment, net	53.7
Currently marketed products ("CMP") intangible assets	2,010.0
In-process research and development ("IPR&D") intangible assets	10.0
Goodwill	1,449.1
Accounts payable and accrued expenses	(149.6)
Deferred tax liabilities, net	(746.2)
Other	21.2
Net assets acquired	**$ 2,883.1**

IPR&D and Intangible Assets

The fair value of the acquired intangible assets was determined using the IPR&D and Intangible Asset Valuation Technique. The discount rate used to arrive at the present value for these acquired intangible assets was 7.5% to reflect the internal rate of return and incremental commercial uncertainty in the cash flow projections in the LifeCell Acquisition. The discount rate of the LifeCell Acquisition was driven by the life-cycle stage of the products including, the advanced nature of IPR&D projects and the therapeutic indication. For these and other reasons, actual results may vary significantly from estimated results.

The following table identifies the summarized amounts recognized and the weighted average useful lives using the economic benefit of intangible assets ($ in millions):

	Amount recognized as of the acquisition date	Weighted average useful lives (years)
Definite lived assets		
Alloderm®	$ 1,385.0	6.9
Revolve®	80.0	7.1
Strattice®	320.0	5.1
Artia®	115.0	8.8
Other	10.0	2.8
Total CMP	1,910.0	
Customer Relationships	100.0	6.3
Total definite lived assets	2,010.0	
In-process research and development		
Other	10.0	
Total IPR&D	10.0	
Total intangible assets	**$ 2,020.0**	

Goodwill

Among the reasons the Company acquired LifeCell and the factors that contributed to the recognition of goodwill was the expansion of the Company's leading medical aesthetic portfolio. Goodwill from the LifeCell Acquisition of $1,449.1 million was assigned to the US Specialized Therapeutic segment and is non-deductible for tax purposes.

Inventories

The fair value of inventories acquired included an acquisition accounting fair market value step-up of $108.4 million which was recognized as a component of cost of sales as the inventory acquired was sold to the Company's customers in the year ended December 31, 2017, excluding currency impact.

Deferred Tax Liabilities

Deferred tax liabilities result from identifiable intangible assets' fair value adjustments. These adjustments create excess book basis over tax basis which is tax-effected by the statutory tax rates of applicable jurisdictions.

Licenses and Other Transactions Accounted for as Asset Acquisitions

Lyndra, Inc.

On July 31, 2017, the Company entered into a collaboration, option and license agreement with Lyndra, Inc. ("Lyndra") to develop orally administered ultra-long-acting (once-weekly) products for the treatment of Alzheimer's disease and an additional, unspecified indication. The total upfront payment of $15.0 million was included as a component of R&D expense in the year ended December 31, 2017. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The future option exercise payments, if any, and any future success based milestones relating to the licensed products of up to $85.0 million will be recorded if the corresponding events become probable.

Editas Medicine, Inc.

On March 14, 2017, the Company entered into a strategic alliance and option agreement with Editas Medicine, Inc. ("Editas") for access to early stage, first-in-class eye care programs. Pursuant to the agreement, Allergan made an upfront payment of $90.0 million for the right to license up to five of Editas' gene-editing programs in eye care, including its lead program for Leber Congenital Amaurosis ("LCA"). Under the terms of the agreement, if an option is exercised, Editas is eligible to receive contingent research and development and commercial milestones plus royalties based on net sales. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The total upfront payment of $90.0 million was included as a component of R&D

expense in the year ended December 31, 2017. The future option exercise payments, if any, and any future success based milestones relating to the licensed products will be recorded if the corresponding events become probable.

In the year ended December 31, 2018, the Company exercised a $15.0 million option to develop and commercialize EDIT-101 globally for the treatment of LCA10 which was included as a component of R&D expense. Additionally, Editas has exercised its option to co-develop and share equally in the profits and losses from EDIT-101 in the United States. Editas received an additional $25.0 million milestone, which was included as a component as R&D expense in the year ended December 31, 2018, as the FDA accepted the investigational new drug application for EDIT-101.

Assembly Biosciences, Inc.

On January 9, 2017, the Company entered into a licensing agreement with Assembly Biosciences, Inc. ("Assembly") for the worldwide rights to Assembly's microbiome gastrointestinal development programs. Under the terms of the agreement, the Company made an upfront payment to Assembly of $50.0 million for the exclusive, worldwide rights to develop and commercialize certain development compounds. Additionally, Assembly will be eligible to receive success-based development and commercial milestone payments plus royalties based on net sales. The Company and Assembly will generally share development costs through proof-of-concept ("POC") studies, and Allergan will assume all post-POC development costs. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing as well as the lack of certain other inputs and processes that the transaction did not qualify as a business. The total upfront payment of $50.0 million was included as a component of R&D expense in the year ended December 31, 2017 and the future success based milestone payments of up to $2,771.0 million, including amounts for additional development programs not committed to as of December 31, 2017, will be recorded if the corresponding events become probable.

Lysosomal Therapeutics, Inc.

On January 9, 2017, the Company entered into a definitive agreement for the option to acquire Lysosomal Therapeutics, Inc. ("LTI"). LTI is focused on innovative small-molecule research and development in the field of neurodegeneration, yielding new treatment options for patients with severe neurological diseases. Under the agreement, Allergan acquired an option right directly from LTI shareholders to acquire LTI for $150.0 million plus future milestone payments following completion of a Phase Ib trial for LTI-291 as well as an upfront research and development payment. The Company concluded based on the stage of development of the assets, the lack of acquired employees and manufacturing, as well as the lack of certain other inputs and processes, that the transaction did not qualify as a business. The aggregate upfront payment of $145.0 million was recorded as a component of R&D expense in the year ended December 31, 2017. The Company did not exercise its option and on January 2, 2019, the option agreement with LTI was terminated.

Other Transactions

Saint Regis Mohawk Tribe

On September 8, 2017, the Company entered into an agreement with the Saint Regis Mohawk Tribe, under which the Saint Regis Mohawk Tribe obtained the rights to Orange Book-listed patents covering Restasis® (Cyclosporine Ophthalmic Emulsion) 0.05%, and the Company was granted exclusive licenses under the patents related to the product. Pursuant to the agreement, the Company paid the Saint Regis Mohawk Tribe an upfront payment of $13.8 million, which was recorded as a component of cost of sales in the year ended December 31, 2017.

During the years ended December 31, 2019 and 2018, the Company paid royalties to the Saint Regis Mohawk Tribe of $10.1 million and $15.0 million, respectively, which were recorded within cost of sales. As of December 31, 2019, the Company has no future royalty obligations to the Saint Regis Mohawk Tribe.

NOTE 6 — Assets Held for Sale

The following represents the assets held for sale ($ in millions):

	December 31, 2019	December 31, 2018
Assets held for sale:		
Inventories	$ -	$ 34.0
Property, plant and equipment, net	31.7	32.8
Product rights and other intangibles	-	849.4
Total assets held for sale	**$ 31.7**	**$ 916.2**

As of December 31, 2018, the Company had concluded that its Anti-Infectives business met the criteria for held for sale based on management's intent and ability to divest the business within the next twelve months. Assets held for sale also include miscellaneous properties. As of June 30, 2019, and as a result of the proposed AbbVie Transaction, the Company concluded that the Anti-Infectives business no longer met the criteria for held for sale. The Anti-Infectives intangible assets and inventory were reclassified to held in use at the lower of their carrying amount before the assets were recorded as held for sale less any amortization that would have been recognized had the assets been continuously classified as held and used or their fair value at the date of the subsequent decision not to sell. As a result of the reclassification, the Company recorded a charge of $129.6 million, primarily related to amortization that would have been recorded if the assets were held and used, within Assets, sales and impairments, net for the nine month period the assets were held for sale.

NOTE 7 — Collaborations

The Company has ongoing transactions with other entities through collaboration agreements. The following represent the material collaboration agreements impacting the years ended December 31, 2019, 2018 and 2017.

Ironwood Collaboration

In September 2007, Forest entered into a collaboration agreement with Ironwood Pharmaceuticals ("Ironwood") to jointly develop and commercialize Linzess® (linaclotide) for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic idiopathic constipation (CIC). Under the terms of the agreement, the Company shares equally with Ironwood all profits and losses (as defined) from the development and commercialization of Linzess in the U.S. In addition, the Company expanded this agreement to cover the acquired Constella rights internationally.

The agreement included contingent milestone payments as well as a contingent equity investment based on the achievement of specific clinical and commercial milestones. The Company may be obligated to pay up to an additional $100.0 million if certain sales milestones are achieved.

Based on the nature of the arrangement (including its contractual terms), the nature of the payments and applicable guidance, the Company records receipts from and payments to Ironwood in two pools: the "Development pool" which consists of R&D expenses, and the "Commercialization pool," which consists of revenue, cost of sales and other operating expenses. The net payment to or receipt from Ironwood for the Development pool is recorded in R&D expense and the net payment to or receipt from Ironwood for the Commercialization pool is recorded in cost of goods sold. In the year ended December 31, 2018, the Company recorded a $29.9 million Linzess® profit share true-up in cost of sales.

Amgen Collaboration

In December 2011, we entered into a collaboration agreement with Amgen Inc. ("Amgen") to develop and commercialize, on a worldwide basis, biosimilar versions of Herceptin®, Avastin®, Rituxan/Mab Thera®, and Erbitux® (the "Amgen Collaboration Agreement"). Amgen has assumed primary responsibility for developing, manufacturing and initially commercializing the oncology antibody products. In addition, we will contribute our significant expertise in the commercialization and marketing of products in highly competitive specialty markets, including helping effectively manage the lifecycle of the biosimilar products. The collaboration products are expected to be sold under a joint Amgen/Allergan label. We will initially receive royalties and sales milestones from product revenues. The collaboration will not pursue biosimilars of Amgen's proprietary products.

In 2017, the FDA approved MVASI ™, a biosimilar of Avastin, for the treatment of five types of cancer. In 2018, the European Commission granted marketing authorization for MVASI ™ and KANJINTI™. In 2019, the FDA approved KANJINTI ™. As a result of these approvals, the Company can achieve certain commercial and sales based milestones and receive royalties based on the net sales of the products. In the year ended December 31, 2019, the Company recorded $25.0 million in milestone revenue as a result of the approval and launch of KANJINTI ™. In the year ended December 31, 2018, the Company recorded $25.0 million in milestone revenue as a result of the anticipated product launch of MVASI™.

NOTE 8 — Discontinued Operations

Global Generics Business

On July 27, 2015, the Company announced that it entered into the Teva Transaction, which closed on August 2, 2016. OnOctober 3, 2016, the Company completed the divestiture of the Anda Distribution business to Teva for $500.0 million. The Company recognized a combined gain on the sale of the Anda Distribution business and the sale of the global generics business of $15,932.2 million in the twelve months ended December 31, 2016.

In October 2016, pursuant to our agreement with Teva, Teva provided the Company with its proposed estimated adjustment to the closing date working capital balance. The Company disagreed with Teva's proposed adjustment, and, pursuant to our agreement with Teva, each of the Company's and Teva's proposed adjustments were submitted to arbitration ("Working Capital Arbitration") to determine the working capital amount in accordance with GAAP as applied by the Company consistent with past practice. On January 31, 2018, Allergan plc and Teva entered into a Settlement Agreement and Mutual Releases (the "Agreement"). The Agreement provided that the Company make a one-time payment of $700.0 million to Teva which was paid in the year ended December 31, 2018; the Company and Teva jointly dismissed their working capital dispute arbitration, and the Company and Teva released all actual or potential claims under the Master Purchase Agreement, dated July 26, 2015, by and between the Company and Teva, for breach of any representation, warranty, or covenant (other than any breach of a post-closing covenant not known as of the date of the Agreement). The Company recorded a pre-tax charge of $466.0 million as a component of other (expense) / income, net from discontinued operations relating to the settlement in the year ended December 31, 2017.

The fair value of Teva Shares owned were recorded within "Marketable securities" on the Company's Consolidated Balance Sheet.The closing August 2, 2016 Teva stock price discounted at a rate of 5.9 percent due to the lack of marketability was used to initially value the shares.

Teva Share Activity

During the year ended December 31, 2018, the Company recorded the following movements in its investment in Teva securities ("Teva Share Activity") ($ in millions except per share information):

	Shares	Carrying Value per Share	Market Price		Proceeds Received	Value of Marketable Securities	Unrealized Gain / (Loss) as a Component of Other Comprehensive Income	Gain / (Loss) Recognized in Other Income/ (Expense), Net	Derivative Instrument (Liability)/ Asset	Retained Earnings
Teva securities as of December 31, 2017	**95.9**	**$ 17.60**	**$ 18.95**		**n.a.**	**$ 1,817.7**	**$ 129.3**	**$ -**	**$ (62.9)**	**$ -**
Impact of ASU No. 2016-01	-	-	-		-	-	(129.3)	-	-	129.3
Settlement of initial accelerated share repurchase ("ASR"), net during the three months ended March 31, 2018[1]	(25.0)	18.95	16.53	(2)	413.3	(473.8)	-	2.5	62.9	-
Settlement of forward sale entered into during the three months ended March 31, 2018, net[3]	(25.0)	17.09	18.61	(4)	465.5	(427.3)	-	38.2	-	-
Open market sales during the twelve months ended December 31, 2018	(45.9)	n.a.	(5) 20.41		936.7	(916.6)	-	20.2	-	-
Teva securities as of and for the twelve months ended December 31, 2018	**-**	**$ -**	**$ -**		**$ 1,815.5**	**$ -**	**$ -**	**$ 60.9**	**$ -**	**$ 129.3**

(1) In the year ended December 31, 2017, the Company recorded a $62.9 million loss on the fair value of the derivative for the forward sale of 25.0 million of Teva securities. The ASR was settled on January 12, 2018 for $413.3 million.

(2) Market price represents average price over the life of the contract. On the January 17, 2018 settlement date, the closing stock price of Teva securities was $21.48.

(3) On February 13, 2018, the Company entered into additional forward sale transactions under which we sold approximately 25.0 million Teva shares. The value of the shares were based on the volume weighted average price of Teva shares plus a premium and settled during the year ended December 31, 2018. As a result of the transaction, the Company received 80% of the proceeds, or approximately $372.0 million on February 13, 2018. The forward sale was settled on May 7, 2018 for total proceeds of $465.5 million.

(4) Market price represents average price over the life of the contract. On the May 7, 2018 settlement date, the closing stock price of Teva securities was $18.62.

(5) Average carrying value per share was $19.97.

During the year ended December 31, 2017, the Company recorded the following movements in its investment in Teva securities ($ in millions except per share information):

	Shares	Carrying Value per Share	Market Price	Discount	Movement in the Value of Marketable Securities	Unrealized Gain / (Loss) as a Component of Other Comprehensive Income	(Loss) / Gain Recognized in Other Income / (Expense), Net
Teva securities as of December 31, 2016	**100.3**	**$ 53.39**	**$ 36.25**	**5.4%**	**$ 3,439.2**	**$ (1,599.4)**	**$ -**
Other-than-temporary impairment recognized at March 31, 2017	100.3	32.09	32.09	4.9%	(378.6)	1,599.4	(1,978.0)
Other-than-temporary impairment recognized at September 30, 2017	100.3	17.60	17.60	0.0%	(1,295.5)	-	(1,295.5)
Sales during the twelve months ended December 31, 2017	(4.4)	n.a.	n.a.	0.0%	(76.7)	-	4.2
Other fair value movements in the twelve months ended December 31, 2017	95.9	17.60	18.95	0.0%	129.3	129.3	-
Teva securities as of and for the twelve months ended December 31, 2017	**95.9**	**$ 17.60**	**$ 18.95**	**0.0%**	**$ 1,817.7**	**$ 129.3**	**$ (3,269.3)**

The Teva stock price was discounted due to the lack of marketability.

Financial results of the global generics business and the Anda Distribution business are presented as "(Loss) / income from discontinued operations, net of tax" on the Consolidated Statements of Operations for the year ended December 31, 2017.

The following table presents key financial results of the global generics business and the Anda Distribution business included in "(Loss) / income from discontinued operations, net of tax" for the year ended December 31, 2017 ($ in millions):

	2017
Net revenues	$ -
Operating expenses:	
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	-
Research and development	-
Selling and marketing	-
General and administrative	18.8
Amortization	-
Asset sales and impairments, net	1.2
Total operating expenses	20.0
Operating (loss) / income	(20.0)
Other (expense) / income, net	(470.4)
(Benefit) / provision for income taxes	(87.5)
(Loss) / income from discontinued operations, net of tax	**$ (402.9)**

NOTE 9 — Share-Based Compensation

The Company recognizes compensation expense for all share-based compensation awards made to employees and directors based on the fair value of the awards on the date of grant. A summary of the Company's share-based compensation plans is presented below.

Option award plans require options to be granted at the fair market value of the shares underlying the options at the date of the grant and generally become exercisable over periods ranging from three to five years. Each option granted expires ten years from the date of the grant. Restricted stock awards are grants that entitle the holder to ordinary shares, subject to certain terms. Restricted stock unit awards are grants that entitle the holder the right to receive an ordinary share, subject to certain terms. Restricted stock and restricted stock unit awards (both time-based vesting and performance-based vesting) generally have restrictions that lapse over a one to four year vesting period. Restrictions generally lapse for non-employee directors after one year. Certain restricted stock units are performance-based awards issued at a target number with the actual number of ordinary shares issued ranging based on achievement of the performance criteria. All restricted stock and restricted stock units which remain active under the Company's equity award plans are eligible to receive cash dividend equivalent payments upon vesting.

Fair Value Assumptions

All restricted stock and restricted stock units (whether time-based or performance-based) are granted and expensed using the fair value per share on the applicable grant date, over the applicable vesting period. Non-qualified options to purchase ordinary shares are granted to employees at exercise prices per share equal to the closing market price per share on the date of grant. The fair value of non-qualified options is determined on the applicable grant dates using the Black-Scholes method of valuation and that amount is recognized as an expense over the vesting period. Using the Black-Scholes valuation model, the fair value of options is based on the following assumptions:

	2019 Grants	2018 Grants	2017 Grants
Dividend yield	1.7 - 2.2%	1.5%	1.2%
Expected volatility	23.5 - 26.4%	27.0%	27.0%
Risk-free interest rate	1.9 - 2.6%	2.2-2.9%	2.0-2.3%
Expected term (years)	7.0	7.0	7.0

Share-Based Compensation Expense

Share-based compensation expense recognized in the Company's results of operations, including discontinued operations, for the years ended December 31, 2019, 2018 and 2017 was as follows ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Equity-based compensation awards	$ 214.3	$ 239.8	$ 293.3
Cash-settled awards in connection with the Zeltiq Acquisition	-	-	31.5
Non-equity settled awards other	-	-	(16.8)
Total share-based compensation expense	**$ 214.3**	**$ 239.8**	**$ 308.0**

In the years ended December 31, 2019, 2018 and 2017, the related tax benefits were $47.1 million, $53.5 million and $105.0 million, respectively, relating to share-based compensation.

In the year ended December 31, 2017, the income in non-equity settled awards other was due to an actuarial reversal of $16.8 million based on the decline of the total shareholder return metrics. These awards are cash-settled and fair valued based on a pre-determined total shareholder return metric.

Included in the share-based compensation awards for the years ended December 31, 2019, 2018 and 2017 is the impact of accelerations and step-ups relating to the acquisition accounting treatment of outstanding awards acquired in the Zeltiq Acquisition, the acquisition of Allergan, Inc. (the "Allergan Acquisition"), and the acquisition of Forest Laboratories, Inc. (the "Forest Acquisition") ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Zeltiq Acquisition	$ 4.9	$ 10.1	$ 47.8
Allergan Acquisition	0.5	8.3	47.1
Forest Acquisition	-	-	10.1
Total	**$ 5.4**	**$ 18.4**	**$ 105.0**

Unrecognized future share-based compensation expense was $296.9 million as of December 31, 2019. This amount will be recognized as an expense over a remaining weighted average period of 1.5 years. Share-based compensation is being amortized and charged to operations over the same period as the restrictions are eliminated for the participants, which is generally on a straight-line basis.

Share Activity

The following is a summary of equity award activity for unvested restricted stock and stock units in the period from December 31, 2018 through December 31, 2019 (in millions, except per share data):

	Shares	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term (Years)	Aggregate Grant Date Fair Value
Restricted shares / units outstanding at December 31, 2018	2.5	$ 190.27	1.6	$ 472.9
Granted	1.5	140.13		210.7
Vested	(0.8)	210.08		(159.6)
Forfeited	(0.1)	174.29		(31.0)
Restricted shares / units outstanding at December 31, 2019	**3.1**	**$ 159.74**	**1.4**	**$ 493.0**

The following is a summary of equity award activity for non-qualified options to purchase ordinary shares in the period from December 31, 2018 through December 31, 2019 (in millions, except per share data):

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding, December 31, 2018	6.3	$ 122.74	4.4	$ 69.0
Granted	0.3	140.56		
Exercised	(0.9)	99.71		
Cancelled	(0.2)	224.58		
Outstanding, vested and expected to vest at December 31, 2019	**5.5**	**$ 127.27**	**3.9**	**$ 352.9**

The increase in the aggregate intrinsic value of the options is primarily related to the increase in the Company's stock from $133.66 as of December 31, 2018 to $191.17 as of December 31, 2019.

NOTE 10 — Pension and Other Postretirement Benefit Plans

Defined Benefit Plan Obligations

The Company has numerous defined benefit plans offered to employees around the world. For these plans, retirement benefits are generally based on an employee's years of service and compensation. Funding requirements are determined on an individual country and plan basis and are subject to local country practices and market circumstances. As of December 31, 2019, all of the Company's plans were frozen for future enrollment.

The service and settlement costs captured as part of the net periodic (benefit) are recorded within general & administrative expenses and the interest costs and expected return on plan assets are recorded within "other income / (expense), net". The net periodic (benefit) of the defined benefit plans for continuing operations for the years ended December 31, 2019, 2018 and 2017 was as follows ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Service cost	$ 1.2	$ 2.8	$ 5.5
Interest cost	39.6	38.1	40.7
Expected return on plan assets	(56.3)	(63.8)	(54.5)
Settlement	(0.6)	(0.6)	(0.1)
Net periodic (benefit)	**$ (16.1)**	**$ (23.5)**	**$ (8.4)**

Obligations and Funded Status

Benefit obligation and asset data for the defined benefit plans for continuing operations, was as follows ($ in millions):

	Years Ended December 31,	
	2019	**2018**
Change in Plan Assets		
Fair value of plan assets at beginning of year	$ 1,129.6	$ 1,235.2
Employer contribution	12.3	14.8
(Loss) / gain on plan assets	221.3	(53.6)
Benefits paid	(38.6)	(41.1)
Settlements	-	(2.9)
Effects of exchange rate changes and other	(2.9)	(22.8)
Fair value of plan assets at end of year	**$ 1,321.7**	**$ 1,129.6**

	Years Ended December 31,	
	2019	**2018**
Change in Benefit Obligation		
Benefit obligation at beginning of the year	$ 1,227.2	$ 1,330.0
Service cost	1.2	2.8
Interest cost	39.6	38.1
Actuarial (gain) / loss	143.5	(74.5)
Settlements and other	-	(2.9)
Benefits paid	(38.6)	(41.1)
Effects of exchange rate changes and other	(5.7)	(25.2)
Benefit obligation at end of year	**$ 1,367.2**	**$ 1,227.2**
Funded status at end of year	**$ (45.5)**	**$ (97.6)**

The following table outlines the funded actuarial amounts ($ in millions):

	Years Ended December 31,	
	2019	**2018**
Noncurrent assets	$ 57.1	$ 27.6
Current liabilities	(0.9)	(0.9)
Noncurrent liabilities	(101.7)	(124.3)
	$ (45.5)	**$ (97.6)**

The funding status of pension benefits is primarily a function of the different funding incentives that exist outside of the United States. In certain countries, there are no legal requirements or financial incentives provided to companies to pre-fund pension obligations. In these instances, benefit payments are typically paid directly by the Company as they become due.

Plan Assets

Companies are required to use a fair value hierarchy as defined in ASC 820 which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value ("Fair Value Leveling"). There are three levels of inputs used to measure fair value with Level 1 having the highest priority and Level 3 having the lowest:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs that are supported by little or no market activity. The Level 3 assets are those whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques with significant unobservable inputs, as well as instruments for which the determination of fair value requires significant judgment or estimation.

If the inputs used to measure the financial assets fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The fair values of the Company's pension plan assets at December 31, 2019 by asset category are as follows ($ in millions):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets				
Investment funds				
U.S. equities	$ 30.6	$ -	$ -	$ 30.6
International equities	249.1	-	-	249.1
Other equity securities	65.5	-	-	65.5
Equity securities	**$ 345.2**	**$ -**	**$ -**	**$ 345.2**
U.S. Treasury bonds	$ -	$ 46.2	$ -	$ 46.2
Bonds and bond funds	-	923.2	-	923.2
Other debt securities	-	-	-	-
Debt securities	**$ -**	**$ 969.4**	**$ -**	**$ 969.4**
Other investments				
Other	-	7.1	-	7.1
Total assets	**$ 345.2**	**$ 976.5**	**$ -**	**$ 1,321.7**

The fair values of the Company's pension plan assets at December 31, 2018 by asset category are as follows ($ in millions):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets				
Investment funds				
U.S. equities	$ 20.6	$ -	$ -	$ 20.6
International equities	205.3	-	-	205.3
Other equity securities	49.8	-	-	49.8
Equity securities	**$ 275.7**	**$ -**	**$ -**	**$ 275.7**
U.S. Treasury bonds	$ -	$ 63.0	$ -	$ 63.0
Bonds and bond funds	-	787.2	-	787.2
Other debt securities	-	-	-	-
Debt securities	**$ -**	**$ 850.2**	**$ -**	**$ 850.2**
Other investments				
Other	-	3.7	-	3.7
Total assets	**$ 275.7**	**$ 853.9**	**$ -**	**$ 1,129.6**

The assets of the pension plan are held in separately administered trusts. The investment guidelines for the Company's pension plans is to create an asset allocation that is expected to deliver a rate of return sufficient to meet the long-term obligation of the plan, given an acceptable level of risk. The target investment portfolio of the Company's continuing operations pension plans is allocated as follows:

	Target Allocation as of December 31,	
	2019	2018
Bonds	74.3%	70.6%
Equity securities	22.4%	26.0%
Other investments	3.3%	3.4%

Expected Contributions

Employer contributions to the pension plan during the year ending December 31, 2020 are expected to be $8.5 million for continuing operations.

Expected Benefit Payments

Total expected benefit payments for the Company's pension plans are as follows ($ in millions):

	Expected Benefit Payments
2020	$ 38.6
2021	40.9
2022	43.1
2023	45.2
2024	47.1
Thereafter	1,152.3
Total liability	**$ 1,367.2**

Expected benefit payments are based on the same assumptions used to measure the benefit obligations and include estimated future employee service. The majority of the payments will be paid from plan assets and not Company assets.

Information for defined benefit plans with an accumulated benefit obligation in excess of plan assets is presented below ($ in millions):

	Defined Benefit as of December 31,	
	2019	2018
Projected benefit obligations	$ 1,367.2	$ 1,227.2
Accumulated benefit obligations	$ 1,362.6	$ 1,223.5
Plan assets	$ 1,321.7	$ 1,129.6

Amounts Recognized in Other Comprehensive Income / (Loss)

Net (loss) / gain amounts reflect experience differentials primarily relating to differences between expected and actual returns on plan assets as well as the effects of changes in actuarial assumptions. Net loss amounts in excess of certain thresholds are amortized into net pension cost over the average remaining service life of employees. Balances recognized within accumulated other comprehensive income/(loss) excluding the impact of taxes that have not been recognized as components of net periodic benefit costs are as follows ($ in millions):

	Defined Benefit
Balance as of December 31, 2017	**$ 58.2**
Net actuarial (loss)	(44.6)
Balance as of December 31, 2018	**$ 13.6**
Net actuarial gain	20.3
Balance as of December 31, 2019	**$ 33.9**

Actuarial Assumptions

The weighted average assumptions used to calculate the projected benefit obligations of the Company's defined benefit plans, including assets and liabilities held for sale, are as follows:

	As of December 31,	
	2019	2018
Discount rate	2.4%	3.3%
Salary growth rate	3.0%	3.0%

The weighted average assumptions used to calculate the net periodic benefit cost of the Company's defined benefit plans are as follows:

	As of December 31,	
	2019	2018
Discount rate	3.3%	2.9%
Expected rate of return on plan assets	5.1%	5.2%
Salary growth rate	3.0%	3.0%

In order to select a discount rate for purposes of valuing the plan obligations the Company uses market returns and adjusts them as needed to fit the estimated duration of the plan liabilities.

The expected rate of return represents the average rate of return to be earned on plan assets over the period the benefits included in the benefit obligation are to be paid. In developing the expected rate of return, long-term historical returns data are considered as well as actual returns on the plan assets and other capital markets experience. Using this reference information, the long-term return expectations for each asset category and a weighted average expected return was developed, according to the allocation among those investment categories.

Other Post-Employment Benefit Plans

The Company has post-employment benefit plans. Accumulated benefit obligation for the defined benefit plans, were as follows ($ in millions):

	Accumulated Benefit Obligation
Accumulated benefit obligation as of December 31, 2017	**$ 46.8**
Interest cost	1.6
Actuarial charge	(2.6)
Benefits paid	(3.6)
Accumulated benefit obligation as of December 31, 2018	**$ 42.2**
Interest cost	1.7
Actuarial charge	2.1
Benefits paid	(3.6)
Accumulated benefit obligation as of December 31, 2019	**$ 42.4**

Savings Plans

The Company also maintains certain defined contribution savings plans covering substantially all U.S.-based employees. The Company contributes to the plans based upon the employee contributions. The Company's expense for contributions to these retirement plans for amounts included in continuing operations was $150.4 million, $128.9 million and $89.1 million in the years ended December 31, 2019, 2018 and 2017, respectively.

NOTE 11 — Other Income / (Expense), Net

Other income / (expense), net consisted of the following ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Teva Share Activity	$ -	$ 60.9	$ (3,269.3)
Sale of businesses	-	182.6	-
Debt extinguishment costs as part of the debt tender offer	-	-	(161.6)
Debt extinguishment other	(0.2)	15.6	(27.6)
Other-than-temporary impairments	-	-	(26.1)
Dividend income	-	-	85.2
Naurex recovery	-	-	20.0
Forward sale of Teva shares	-	-	(62.9)
Other (expense) / income, net	33.0	(2.4)	5.0
Other income / (expense), net	**$ 32.8**	**$ 256.7**	**$ (3,437.3)**

Teva Share Activity

Refer to "NOTE 8 — Discontinued Operations" for the movements that the Company recorded during the years ended December 31, 2018 and 2017 in its investment in Teva securities.

Sale of Business

During the year ended December 31, 2018, the Company recorded a net gain of $129.6 million as a result of the sale of five medical dermatology products to Almirall, S.A.

During the year ended December 31, 2018, the Company completed the sale of a non-strategic asset group held for sale as of December 31, 2017, which was deemed a business based on the applicable guidance at the time, for $55.0 million in cash plus deferred consideration of $20.0 million. As a result of this transaction, the Company recognized a gain of $53.0 million.

Debt Extinguishment Costs as Part of the Debt Tender Offer

On May 30, 2017, the Company completed the repurchase of certain debt securities issued for cash under a previously announced tender offer. In the year ended December 31, 2017, as a result of the debt extinguishment, the Company repaid $2,843.3 million of senior notes and recognized a loss of $161.6 million, within "other (expense) / income, net" for the early tender payment and non-cash write-off of premiums and debt fees related to the repurchased notes, including $170.5 million of a make-whole premium.

Debt Extinguishment Other

During the year ended December 31, 2019, the Company repurchased $249.8 million of senior notes in the open market. The net gain / (loss) on the debt extinguishments was not material.

During the year ended December 31, 2018, the Company repurchased $3,939.1 million of senior notes in the open market. As a result of the debt extinguishment, the Company recognized a net gain of $15.6 million within "other income / (expense), net" for the discount received upon repurchase of $45.6 million, offset by the non-cash write-off of premiums and debt fees related to the repaid notes of $30.0 million.

During the year ended December 31, 2019, the Company redeemed and retired the following senior notes ($ in millions):

	Year Ended December 31, 2019		
Tranche	Face Value Retired	Cash Paid for Retirement	Remaining Value at December 31, 2019
3.000% due 2020	$ 180.7	$ 180.7	$ 2,526.0
3.450% due 2022	62.3	62.3	2,878.2
3.800% due 2025	6.8	6.8	3,020.7
Total	**$ 249.8**	**$ 249.8**	**$ 8,424.9**

In the year ended December 31, 2017, the Company repaid $750.0 million of senior notes due in the year ended December 31, 2019. As a result of the extinguishment, the Company recognized a loss of $27.6 million, within "Other (expense) / income" for the early payment and non-cash write-off of premiums and debt fees related to the repaid notes, including $35.1 million of a make-whole premium.

Other-than-temporary Impairments

The Company recorded other-than-temporary impairment charges on other equity investments and cost method investments of $26.1 million in the year ended December 31, 2017.

Dividend Income

During the years ended December 31, 2017, the Company received dividend income of $85.2 million on the 100.3 million Teva ordinary shares acquired as a result of the Teva Transaction. On February 8, 2018, Teva suspended all dividends on ordinary shares.

Naurex Recovery

On August 28, 2015, the Company acquired certain products in early stage development of Naurex, Inc. ("Naurex") in an all-cash transaction, which was accounted for as an asset acquisition. The Company received a purchase price reduction of $20.0 million in the year ended December 31, 2017 based on the settlement of an open contract dispute.

Forward Sale of Teva Shares

Refer to "NOTE 8 — Discontinued Operations" for the movements in the Company's investment in Teva securities.

Other Income, net

Other income, net includes the mark-to-market gains of $7.7 million and losses of $13.6 million, respectively, on equity securities held by the Company during the years ended December 31, 2019 and 2018.

NOTE 12 — Inventories

Inventories consist of finished goods held for sale and distribution, raw materials and work-in-process. Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. The Company writes down inventories to net realizable value based on forecasted demand, market conditions or other factors, which may differ from actual results.

Inventories consisted of the following ($ in millions):

	December 31, 2019	December 31, 2018
Raw materials	$ 455.2	$ 303.2
Work-in-process	246.2	145.7
Finished goods	581.7	520.2
	1,283.1	969.1
Less: inventory reserves	150.0	122.2
Total Inventories	**$ 1,133.1**	**$ 846.9**

In connection with the voluntary recall of BIOCELL® textured breast implants and tissue expanders, the Company recorded a $68.1 million charge in Cost of Sales, including $42.1 million to write down inventory held by the Company related to the recall, as of December 31, 2019.

NOTE 13 — Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following ($ in millions):

	December 31, 2019	December 31, 2018
Accrued expenses:		
Accrued third-party rebates	$ 2,001.8	$ 1,832.1
Litigation-related reserves and legal fees	1,250.7	92.0
Accrued payroll and related benefits	830.3	694.3
Accrued returns and other allowances	596.7	527.8
Accrued R&D expenditures	184.8	215.5
Interest payable	189.5	191.4
Royalties payable	216.9	155.1
Accrued pharmaceutical fees	125.9	145.3
Accrued severance, retention and other shutdown costs	12.7	71.6
Accrued non-provision taxes	64.6	68.5
Accrued selling and marketing expenditures	61.3	61.1
Current portion of contingent consideration obligations	12.1	8.3
Dividends payable	1.1	1.4
Other accrued expenses	409.9	373.0
Total accrued expenses	$ 5,958.3	$ 4,437.4
Accounts payable	390.4	349.8
Total accounts payable and accrued expenses	**$ 6,348.7**	**$ 4,787.2**

NOTE 14 — Leases

Starting in 2019 leases are accounted for under ASC Topic 842. The Company has entered into various lease contracts, mainly operating leases for the use of real estate, fleet, and operating equipment. The Company leases certain assets to limit exposure to the risks of ownership as well as to reduce administrative burdens inherent in the ownership of assets.

Term

The remaining terms for leases other than real estate leases are between 1 and9 years as of December 31, 2019. For real estate leases, the remaining lease terms are between 1 and 13 years as of December 31, 2019.

The Company has an option for certain lease contracts, mainly for real estate lease contracts, to renew the lease term beyond the noncancelable lease period. The payments associated with the renewal will only be included in the measurement of the lease liability and ROU asset if the exercise of the renewal option is determined to be reasonably certain. The Company considers the timing of the renewal period and other economic factors such as the financial consequences of a decision to extend or not to extend a lease in determining if the renewal option is reasonably certain to be exercised.

Discount Rate

The Company is primarily a lessee, not a lessor. The Company discounts future lease payments to calculate the present value when determining the lease classification and measuring the lease liability. The rate utilized is either the implicit rate or the incremental borrowing rate. The incremental borrowing rate is not a commonly quoted rate and is derived through a combination of inputs including the Company's credit rating and the impact of full collateralization. The incremental borrowing rate is based on the Company's collateralized borrowing capabilities over a similar term of the lease payments. The Company utilizes the consolidated group incremental borrowing rate for all leases as the Company has centralized treasury operations.

Other

The Company does not have any material residual value guarantee terms in its lease contracts. The Company does not have material variable leases.

The Company has chosen to separate lease and non-lease components for its plant operations and research and development equipment. The Company allocates the contract consideration to the lease component using the standalone price from our supplier.

As of December 31, 2019, the Company had the following operating ROU assets and lease liabilities ($ in millions):

	December 31, 2019	
	ROU Asset	**Lease Liability**
Real estate	$ 321.2	$ 386.9
Fleet	115.0	114.9
Other	54.2	68.7
Total operating leases	**$ 490.4**	**$ 570.5**

	December 31, 2019
Current lease liability - operating	$ 124.4
Long-term lease liability - operating	446.1
Total lease liability - operating	**$ 570.5**

Finance leases are not material as of December 31, 2019.

For the year ended December 31, 2019, the Company noted the following lease expense ($ in millions):

	Year Ended December 31, 2019
Operating lease expense*	$ 151.3
Sublease (income)	(14.3)
Net operating lease expense	**$ 137.0**

* Includes short-term and variable lease expenses of $9.5 million for the year ended December 31, 2019.

As of December 31, 2019, the Company had the following lease commitments ($ in millions):

	Total Payments
2020	$ 131.6
2021	116.6
2022	88.8
2023	58.3
2024	49.7
2025 and after	192.1
Total undiscounted cash flows	$ 637.1
Future interest	(66.6)
Total lease liability – operating	**$ 570.5**

As of December 31, 2019, the weighted average remaining lease term for operating leases was 6.6 years with a weighted average discount rate of 2.5%.

The ROU assets obtained in exchange for operating lease obligations was $159.9 million for the year ended December 31, 2019. The cash paid for amounts included in the measurement of operating lease liabilities were $137.2 million for the year ended December 31, 2019.

As of December 31, 2018, the Company had operating leases for certain facilities, vehicles and equipment. Total property rental expense for operating leases for the year ended December 31, 2018 was $63.2 million. Total fleet rental expense for operating leases for the year ended December 31, 2018 was $41.1 million. The Company also had de minimis capital leases for certain facilities and equipment. As of December 31, 2018, the future anticipated property lease rental payments under both capital and operating leases that had remaining terms in excess of one year were ($ in millions):

	Total Payments
2019	62.5
2020	52.5
2021	47.9
2022	43.3
2023	39.0
Thereafter	173.8
Total minimum lease payments	**$ 419.0**

NOTE 15 — Property, Plant and Equipment, Net

Property, plant and equipment, net consisted of the following as of December 31, 2019 and 2018 ($ in millions):

	Machinery and Equipment	Research and Laboratory Equipment	Transportation/ Other	Land, Buildings and Leasehold Improvements	Construction in Progress	Total
At December 31, 2018	$ 590.4	$ 67.4	$ 529.6	$ 911.1	$ 466.7	$ 2,565.2
Additions	11.5	20.0	25.6	38.9	279.2	375.2
Disposals/transfers/other	82.5	8.4	89.5	41.4	(302.9)	(81.1)
Currency translation	(2.4)	1.2	(1.2)	(1.9)	(0.6)	(4.9)
At December 31, 2019	**$ 682.0**	**$ 97.0**	**$ 643.5**	**$ 989.5**	**$ 442.4**	**$ 2,854.4**
Accumulated depreciation						
At December 31, 2018	$ 284.2	$ 46.3	$ 291.4	$ 156.3	$ -	$ 778.2
Additions	67.3	10.9	77.8	48.5	-	204.5
Disposals/transfers/impairments/other	(23.2)	(0.1)	(9.2)	(20.8)	-	(53.3)
Currency translation	(1.0)	0.8	(0.9)	(0.5)	-	(1.6)
At December 31, 2019	**$ 327.3**	**$ 57.9**	**$ 359.1**	**$ 183.5**	**$ -**	**$ 927.8**
Property, plant and equipment, net At December 31, 2019	**$ 354.7**	**$ 39.1**	**$ 284.4**	**$ 806.0**	**$ 442.4**	**$ 1,926.5**

NOTE 16 — Prepaid Expenses, Investments and Other Assets

Prepaid expenses and other current assets consisted of the following ($ in millions):

	December 31, 2019	December 31, 2018
Prepaid taxes	$ 437.7	$ 403.8
Prepaid insurance	11.5	16.7
Contingent income	83.6	67.7
Sales and marketing	65.0	41.8
Other	288.6	289.1
Total prepaid expenses and other current assets	**$ 886.4**	**$ 819.1**

Investments in marketable securities, including those classified in cash and cash equivalents due to the maturity term of the instrument, other investments and other assets consisted of the following ($ in millions):

	December 31, 2019	December 31, 2018
Marketable securities:		
Short-term investments	$ 3,411.6	$ 1,026.9
Total marketable securities	**$ 3,411.6**	**$ 1,026.9**
Investments and other assets:		
Deferred executive compensation investments	$ 89.2	$ 90.8
Equity method investments	7.6	8.4
Other long-term investments	63.3	37.6
Taxes receivable	41.2	1,674.8
Contingent income	51.8	75.3
Other assets	154.9	83.7
Total investments and other assets	**$ 408.0**	**$ 1,970.6**

The Company's marketable securities and other long-term investments are recorded at fair value based on quoted market prices using the specific identification method. These investments are classified as either current or non current, as appropriate, in the Company's consolidated balance sheets.

During the third quarter of 2019, the Company received a one-time $1.6 billion refund of taxes previously paid on capital gains. The tax refund was accrued in a prior year.

During the year ended December 31, 2019, the Company entered into a supply arrangement for a diversified brands product which resulted in an upfront payment of $125.0 million and future milestone payments of $120.0 million. The upfront amount was capitalized as an asset and will be amortized through Cost of Sales over the contract term of five years. As of December 31, 2019, $39.2 million is recorded in Prepaid Other and $36.7 million is recorded in Other Assets.

Other assets include security and equipment deposits and long-term receivables.

NOTE 17 — Goodwill, Product Rights and Other Intangible Assets

Goodwill

Goodwill for the Company's reporting segments consisted of the following ($ in millions):

	US Specialized Therapeutics	US General Medicine	International	Total
Balance as of December 31, 2018	$ 20,675.6	$ 17,936.6	$ 7,301.1	$ 45,913.3
Acquisitions	34.1	-	-	34.1
Impairments	-	(3,552.8)	-	(3,552.8)
Allocation to current segments	(340.0)	340.0	-	-
Foreign exchange and other adjustments	-	-	(146.3)	(146.3)
Balance as of December 31, 2019	**$ 20,369.7**	**$ 14,723.8**	**$ 7,154.8**	**$ 42,248.3**

During the second quarter of 2019, the Company changed the operational and management structure for its in-development CGRP receptors, Ubrogepant and Atogepant. The development products were previously reported within the US Specialized Therapeutics segment and have been transferred to the US General Medicine segment to align these development products with the management structure and reporting. These development products were acquired as part of an asset acquisition and were expensed in prior years. Goodwill of $340.0 million was re-allocated from the US Specialized Therapeutics segment to the US General Medicine segment based on relative fair value as of June 30, 2019. As a result of the transfer of these development projects, the Company performed its annual goodwill impairment test, both prior to and after, transfer.

Annual Testing

The Company performed its annual goodwill impairment test during the second quarter of 2019 by quantitatively evaluating its five Reporting Units. As of June 30, 2019, the net asset value of the General Medicine Reporting Unit exceeded its fair value prior to the transfer of the products noted above and the Company recorded a $1,085.8 million goodwill impairment charge to its General Medicine Reporting Unit. The charge is due in part to delays in the clinical studies as well as a reduction in the expected value of certain R&D projects.

As of June 30, 2019, the fair value of each of the Company's other four reporting units exceeded its book value by less than five percent except for the U.S. Botox Therapeutic Reporting Unit. The General Medicine Reporting Unit, International Reporting Unit, US Eye Care Reporting Unit and US Medical Aesthetics Reporting Unit were the most sensitive to change in future valuation assumptions. The Company's US Eye Care Reporting Unit and US Medical Aesthetics Reporting Unit, which are components of its US Specialized Therapeutics Segment, have an allocated goodwill balance of $9,824.8 million and $7,698.8 million, respectively. While management believes the assumptions used are reasonable and commensurate with the views of a market participant, changes in key assumptions for these Reporting Units, including increasing the discount rate, lowering revenue forecasts, lowering the operating margin, R&D pipeline delays, or lowering the long-term growth rate, could result in a future impairment. Other market factors and conditions could also result in downward revisions of the Company's forecasts on future projected cash flows for these reporting units. Negative events regarding R&D pipeline assets including, but not limited to, Abicipar, Atogepant, Bimatoprost SR, and Ceniciviroc as well as next generation aesthetic products, could lead to further goodwill impairment charges. As a result of the proposed AbbVie Transaction, a component of the Company's implied enterprise value contemplates the share price of AbbVie as attributed to the Company. If the AbbVie share price were to decline, the overall consideration associated with the AbbVie Transaction could be reduced which could result in a future goodwill impairment triggering event.

In performing the annual impairment test, the Company utilized discount rates ranging from 9.5% to 11.0%, which were consistent with the rates utilized in the impairment testing performed in the first quarter of 2019. These rates increased versus the prior year annual testing discount rates of 8.5% to 10.0% to reflect changes in market conditions. The Company also reduced long-term growth rate assumptions consistent with the implied enterprise value. The assumptions used in evaluating goodwill for impairment are significant estimates, are subject to change, are assessed against historical performance by management and could result in additional impairment charges.

Non-Annual Testing

As of December 31, 2018, the net asset value of the General Medicine Reporting Unit equaled fair value. On March 6, 2019, Allergan announced negative topline results from three pivotal studies of rapastinel as an adjunctive treatment of Major Depressive Disorder (MDD). These results represented a triggering event to perform an impairment test for the Company's General Medicine Reporting Unit. During the first quarter of 2019, primarily as a result of the impairment test noted above and a delay in clinical studies and anticipated launch of brazikumab, the Company recorded a $2,467.0 million goodwill impairment charge to its General Medicine Reporting Unit.

As of December 31, 2019 and 2018, the gross balance of goodwill, prior to the consideration of impairments, was $48,659.4 million and $48,771.7 million, respectively.

Product Rights and Other Intangible Assets

Product rights and other intangible assets consisted of the following for the years ended December 31, 2019 and 2018 ($ in millions):

Cost Basis	Balance as of December 31, 2018	Additions	Impairments	Transfers / Held for Sale	Foreign Currency Translation	Balance as of December 31, 2019
Intangibles with definite lives:						
Product rights and other intangibles	$ 70,235.1	$ 178.4	$ -	$ 1,936.6	$ (132.6)	**$ 72,217.5**
Trade name	690.0	-	-	-	-	**690.0**
Total definite lived intangible assets	$ 70,925.1	$ 178.4	$ -	$ 1,936.6	$ (132.6)	**$ 72,907.5**
Intangibles with indefinite lives:						
IPR&D	$ 5,048.1	$ -	$ (436.0)	$ (75.6)	$ -	**$ 4,536.5**
Total indefinite lived intangible assets	$ 5,048.1	$ -	$ (436.0)	$ (75.6)	$ -	**$ 4,536.5**
Total product rights and other intangibles	$ 75,973.2	$ 178.4	$ (436.0)	$ 1,861.0	$ (132.6)	**$ 77,444.0**

Accumulated Amortization	Balance as of December 31, 2018	Amortization	Impairments	Transfers / Held for Sale	Foreign Currency Translation	Balance as of December 31, 2019
Intangibles with definite lives:						
Product rights and other intangibles	$ (31,985.0)	$ (5,776.7)	$ (443.6)	$ (1,011.4)	$ 36.0	**$ (39,180.7)**
Trade name	(292.8)	(79.9)	-	-	-	**(372.7)**
Total definite lived intangible assets	$ (32,277.8)	$ (5,856.6)	$ (443.6)	$ (1,011.4)	$ 36.0	**$ (39,553.4)**
Total product rights and other intangibles	$ (32,277.8)	$ (5,856.6)	$ (443.6)	$ (1,011.4)	$ 36.0	**$ (39,553.4)**
Net Product Rights and Other Intangibles	$ 43,695.4					**$ 37,890.6**

Year Ended December 31, 2019

Annual Testing

During the second quarter of 2019, the Company performed its annual IPR&D impairment test and based on events occurring or decisions made within the quarter ended June 30, 2019, the Company recorded the following impairments:

- a $133.0 million impairment as a result of competition and a decline in market opportunities of a facial aesthetic product obtained as part of the acquisition of Allergan, Inc. (the "Allergan Acquisition");
- a $176.0 million impairment as a result of reduced cash flow projections including higher than anticipated clinical trial costs for a GI project obtained as part of the acquisition of Tobira Therapeutics, Inc.; and
- a $127.0 million impairment for two pipeline programs that had previously been deprioritized and were subsequently deemed to have no alternative use in the period.

Non-Annual Testing

The Company noted the following impairments based on triggering events during the year ended December 31, 2019:

- a $314.0 million impairment for the intangible asset Carafate as a result of a generic entrant in December 2019 which reduced the expected future cash flows of this product;

Product rights and other intangible assets consisted of the following for the years ended December 31, 2018 and 2017 ($ in millions):

Cost Basis	Balance as of December 31, 2017	Additions	Impairments	IPR&D to CMP Transfers	Divested / Held for Sale / Other	Foreign Currency Translation	Balance as of December 31, 2018
Intangibles with definite lives:							
Product rights and other intangibles	$ 73,892.5	$ 49.0	$ -	$ —	$ (3,391.0)	$ (315.4)	**$ 70,235.1**
Trade name	690	-	-	-	-	-	**690.0**
Total definite lived intangible assets	$ 74,582.5	$ 49.0	$ -	$ -	$ (3,391.0)	$ (315.4)	**$ 70,925.1**
Intangibles with indefinite lives:							
IPR&D	$ 5,874.1	$ -	$ (798.0)	$ -	$ (28.0)	$ -	**$ 5,048.1**
Total indefinite lived intangible assets	$ 5,874.1	$ -	$ (798.0)	$ -	$ (28.0)	$ -	**$ 5,048.1**
Total product rights and other intangibles	$ 80,456.6	$ 49.0	$ (798.0)	$ -	$ (3,419.0)	$ (315.4)	**$ 75,973.2**

Accumulated Amortization	Balance as of December 31, 2017	Amortization	Impairments	Divested / Held for Sale / Other	Foreign Currency Translation	Balance as of December 31, 2018
Intangibles with definite lives:						
Product rights and other intangibles	$ (25,593.6)	$ (6,474.2)	$ (2,239.9)	$ 2,233.4	$ 89.3	**$ (31,985.0)**
Trade name	(214.7)	(78.1)	-	-	-	**(292.8)**
Total definite lived intangible assets	$ (25,808.3)	$ (6,552.3)	$ (2,239.9)	$ 2,233.4	$ 89.3	**$ (32,277.8)**
Total product rights and other intangibles	$ (25,808.3)	$ (6,552.3)	$ (2,239.9)	$ 2,233.4	$ 89.3	**$ (32,277.8)**
Net Product Rights and Other Intangibles	$ 54,648.3					**$ 43,695.4**

In the year ended December 31, 2018, the Company determined that the Anti-Infectives business was deemed held for sale. Based on the anticipated future cash flows, the Company impaired certain Anti-Infective CMP by $149.7 million. The remaining amount of net product rights and other intangibles which met the held for sale criteria is $849.4 million.

Non-Annual Testing

In addition to the Company's annual impairment test performed in the second quarter, the Company noted the following impairments based on triggering events during the year ended December 31, 2018:

- In the fourth quarter of 2018, the Company impaired the intangible assets associated with Kybella by $1,643.8 million in "Asset sales and impairments, net" as a result of a decrease in the future sales forecasts based on current performance, in part due to risks relating to supply of the product and the corresponding impact on demand;
- In the fourth quarter of 2018, the Company impaired the intangible assets associated with True Tear® by $187.6 million in "Asset sales and impairments, net" as a result of lower sales forecasts based on the Company's current marketing plans and initial results of product launch;
- In the year ended December 31, 2018, the Company divested net product rights and other intangibles of $205.4 million in "Asset sales and impairments, net" and $130.5 million (after intangible asset impairment of $252.0 million) as part of the divestitures of the Medical Dermatology business to Almirall, S.A. and the divestiture of Rhofade® to Aclaris Therapeutics, Inc, respectively; and
- In the first quarter of 2018, the Company recorded a $522.0 million impairment as a result of negative clinical data related to the oral psoriasis indication received in March 2018 for its RORyt IPR&D project obtained as part of the acquisition of Vitae Pharmaceuticals, Inc.

Annual Testing

During the second quarter of 2018, the Company performed its annual IPR&D impairment test and based on events occurring or decisions made within the quarter ended June 30, 2018, the Company recorded the following impairments:

- a $164.0 million impairment as a result of changes in launch plans based on clinical results of an eye care project obtained as part of the Allergan Acquisition;
- a $40.0 million impairment due to a delay in clinical studies and anticipated approval date of a project obtained as part of the acquisition of Vitae Pharmaceuticals, Inc.;
- a $27.0 million impairment due to a delay in clinical studies and anticipated approval date of a medical dermatology project obtained as part of the Allergan Acquisition;
- a $20.0 million impairment as a result of a strategic decision to no longer pursue approval internationally of an eye care project obtained as part of the Allergan Acquisition;
- a $19.0 million impairment due to a delay in clinical studies and anticipated approval date for a CNS project obtained as part of the Allergan Acquisition; and
- a $6.0 million impairment due to a delay in clinical studies and anticipated approval date of an eye care project obtained as part of the Allergan Acquisition.

Assuming no additions, disposals or adjustments are made to the carrying values and/or useful lives of the intangible assets, annual amortization expense on product rights and other related intangibles as of December 31, 2019 over each of the next five years is estimated to be as follows ($ in millions):

		Amortization Expense
2020	$	5,565.8
2021	$	4,590.7
2022	$	4,197.8
2023	$	3,741.7
2024	$	2,864.8

The above amortization expense is an estimate. Actual amounts may change from such estimated amounts due to fluctuations in foreign currency exchange rates, additional intangible asset acquisitions, finalization of preliminary fair value estimates, potential impairments, accelerated amortization or other events. Additional amortization may occur as products are approved. In addition, the Company has certain currently marketed products for which operating contribution performance has been below that which was originally assumed in the products' initial valuations, and certain IPR&D projects which are subject to delays in timing or other events which may negatively impact the asset's value. The Company, on a quarterly basis, monitors the related intangible assets for these products for potential impairments. It is reasonably possible that impairments may occur in future periods, which may have a material adverse effect on the Company's results of operations and financial position.

NOTE 18 — Long-Term Debt

Debt consisted of the following ($ in millions):

	Guarantor	Issuance Date / Acquisition Date	Interest Payments	Balance As of December 31, 2019	Balance As of December 31, 2018	Fair Market Value As of December 31, 2019	Fair Market Value As of December 31, 2018
Senior Notes:							
Floating Rate Notes							
$500.0 million floating rate notes due March 12, 2020(1)	(4)	March 4, 2015	Quarterly	500.0	500.0	501.0	501.9
				500.0	500.0	501.0	501.9
Fixed Rate Notes							
$3,500.0 million 3.000% notes due March 12, 2020	(4)	March 4, 2015	Semi-annually	2,526.0	2,706.7	2,529.5	2,694.8
$650.0 million 3.375% notes due September 15, 2020	(5)	March 17, 2015	Semi-annually	650.0	650.0	654.7	648.7
$750.0 million 4.875% notes due February 15, 2021	(6)	July 1, 2014	Semi-annually	450.0	450.0	463.4	459.4
$1,200.0 million 5.000% notes due December 15, 2021	(6)	July 1, 2014	Semi-annually	1,200.0	1,200.0	1,262.9	1,234.8
$3,000.0 million 3.450% notes due March 15, 2022	(4)	March 4, 2015	Semi-annually	2,878.2	2,940.5	2,945.1	2,891.0
$1,700.0 million 3.250% notes due October 1, 2022	(5)	October 2, 2012	Semi-annually	1,700.0	1,700.0	1,739.1	1,652.2
$350.0 million 2.800% notes due March 15, 2023	(5)	March 17, 2015	Semi-annually	350.0	350.0	352.7	332.8
$1,200.0 million 3.850% notes due June 15, 2024	(4)	June 10, 2014	Semi-annually	1,036.7	1,036.7	1,089.9	1,021.0
$4,000.0 million 3.800% notes due March 15, 2025	(4)	March 4, 2015	Semi-annually	3,020.7	3,027.5	3,172.4	2,956.0
$2,500.0 million 4.550% notes due March 15, 2035	(4)	March 4, 2015	Semi-annually	1,789.0	1,789.0	1,953.4	1,690.7
$1,000.0 million 4.625% notes due October 1, 2042	(5)	October 2, 2012	Semi-annually	456.7	456.7	482.8	412.4
$1,500.0 million 4.850% notes due June 15, 2044	(4)	June 10, 2014	Semi-annually	1,079.4	1,079.4	1,192.8	1,019.1
$2,500.0 million 4.750% notes due March 15, 2045	(4)	March 4, 2015	Semi-annually	881.0	881.0	968.7	836.6
				18,017.7	18,267.5	18,807.4	17,849.5
Euro Denominated Notes							
€700.0 million floating rate notes due June 1, 2019(2)	(4)	May 26, 2017	Quarterly	-	802.7	-	794.9
€700.0 million floating rate notes due November 15, 2020(3)	(4)	November 15, 2018	Quarterly	784.9	802.7	784.4	791.3
€750.0 million 0.500% notes due June 1, 2021	(4)	May 26, 2017	Annually	841.0	860.0	846.7	849.7
€500.0 million 1.500% notes due November 15, 2023	(4)	November 15, 2018	Annually	560.7	573.4	589.8	572.4
€700.0 million 1.250% notes due June 1, 2024	(4)	May 26, 2017	Annually	784.9	802.7	817.7	775.5
€500.0 million 2.625% notes due November 15, 2028	(4)	November 15, 2018	Annually	560.7	573.4	648.2	573.4
€550.0 million 2.125% notes due June 1, 2029	(4)	May 26, 2017	Annually	616.7	630.7	683.9	594.7
				4,148.9	5,045.6	4,370.7	4,951.9
Total Senior Notes Gross				**22,666.6**	**23,813.1**	**23,679.1**	**23,303.3**
Unamortized premium				39.9	64.3		
Unamortized discount				(55.4)	(64.5)		
Total Senior Notes Net				**22,651.1**	**23,812.9**	**23,679.1**	**23,303.3**
Other Indebtedness							
Debt Issuance Costs				(74.7)	(92.1)		
Margin Loan				-	-		
Other				72.6	69.3		
Total Other Borrowings				**(2.1)**	**(22.8)**		
Capital Leases				**-**	**7.6**		
Total Indebtedness				**$ 22,649.0**	**$ 23,797.7**		

(1) Interest on the 2020 floating rate note isthree month USD LIBOR plus 1.255% per annum

(2) Interest on the 2019 floating rate notes is thethree month EURIBOR plus 0.350% per annum

(3) Interest on the 2020 floating rate notes is thethree month EURIBOR plus 0.350% per annum

(4) Guaranteed by Warner Chilcott Limited, Allergan Capital S.a.r.l. and Allergan Finance, LLC

(5) Guaranteed by Allergan plc and Warner Chilcott Limited

(6) Guaranteed by Allergan plc

Fair market value in the table above is determined in accordance with Fair Value Leveling under Level 2 based upon quoted prices for similar items in active markets.

The following represents the significant activity during the year ended December 31, 2019 with respect to the Company's total indebtedness:

- The Company repaid scheduled maturities of €700.0 million senior notes;
- The Company repurchased and retired $249.8 million of senior notes at approximately face value from open market redemptions.

The following represents the significant activity during the year ended December 31, 2018 with respect to the Company's total indebtedness:

- The Company borrowed $700.0 million, and subsequently repaid $700.0 million, under its revolving credit facility to fund, in part, the repurchase of the Company's ordinary shares;
- The Company repurchased and retired $3,939.1 million of senior notes at face value for a total of $3,893.5 million from open market redemptions. As a result of the debt extinguishment, the Company recognized a net gain of $15.6 million within "other income / (expense), net" for the discount received upon repurchase of $45.6 million, offset by the non-cash write-off of premiums and debt fees related to the repaid notes of $30.0 million;
- The Company borrowed €1,700.0 million of senior notes;
- The Company repaid scheduled maturities on senior notes of $3,750.0 million; and
- The Company prepaid $459.0 million of indebtedness under the Company's margin loan.

Revolving Credit Facility

On June 14, 2017, Allergan plc and certain of its subsidiaries entered into a revolving credit and guaranty agreement (the "Revolver Agreement") among Allergan Capital, as borrower, Allergan plc, as Ultimate Parent; Warner Chilcott Limited, Allergan Finance LLC, and Allergan Funding SCS, as guarantors; the lenders from time to time party thereto (the "Revolving Lenders"); J.P. Morgan Chase Bank as Administrative Agent; J.P. Morgan Europe Limited, as London Agent; and the other financial institutions party thereto. Under the Revolver Agreement, the Revolving Lenders have committed to provide an unsecured five-year revolving credit facility in an aggregate principal amount of up to $1.5 billion, with the ability to increase the revolving credit facility by $500.0 million to an aggregate principal amount of up to $2.0 billion.

The Revolver Agreement provides that loans thereunder would bear interest, at our choice, of a per annum rate equal to either (a) a base rate, plus an applicable margin per annum varying from 0.00% per annum to 1.00% per annum depending on the Debt Rating or (b) a Eurodollar rate, plus an applicable margin varying from 0.875% per annum to 2.00% per annum depending on the Debt Rating. Additionally, to maintain availability of funds, the Company pays an unused commitment fee varying from 0.070% to 0.250% per annum, depending on the Debt Rating, of the unused portion of the revolver.

The obligations under the Revolver Agreement are guaranteed by Warner Chilcott Limited, Allergan Finance, LLC and Allergan Funding SCS.

The Revolver Agreement contains customary affirmative covenants for facilities of this type, including, among others, covenants pertaining to the delivery of financial statements, notices of default, maintenance of corporate existence and compliance with laws, as well as customary negative covenants for facilities of this type, including, among others, limitations on secured indebtedness, non-guarantor subsidiary indebtedness, mergers and certain other fundamental changes and passive holding company status. The Revolver Agreement also contains a financial covenant requiring maintenance of a maximum consolidated leverage ratio.

In addition, the Revolver Agreement also contains customary events of default (with customary grace periods and materiality thresholds).

The Company was subject to, and as of December 31, 2019, was in compliance with all financial covenants under the terms of the Revolver Agreement. At December 31, 2019, there were $33.6 million of outstanding borrowings or letters of credit outstanding under the Revolver Agreement.

Annual Debt Maturities

As of December 31, 2019, annual debt maturities of senior notes gross were as follows ($ in millions):

	Total Payments
2020	4,460.9
2021	2,491.0
2022	4,578.2
2023	910.7
2024	1,821.6
2025 and after	8,404.2
Total senior notes gross	**$ 22,666.6**

Amounts represent total anticipated cash payments assuming scheduled repayments.

NOTE 19 — Other Long-Term Liabilities

Other long-term liabilities consisted of the following ($ in millions):

	December 31, 2019	December 31, 2018
Acquisition related contingent consideration liabilities	$ 377.3	$ 336.3
Long-term pension and post retirement liability	144.1	166.5
Legacy Allergan deferred executive compensation	89.2	90.8
Accrued R&D milestone	75.0	75.0
Long-term contractual obligations	-	43.2
Deferred revenue	26.6	36.1
Product warranties	29.2	27.9
Long-term severance and restructuring liabilities	10.8	14.2
Other long-term liabilities	48.7	92.0
Total other long-term liabilities	**$ 800.9**	**$ 882.0**

NOTE 20 — Income Taxes

For the years ended December 31, 2019, 2018 and 2017, losses before income taxes consisted of the following ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Irish	$ (4,756.0)	$ (4,285.8)	$ (1,139.0)
Non-Irish	(362.7)	(2,571.1)	(9,247.4)
Total (loss) / income before taxes	**$ (5,118.7)**	**$ (6,856.9)**	**$ (10,386.4)**

The Company's provision / (benefit) for income taxes consisted of the following ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Current (benefit) / provision:			
U.S. federal	$ 476.5	$ (1,024.5)	$ 763.1
U.S. state	35.6	34.2	(54.8)
Non-U.S.	295.2	481.6	410.0
Total current (benefit) / provision	807.3	(508.7)	1,118.3
Deferred (benefit) / provision:			
U.S. federal	(635.7)	(569.9)	(6,911.9)
U.S. state	(131.7)	(80.6)	(252.3)
Non-U.S.	106.5	(611.5)	(624.5)
Total deferred (benefit) / provision	(660.9)	(1,262.0)	(7,788.7)
Total (benefit) / provision for income taxes	**$ 146.4**	**$ (1,770.7)**	**$ (6,670.4)**

The reconciliations for the years ended December 31, 2019, 2018 and 2017 between the statutory Irish income tax rate for Allergan plc and the effective income tax rates were as follows:

	Allergan plc		
	Years Ended December 31,		
	2019	2018	2017
Statutory rate	(12.5)%	(12.5)%	(12.5)%
Earnings subject to U.S. taxes (1) (2)	1.3%	(1.8)%	(17.4)%
Earnings subject to rates different than the statutory rate (1)(2)	(5.3)%	(3.4)%	2.1%
Impact of U.S. tax reform enactment	0.0%	(0.2)%	(27.2)%
Tax reserves and audit outcomes	2.1%	2.6%	0.4%
Non-deductible expenses (3)	12.6%	7.4%	0.2%
Impact of acquisitions and reorganizations (4)	(2.6)%	(15.3)%	(9.3)%
Tax credits and U.S. special deductions	(2.0)%	(0.9)%	(1.5)%
Rate changes (5)	0.3%	2.2%	(1.2)%
Valuation allowances (6)	8.7%	(3.7)%	2.2%
Other	0.3%	(0.2)%	0.0%
Effective income tax rate	**2.9%**	**(25.8)%**	**(64.2)%**

(1) The U.S. rate differential was a detriment of $64.5 million to the 2019 effective tax rate as compared to a benefit of $122.9 million to the 2018 effective tax rate, primarily driven by decreases of approximately $2.9 billion in impairment charges and amortization expense. The remaining rate differential is driven by non-U.S. income subject to rates lower than the Irish statutory rate.

(2) The Company recorded amortization expense of $5.9 billion and intangible impairment charges of $0.9 billion, resulting in a tax benefit of $14.1 million to the 2019 effective tax rate. In 2018, the Company recorded amortization expense of $6.6 billion and intangible impairment charges of $3.0 billion, resulting in a tax benefit of $277.5 million, favorably impacting the 2018 effective tax rate as compared to 2019.

(3) In 2019, the Company recorded charges of $3.6 billion for goodwill impairment and $1.1 billion for legal settlements with no corresponding tax benefit, resulting in a tax detriment of $581.5 million to the effective tax rate. In 2018, the Company recorded a goodwill impairment charge of $3.5 billion with no corresponding tax benefit, resulting in a tax detriment of $432.9 million.

(4) In 2019, the Company recorded a tax benefit of $131.2 million related to the tax effects of integration and the recognition of outside basis differences. In 2018, the Company recorded a tax benefit of $1,047.8 million related to the tax effects of integration and the recognition of outside basis differences. This resulted in a more favorable impact in 2018 as compared to 2019.

(5) As a result of statutory and other tax rate changes applied to certain deferred tax assets and liabilities, the Company recorded a detriment of $15.1 million in 2019. In 2018, the Company recorded a detriment of $148.0 million, favorably impacting the 2019 rate as compared to 2018.

(6) In 2019, the Company recorded a tax detriment of $444.9 million to establish a valuation allowance on deferred tax assets related to certain tax attributes, which are not expected to be realized. In 2018, the Company recorded a tax benefit of $254.0 million for the full release of a valuation allowance related to the Company's foreign tax credit and partial release related to non-U.S. net operating loss carryforwards.

The reconciliations for the years ended December 31, 2019, 2018 and 2017 between the statutory Bermuda income tax rate for Warner Chilcott Limited and the effective income tax rates were as follows:

	Warner Chilcott Limited (1)		
	Years Ended December 31,		
	2019	2018	2017
Statutory rate	0.0%	0.0%	0.0%
Earnings subject to U.S. taxes	(2.8)%	(10.2)%	(27.4)%
Earnings subject to rates different than the statutory rate	(14.2)%	(8.4)%	(0.9)%
Impact of U.S. tax reform enactment	0.0%	(0.2)%	(27.7)%
Tax reserves and audit outcomes	2.1%	2.6%	0.5%
Non-deductible expenses	13.0%	7.7%	0.2%
Impact of acquisitions and reorganizations	(2.6)%	(16.0)%	(9.5)%
Tax credits and U.S. special deductions	(2.1)%	(1.0)%	(1.5)%
Rate changes	0.3%	2.3%	(1.3)%
Valuation allowances	9.0%	(3.9)%	2.3%
Other	0.3%	(0.1)%	(0.2)%
Effective income tax rate	**3.0%**	**(27.2)%**	**(65.5)%**

(1) The rate reconciliation for Bermuda is largely consistent with the Irish effective tax rate reconciliations presented above.

Deferred tax assets and liabilities are measured based on the difference between the financial statement and tax basis of assets and liabilities at the applicable tax rates. The significant components of the Company's net deferred tax assets and liabilities consisted of the following (in millions):

	Years Ended December 31,	
	2019	2018
Benefits from net operating and capital loss carryforwards	$ 2,105.2	$ 2,145.8
Benefits from tax credit and other carryforwards	440.4	377.6
Differences in financial statement and tax accounting for:		
Inventories, receivables and accruals	496.8	231.8
Basis differences in investments	185.5	56.1
Share-based and other compensation	242.8	295.5
Other	183.4	82.4
Total deferred tax asset, gross	$ 3,654.1	$ 3,189.2
Less: Valuation allowance	(2,079.1)	(1,637.9)
Total deferred tax asset, net	$ 1,575.0	$ 1,551.3
Differences in financial statement and tax accounting for:		
Property, equipment and intangible assets	(4,725.2)	(5,487.4)
Basis differences in investments	(525.9)	(499.9)
Other	(110.7)	(2.1)
Total deferred tax liabilities	$ (5,361.8)	$ (5,989.4)
Total deferred taxes	**$ (3,786.8)**	**$ (4,438.1)**

During the year ended December 31, 2019, the Company's net deferred tax liability decreased by $651.3 million. This was predominately the result of amortization and impairments related to our intangible assets partially offset by an increase to the Company's valuation allowance.

The Company had the following carryforward tax attributes at December 31, 2019:

- $1,095.1 million of U.S. federal net operating losses ("NOL") and other tax attributes which begin to expire in 2020;
- $310.2 million of U.S. tax credits which begin to expire in 2020;
- $227.3 million of U.S. state NOLs which begin to expire in 2020;
- $4,819.5 million of non-U.S. NOLs which begin to expire in 2020 and $4,120.8 million of non-U.S. NOLs which are not subject to expiration.

U.S. net operating loss and tax credit carryforwards of $194.8 million and $4.6 million, respectively, are subject to an annual limitation under Internal Revenue Code Section 382.

During the year ended December 31, 2019, the Company recorded a net increase to the valuation allowance of $141.2 million primarily related to deferred tax assets in Ireland. When determining the realizability of these deferred tax assets, the Company weighed all available positive and negative evidence, including future income projections for our Irish subsidiaries and limitations on our ability to utilize tax attributes against certain types of income. As a result, the Company concluded that the more likely than not threshold was not met for realizability and accordingly recorded a valuation allowance. As of December 31, 2019, a valuation allowance balance of $2,079.1 million is recorded due to the uncertainty of realizing tax credits ($56.3 million), net operating and other carryforwards ($1,822.6 million), capital loss carryforwards ($115.3 million) and other deferred tax assets ($84.9 million).

At December 31, 2019, Allergan plc (the Irish parent) is permanently reinvested in approximately $17.0 billion of earnings of its non-Irish subsidiaries and therefore has not provided deferred income taxes on these undistributed earnings. The amounts are intended to be indefinitely reinvested in non-Irish operations and would be subject to approximately $194.6 million in taxes if amounts were distributed to Allergan plc. The U.S. subsidiaries of Allergan plc are not permanently reinvested in the earnings of their non-U.S. subsidiaries as the provisions under current U.S. tax law will allow these earnings to be remitted to the U.S. without any significant tax cost. The Company recorded a $67.7 million deferred tax liability for the estimated cost to repatriate the accumulated earnings of these non-U.S. subsidiaries to their U.S. shareholders as of December 31, 2019.

On January 1, 2018, the Company adopted ASU No. 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory. Previously, GAAP prohibited the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This prohibition on recognition was an exception to the principle of comprehensive recognition of current and deferred income taxes in GAAP. The amendment to the guidance eliminated the exception for an intra-entity transfer of an asset other than inventory and required an entity to recognize the income tax consequences when the transfer occurs.

Accounting for Uncertainty in Income Taxes

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in millions):

	Years Ended December 31,		
	2019	**2018**	**2017**
Balance at the beginning of the year	$ 1,186.8	$ 850.3	$ 811.2
Increases for current year tax positions	66.4	164.3	10.1
Increases for prior year tax positions	214.3	193.4	69.2
Increases due to acquisitions	0.0	0.0	19.8
Decreases for prior year tax positions	(218.1)	(5.0)	(38.7)
Settlements	(23.3)	(5.4)	(21.7)
Lapse of applicable statute of limitations	(13.3)	(5.9)	(2.9)
Foreign exchange	1.6	(4.9)	3.3
Balance at the end of the year	**$ 1,214.4**	**$ 1,186.8**	**$ 850.3**

If these benefits were subsequently recognized, $965.7 million would favorably impact the Company's effective tax rate. The decrease in prior year tax positions of $218.1 million was primarily driven by audit settlements with taxing authorities and the recognition of previously unrecognized tax benefits resulting from the issuance of new regulations.

The Company's continuing policy is to recognize interest and penalties related to uncertain tax positions in tax expense. During the years ended December 31, 2019, 2018 and 2017, the Company recognized approximately $27.7 million, $42.3 million and $45.8 million in interest and penalties, respectively. At December 31, 2019, 2018 and 2017, the Company had accrued $183.0 million (net of tax benefit of $44.1 million), $155.2 million (net of tax benefit of $35.0 million) and $113.7 million (net of tax benefit of $25.9 million) of interest and penalties related to uncertain tax positions, respectively. Although the Company cannot determine the impact with certainty based on specific factors, it is reasonably possible that the unrecognized tax benefits may change by up to approximately $200.0 million within the next twelve months due to the resolution of certain tax examinations.

The Company conducts business globally and, as a result, files U.S. federal, state and foreign tax returns. The Company strives to resolve open matters with each tax authority at the examination level and could reach agreement with a tax authority at any time. While the Company has accrued for amounts it believes are in accordance with the accounting standard, the final outcome with a tax authority may result in a tax liability that is different than that reflected in the consolidated financial statements. Furthermore, the Company may decide to challenge any assessments, if made, and may exercise its right to appeal. The uncertain tax positions are

reviewed quarterly and adjusted as events occur that affect potential liabilities for additional taxes, such as lapsing of applicable statutes of limitations, proposed assessments by tax authorities, negotiations with tax authorities, identification of new issues and issuance of new legislation, regulations or case law.

The Company has several concurrent audits open and pending with the Internal Revenue Service ("IRS") as set forth below:

IRS Audits	Taxable Years
Allergan W.C. Holding Inc. f/k/a Actavis W.C. Holding Inc.	2013, 2014, 2015 and 2016
Warner Chilcott Corporation	2010, 2011, 2012 and 2013
Forest Laboratories, Inc.	2010, 2011, 2012, 2013 and 2014
Allergan, Inc.	2009, 2010, 2011, 2012, 2013, 2014 and 3/17/2015

NOTE 21 — Shareholders' Equity

Share Repurchase Programs

On January 29, 2019, the Company announced that its Board of Directors approved a separate $2.0 billion share repurchase program. As of December 31, 2019, the Company has not made any repurchases under the program.

The Company's Board of Directors previously approved a $2.0 billion share repurchase program in July 2018 (the "2018 Program"). As of December 31, 2019, the Company had completed the 2018 Program, repurchasing 12.5 million shares, including 5.3 million shares (or $0.8 billion of shares) in the year ended December 31, 2019.

In September 2017, the Company's Board of Directors approved a $2.0 billion share repurchase program. As of December 31, 2017, the Company had repurchased $450.0 million, or 2.6 million shares under the program. The Company completed the share repurchase program in 2018, repurchasing $1.54 billion or 9.6 million shares.

Quarterly Dividend

During the year ended December 31, 2019 the Company paid a quarterly cash dividend of $0.74 per share for holders of the Company's ordinary shares in March, June, September and December of 2019. The total amount paid in the year ended December 31, 2019 was $974.4 million. During the year ended December 31, 2018 the Company paid a quarterly cash dividend of $0.72 per share for holders of the Company's ordinary shares in March, June, September and December of 2018. The total amount paid in the year ended December 31, 2018 was $980.2 million.

Preferred Shares

In February 2015, the Company completed an offering of 5,060,000 of our 5.500% mandatorily convertible preferred shares, Series A, par value $0.0001 per share (the "Mandatory Convertible Preferred Shares"). Dividends on the Mandatory Convertible Preferred Shares were payable on a cumulative basis when, as and if declared by our board of directors, or an authorized committee thereof, at an annual rate of 5.500% on the liquidation preference of $1,000.00 per Mandatory Convertible Preferred Share. The net proceeds from the Mandatory Convertible Preferred Share issuance of $4,929.7 million were used to fund the Allergan Acquisition.

In the year ended December 31, 2018 and 2017, the Company paid $69.6 million and $278.4 million, respectively, of dividends on the preferred shares. Each preferred share automatically converted to approximately 3.53 ordinary shares on March 1, 2018, for a total of 17,876,930 ordinary shares.

Accumulated Other Comprehensive Income / (Loss)

For most of the Company's international operations, the local currency has been determined to be the functional currency. The results of its non-U.S. dollar based operations are translated to U.S. dollars at the average exchange rates during the period. Assets and liabilities are translated at the rate of exchange prevailing on the balance sheet date. Equity is translated at the prevailing rate of exchange at the date of the equity transaction. Translation adjustments are reflected in shareholders' equity and are included as a component of other comprehensive income / (loss). The effects of converting non-functional currency assets and liabilities into the functional currency are recorded as transaction gains / (losses) in general and administrative expenses in the consolidated statements of operations.

Unrealized gain / (losses) net of tax primarily represent experience differentials and other actuarial charges related to the Company's defined benefit plans. The movements in accumulated other comprehensive income / (loss) for the years ended December 31, 2019 and 2018 were as follows ($ in millions):

	Foreign Currency Translation Items	Unrealized gain / (loss) net of tax	Total Accumulated Other Comprehensive Income / (Loss)
Balance as of December 31, 2017	**$ 1,782.7**	**$ 138.0**	**$ 1,920.7**
Amounts reclassed, net of tax, upon adoption of ASU 2016-01	-	(63.0)	(63.0)
Balance as of January 1, 2018	**$ 1,782.7**	**$ 75.0**	**$ 1,857.7**
Other comprehensive gain / (loss) before reclassifications into general and administrative	(474.4)	(38.1)	(512.5)
Balance as of December 31, 2018	**$ 1,308.3**	**$ 36.9**	**$ 1,345.2**
Other comprehensive gain / (loss) before reclassifications into general and administrative	(151.8)	13.8	(138.0)
Balance as of December 31, 2019	**$ 1,156.5**	**$ 50.7**	**$ 1,207.2**

As of December 31, 2019 and 2018, unrealized gain / (loss) net of tax included $7.9 million and $36.9 million, respectively, related to the Company's pension and other post retirement plans.

NOTE 22 — Segments

The Company's businesses are organized into the following segments: US Specialized Therapeutics, US General Medicine and International. In addition, certain revenues and shared costs, and the results of corporate initiatives, are managed outside of the three segments. During the second quarter of 2019, the Company changed the operational and management structure for its in-development calcitonin gene-related peptide ("CGRP") receptors, Ubrogepant and Atogepant. These development products were previously reported within the US Specialized Therapeutics segment and have been transferred to the US General Medicine segment to align these development products with the management structure and reporting. The revenues and cost of sales related to these products in the prior periods were zero and any selling and marketing expenses and general and administrative expenses were de minimis and therefore it was not necessary to recast prior periods.

The operating segments are organized as follows:

- The US Specialized Therapeutics segment includes sales and expenses relating to branded products within the U.S., including Medical Aesthetics, Medical Dermatology through September 20, 2018, Eye Care and Neuroscience and Urology therapeutic products.
- The US General Medicine segment includes sales and expenses relating to branded products within the U.S. that do not fall into the US Specialized Therapeutics business units, including Central Nervous System, Gastrointestinal, Women's Health, Anti-Infectives and Diversified Brands.
- The International segment includes sales and expenses relating to products sold outside the U.S.

The Company evaluates segment performance based on segment contribution. Segment contribution for our segments represents net revenues less cost of sales (defined below), selling and marketing expenses, and select general and administrative expenses. The Company does not evaluate the following items at the segment level:

- Revenues and operating expenses within cost of sales, selling and marketing expenses, and general and administrative expenses that result from the impact of corporate initiatives. Corporate initiatives primarily include integration, restructuring, divestitures, acquisitions, certain milestones and other shared costs.
- General and administrative expenses that result from shared infrastructure, including certain expenses located within the United States.
- Other select revenues and operating expenses including R&D expenses, amortization, IPR&D impairments, goodwill impairments and asset sales and impairments, net as not all such information has been accounted for at the segment level, or such information has not been used by all segments.
- Total assets including capital expenditures.

The Company defines segment net revenues as product sales and other revenue derived from our products or licensing agreements.

Cost of sales within segment contribution includes standard production and packaging costs for the products we manufacture, third party acquisition costs for products manufactured by others, profit-sharing or royalty payments for products sold pursuant to licensing agreements and finished goods inventory reserve charges. Cost of sales within segment contribution excludes non-standard production costs, such as non-finished goods inventory obsolescence charges, manufacturing variances and excess capacity utilization charges, where applicable. Cost of sales does not include amortization or impairment costs for acquired product rights or other acquired intangibles.

Selling and marketing expenses consist mainly of personnel-related costs, product promotion costs, distribution costs, professional service costs, insurance, depreciation and travel costs.

General and administrative expenses consist mainly of personnel-related costs, facilities costs, transaction costs, insurance, depreciation, litigation costs and professional services costs which are general in nature and attributable to the segment.

Segment net revenues, segment operating expenses and segment contribution information consisted of the following for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2019			
	US Specialized Therapeutics	**US General Medicine**	**International**	**Total**
Net revenues	$ 6,820.0	$ 5,834.9	$ 3,402.0	$ 16,056.9
Operating expenses:				
Cost of sales[1]	578.2	954.8	548.3	2,081.3
Selling and marketing	1,490.4	978.2	934.7	3,403.3
General and administrative	190.1	160.7	117.0	467.8
Segment contribution	**$ 4,561.3**	**$ 3,741.2**	**$ 1,802.0**	**$ 10,104.5**
Contribution margin	***66.9%***	***64.1%***	***53.0%***	***62.9%***
Corporate[2]				2,452.2
Research and development				1,812.0
Amortization				5,856.6
Goodwill impairments				3,552.8
In-process research and development impairments				436.0
Asset sales and impairments, net				440.2
Operating (loss)				$ (4,445.3)
Operating margin				(27.7)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $32.0 million.

	Year Ended December 31, 2018			
	US Specialized Therapeutics	US General Medicine	International	Total
Net revenues	$ 6,920.3	$ 5,322.9	$ 3,504.7	$ 15,747.9
Operating expenses:				
Cost of sales[1]	565.2	799.1	537.1	1,901.4
Selling and marketing	1,348.3	924.6	928.7	3,201.6
General and administrative	205.3	156.4	141.7	503.4
Segment contribution	**$ 4,801.5**	**$ 3,442.8**	**$ 1,897.2**	**$ 10,141.5**
Contribution margin	***69.4%***	***64.7%***	***54.1%***	***64.4%***
Corporate[2]				1,067.3
Research and development				2,266.2
Amortization				6,552.3
Goodwill impairments				2,841.1
In-process research and development impairments				804.6
Asset sales and impairments, net				2,857.6
Operating (loss)				$ (6,247.6)
Operating margin				(39.7)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $39.5 million.

	Year Ended December 31, 2017			
	US Specialized Therapeutics	US General Medicine	International	Total
Net revenues	$ 6,803.6	$ 5,796.2	$ 3,319.5	$ 15,919.3
Operating expenses:				
Cost of sales[1]	495.4	843.9	478.7	1,818.0
Selling and marketing	1,369.5	1,084.1	913.8	3,367.4
General and administrative	208.2	177.3	120.6	506.1
Segment contribution	**$ 4,730.5**	**$ 3,690.9**	**$ 1,806.4**	**$ 10,227.8**
Contribution margin	***69.5%***	***63.7%***	***54.4%***	***64.2%***
Corporate[2]				1,471.8
Research and development				2,100.1
Amortization				7,197.1
In-process research and development impairments				1,452.3
Asset sales and impairments, net				3,927.7
Operating (loss)				$ (5,921.2)
Operating margin				(37.2)%

(1) Excludes amortization and impairment of acquired intangibles including products rights, as well as indirect cost of sales not attributable to segment results.

(2) Corporate includes net revenues of $21.4 million.

No country outside of the United States represents ten percent or more of net revenues. The US Specialized Therapeutics and US General Medicine segments are comprised solely of sales within the United States.

The following table presents our net revenue disaggregated by geography for our international segment for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,		
	2019	**2018**	**2017**
Europe	$ 1,471.7	$ 1,482.6	$ 1,439.2
Asia Pacific, Middle East and Africa	1,075.1	1,089.9	929.9
Latin America and Canada	772.9	862.4	863.3
Other*	82.3	69.8	87.1
Total International	$ 3,402.0	$ 3,504.7	$ 3,319.5

*Includes royalty and other revenue

The following tables present global net revenues for the top products greater than 10% of total revenues of the Company as well as a reconciliation of segment revenues to total net revenues for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Year Ended December 31, 2019			
	US Specialized Therapeutics	US General Medicine	International	Total
Botox®	$ 2,730.5	$ -	$ 1,060.8	$ 3,791.3
Restasis®	1,138.4	-	50.2	1,188.6
Juvederm® Collection	587.5	-	656.1	1,243.6
Lumigan®/Ganfort®	269.2	-	360.8	630.0
Linzess®/Constella®	-	803.2	23.8	827.0
Bystolic® /Byvalson®	-	600.6	2.1	602.7
Alphagan®/Combigan®	360.0	-	162.0	522.0
Lo Loestrin®	-	588.9	-	588.9
Breast Implants	254.4	-	0.6	255.0
Viibryd®/Fetzima®	-	412.1	11.4	423.5
Eye Drops	230.4	-	235.8	466.2
Asacol®/Delzicol®	-	76.7	36.1	112.8
Coolsculpting® Consumables	185.3	-	76.3	261.6
Coolsculpting® Systems & Add On Applicators	62.8	-	42.4	105.2
Alloderm®	395.9	-	7.9	403.8
Ozurdex ®	125.5	-	274.6	400.1
Carafate ® /Sulcrate ®	-	212.5	3.0	215.5
Aczone®	9.3	-	-	9.3
Zenpep®	-	288.0	1.2	289.2
Canasa®/Salofalk®	-	31.5	16.8	48.3
Vraylar ®	-	857.5	-	857.5
Saphris®	-	135.3	-	135.3
Viberzi®	-	187.9	1.6	189.5
Teflaro®	-	147.0	6.0	153.0
Namzaric®	-	88.6	-	88.6
Rapaflo®	23.5	-	6.0	29.5
Skin Care	158.0	-	14.6	172.6
Kybella® /Belkyra®	27.4	-	3.3	30.7
Dalvance®	-	81.9	6.0	87.9
Avycaz®	-	116.7	-	116.7
Liletta®	-	79.1	-	79.1
Namenda®	-	22.8	-	22.8
Armour Thyroid	-	218.5	-	218.5
Savella®	-	88.5	-	88.5
Other Products Revenues	261.9	797.6	342.6	1,402.1
Total segment revenues	**$ 6,820.0**	**$ 5,834.9**	**$ 3,402.0**	**$ 16,056.9**
Corporate revenues				32.0
Total net revenues				**$ 16,088.9**

	Year Ended December 31, 2018			
	US Specialized Therapeutics	US General Medicine	International	Total
Botox®	$ 2,545.8	$ -	$ 1,031.6	$ 3,577.4
Restasis®	1,197.0	-	64.5	1,261.5
Juvederm® Collection	548.2	-	614.8	1,163.0
Linzess®/Constella®	-	761.1	24.1	785.2
Lumigan®/Ganfort®	291.8	-	392.6	684.4
Bystolic® / Byvalson®	-	583.8	2.0	585.8
Alphagan®/Combigan®	375.4	-	176.0	551.4
Lo Loestrin®	-	527.7	-	527.7
Vraylar®	-	487.1	-	487.1
Eye Drops	202.7	-	279.7	482.4
Alloderm ®	407.3	-	8.0	415.3
Breast Implants	263.0	-	130.1	393.1
Viibryd®/Fetzima®	-	342.4	7.2	349.6
Coolsculpting ® Consumables	235.3	-	64.2	299.5
Ozurdex ®	111.0	-	187.7	298.7
Zenpep®	-	237.3	0.4	237.7
Carafate ® / Sulcrate ®	-	217.8	2.8	220.6
Armour Thyroid	-	198.8	-	198.8
Canasa®/Salofalk®	-	169.2	17.6	186.8
Viberzi®	-	176.5	1.3	177.8
Asacol®/Delzicol®	-	130.8	45.7	176.5
Coolsculpting ® Systems & Add On Applicators	126.3	-	43.3	169.6
Skin Care	138.8	-	15.2	154.0
Saphris®	-	139.7	-	139.7
Teflaro®	-	128.0	0.3	128.3
Namzaric®	-	115.8	-	115.8
Avycaz®	-	94.6	-	94.6
Rapaflo®	81.9	-	6.4	88.3
Savella®	-	85.0	-	85.0
Namenda®	-	71.0	-	71.0
Dalvance®	-	56.1	2.3	58.4
Aczone®	55.1	-	0.4	55.5
Liletta®	-	50.9	-	50.9
Kybella® / Belkyra®	31.8	-	6.3	38.1
Other	308.9	749.3	380.2	1,438.4
Total segment revenues	**$ 6,920.3**	**$ 5,322.9**	**$ 3,504.7**	**$ 15,747.9**
Corporate revenues				39.5
Total net revenues				**$ 15,787.4**

	Year Ended December 31, 2017			
	US Specialized Therapeutics	US General Medicine	International	Total
Botox®	$ 2,254.4	$ -	$ 914.5	$ 3,168.9
Restasis®	1,412.3	-	61.3	1,473.6
Juvederm® Collection	501.1	-	540.7	1,041.8
Linzess®/Constella®	-	701.1	21.9	723.0
Lumigan®/Ganfort®	317.5	-	371.5	689.0
Bystolic® / Byvalson®	-	612.2	2.2	614.4
Alphagan®/Combigan®	377.3	-	175.1	552.4
Eye Drops	199.5	-	281.0	480.5
Lo Loestrin®	-	459.3	-	459.3
Namenda®	-	452.9	-	452.9
Breast Implants	242.6	-	156.9	399.5
Viibryd®/Fetzima®	-	333.2	3.1	336.3
Alloderm ®	321.2	-	7.5	328.7
Ozurdex ®	98.4	-	213.4	311.8
Vraylar®	-	287.8	-	287.8
Asacol®/Delzicol®	-	195.5	50.2	245.7
Carafate ® / Sulcrate ®	-	235.8	2.9	238.7
Zenpep®	-	212.3	-	212.3
Coolsculpting ® Consumables	150.1	-	41.6	191.7
Canasa®/Salofalk®	-	162.7	18.3	181.0
Armour Thyroid	-	169.1	-	169.1
Aczone®	166.3	-	0.5	166.8
Skin Care	153.2	-	12.0	165.2
Viberzi®	-	156.6	0.5	157.1
Saphris®	-	155.2	-	155.2
Coolsculpting ® Systems & Add On Applicators	106.6	-	32.1	138.7
Namzaric®	-	130.8	-	130.8
Teflaro®	-	121.9	-	121.9
Rapaflo®	108.1	-	7.3	115.4
Savella®	-	98.2	-	98.2
Avycaz®	-	61.2	-	61.2
Kybella® / Belkyra®	49.5	-	6.8	56.3
Dalvance®	-	53.9	2.4	56.3
Liletta®	-	37.6	-	37.6
Other	345.5	1,158.9	395.8	1,900.2
Total segment revenues	**$ 6,803.6**	**$ 5,796.2**	**$ 3,319.5**	**$ 15,919.3**
Corporate revenues				21.4
Total net revenues				**$ 15,940.7**

On July 24, 2019, the Company announced a voluntary worldwide recall of BIOCELL® textured breast implants and tissue expanders as a precaution following notification of recently updated global safety information concerning the uncommon incidence of breast implant-associated anaplastic large cell lymphoma (BIA-ALCL) provided by the U.S. Food and Drug Administration ("FDA"). In connection with the voluntary recall, the Company recorded an unfavorable adjustment to operating income of $118.0 million. Of this amount, $37.9 million related to estimated customer returns of product previously sold and was recorded as a reduction of net revenues, $68.1 million related to write-offs of inventory and other costs and was recorded in cost of sales, and $12.0 million related to the estimated penalties and costs to undertake the voluntary recall was recorded in selling, general and administrative expense.

On January 27, 2020 the Company announced it has entered into a contingent agreement to divest Zenpep in connection with the proposed AbbVie Transaction with any such divestiture contingent on the closing of the AbbVie Transaction.

NOTE 23 — Business Restructuring Charges

Restructuring activities for the year ended December 31, 2019 were as follows ($ in millions):

	Severance and Retention	Share-Based Compensation	Other	Total
Reserve balance at December 31, 2018	$ 71.4	$ -	$ 14.4	$ 85.8
Charged to expense				
Cost of sales	1.4	-	-	1.4
Research and development	-	-	-	-
Selling and marketing	0.7	-	-	0.7
General and administrative	3.7	-	2.3	6.0
Total expense	5.8	-	2.3	8.1
Cash payments	(64.8)	-	(3.5)	(68.3)
Non-cash adjustments	(2.1)	-	-	(2.1)
Reserve balance at December 31, 2019	**$ 10.3**	**$ -**	**$ 13.2**	**$ 23.5**

Restructuring activities for the year ended December 31, 2018 is as follows ($ in millions):

	Severance and Retention	Share-Based Compensation	Other	Total
Reserve balance at December 31, 2017	$ 166.0	$ -	$ 19.9	$ 185.9
Charged to expense				
Cost of sales	7.3	-	-	7.3
Research and development	1.0	-	-	1.0
Selling and marketing	31.2	4.1	-	35.3
General and administrative	4.3	4.1	-	8.4
Total expense	43.8	8.2	-	52.0
Cash payments	(138.4)	-	(5.5)	(143.9)
Non-cash adjustments	-	(8.2)	-	(8.2)
Reserve balance at December 31, 2018	**$ 71.4**	**$ -**	**$ 14.4**	**$ 85.8**

In the year ended December 31, 2018, the Company recorded severance and other employee related charges of $52.0 million, which includes $8.2 million of share-based compensation related to this program. In the year ended December 31, 2018, the Company incurred $14.1 million in severance and other employee related charges and $8.2 million of share-based compensation related to the restructuring program announced in December 2017. In the year ended December 31, 2018, the Company initiated a new restructuring program of its international commercial operations. As a result of the program, the Company eliminated approximately 200 selling and marketing positions which streamlined the Company's operations and focusing on key growth markets and products. The Company paid the majority of the severance costs during the 2019 fiscal year.

NOTE 24 — Derivative Instruments and Hedging Activities

The Company's revenue, earnings, cash flows and fair value of its assets and liabilities can be impacted by fluctuations in foreign exchange risks and interest rates, as applicable. The Company manages the impact of foreign exchange risk and interest rate movements through operational means and through the use of various financial instruments, including derivative instruments such as foreign currency derivatives. As of December 31, 2019, the Company had outstanding third-party foreign currency forward instruments, excluding debt, of $49.7 million. As of December 31, 2018, the Company had outstanding third-party foreign currency forward instruments, excluding debt, of $42.1 million.

Internationally, the Company is a net recipient of currencies other than the U.S. dollar and, as such, benefits from a weaker dollar and is adversely affected by a stronger dollar relative to major currencies worldwide. Accordingly, changes in exchange rates, and in particular a strengthening of the U.S. dollar, may negatively affect the Company's consolidated revenues and favorably impact operating expenses in U.S. dollars.

Derivatives Not Designated as Hedging Instruments

In November 2018, the Company entered into a 700 million Euro forward contract to buy Euros while selling USD. The derivative matured on May 31, 2019. The derivative instrument was marked-to-market to the P&L offsetting the revaluation (P&L) impact on the Euro 700 million variable interest debt. For the year ended December 31, 2019, the Company recorded a loss of $29.8 million relating to this instrument in general and administrative expenses.

Derivatives Designated as Hedging Instruments

Cash Flow Hedge

In January 2019, the Company entered into $500.0 million notional floating to fixed interest rate swaps maturing on March 12, 2020 whereby it fixed the interest rates on $500.0 million floating rate notes due March 12, 2020 to an average interest rate of 3.98%. The swaps are being accounted for using hedge accounting treatment. As of December 31, 2019, the fair value of the interest rate swaps of $0.8 million was recorded in accounts payable and accrued expenses. For the year ended December 31, 2019, the corresponding unrealized loss of $0.8 million, respectively, was recorded in accumulated other comprehensive income / (loss).

Net Investment Hedge

In the normal course of business, we manage certain foreign exchange risks through a variety of strategies, including hedging. Our hedging strategies include the use of derivatives, as well as net investment hedges. For net investment hedges, the effective portion of the gains and losses on the instruments arising from the effects of foreign exchange are recorded in the currency translation adjustment component of accumulated other comprehensive income / (loss), consistent with the underlying hedged item. Hedging transactions are limited to an underlying exposure. As a result, any change in the value of our hedging instruments would be substantially offset by an opposite change in the value of the underlying hedged items. We do not use derivative instruments for trading or speculative purposes.

The Company is exposed to foreign exchange risk in its international operations from foreign currency purchases, net investments in foreign subsidiaries, and foreign currency assets and liabilities created in the normal course of business, including the Euro Denominated Notes. In the years ended December 31, 2019 and 2018, we used effective net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries. The total notional amount of our instruments designated as net investment hedges was $5.0 billion as of December 31, 2019 and $5.1 billion as of December 31, 2018. During the year ended December 31, 2019, the impact of the net investment hedges recorded in other comprehensive loss was a gain of $113.0 million, which primarily offset the impact of the Euro denominated notes. During the year ended December 31, 2018, the impact of the net investment hedges recorded in other comprehensive loss was a gain of $144.5 million.

NOTE 25 — Fair Value Measurement

Assets and liabilities that are measured at fair value using Fair Value Leveling or that are disclosed at fair value on a recurring basis as of December 31, 2019 and 2018 consisted of the following ($ in millions):

	Fair Value Measurements as of December 31, 2019 Using:			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Cash equivalents*	$ 1,535.4	$ 1,535.4	$ -	$ -
Short-term investments	3,411.6	-	3,411.6	-
Deferred executive compensation investments	89.2	77.0	12.2	-
Contingent income	51.8	-	-	51.8
Investments and other	70.9	38.2	32.6	-
Total assets	**$ 5,158.9**	**$ 1,650.6**	**$ 3,456.4**	**$ 51.8**
Liabilities:				
Deferred executive compensation liabilities	89.2	77.0	12.2	-
Contingent consideration obligations	389.4	-	-	389.4
Total liabilities	**$ 478.6**	**$ 77.0**	**$ 12.2**	**$ 389.4**

* Marketable securities with less than 90 days remaining until maturity at the time of acquisition are classified as cash equivalents.

	Fair Value Measurements as of December 31, 2018 Using:			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents*	$ 207.1	$ 207.1	$ -	$ -
Short-term investments	1,026.9	-	1,026.9	-
Deferred executive compensation investments	90.8	73.8	17.0	-
Contingent income	50.3	-	-	50.3
Investments and other	46.0	38.5	7.5	-
Total assets	**$ 1,421.1**	**$ 319.4**	**$ 1,051.4**	**$ 50.3**
Liabilities:				
Deferred executive compensation liabilities	90.8	73.8	17.0	-
Contingent consideration obligations	344.6	-	-	344.6
Total liabilities	**$ 435.4**	**$ 73.8**	**$ 17.0**	**$ 344.6**

* Marketable securities with less than 90 days remaining until maturity at the time of acquisition are classified as cash equivalents.

Investments in securities as of December 31, 2019 and 2018 included the following ($ in millions):

	Investments in Securities as of December 31, 2019			
Level 1	Carrying amount	Estimated fair value	Cash & cash equivalents	Marketable securities
Money market funds	$ 1,535.4	$ 1,535.4	$ 1,535.4	$ -
Total	**$ 1,535.4**	**$ 1,535.4**	**$ 1,535.4**	**$ -**

Level 2	Carrying amount	Estimated fair value	Cash & cash equivalents	Marketable securities
Other investments	$ 3,411.6	$ 3,411.6	$ -	$ 3,411.6
Total	**$ 3,411.6**	**$ 3,411.6**	**$ -**	**$ 3,411.6**

	Investments in Securities as of December 31, 2018			
Level 1	Carrying amount	Estimated fair value	Cash & cash equivalents	Marketable securities
Money market funds	$ 207.1	$ 207.1	$ 207.1	$ -
Total	**$ 207.1**	**$ 207.1**	**$ 207.1**	**$ -**

Level 2	Carrying amount	Estimated fair value	Cash & cash equivalents	Marketable securities
Other investments	$ 1,026.9	$ 1,026.9	$ -	$ 1,026.9
Total	**$ 1,026.9**	**$ 1,026.9**	**$ -**	**$ 1,026.9**

Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants. Fair values are determined based on Fair Value Leveling.

Marketable securities and investments consist of money market securities, U.S. treasury and agency securities, and equity and debt securities of publicly traded companies for which market prices are readily available. Unrealized gains or losses on marketable debt securities are recorded in interest income beginning January 1, 2018. Unrealized gains or losses on long-term equity investments are recorded in other income / (expense), net beginning on January 1, 2018. These amounts were recorded within accumulated other comprehensive (loss) / income as of December 31, 2017. The Company's marketable securities and other long-term investments are recorded at fair value based on quoted market prices using the specific identification method. These investments are classified as either current or non-current, as appropriate, in the Company's consolidated balance sheets. The Company may sell certain of its marketable securities prior to their stated maturities for strategic reasons including, but not limited to, anticipation of credit deterioration and maturity management.

Contingent Consideration Obligations

The fair value measurement of the contingent consideration obligations is determined using Level 3 inputs and is based on a probability-weighted income approach. The measurement is based upon unobservable inputs supported by little or no market activity, and is based on our own assumptions. Changes in the fair value of the contingent consideration obligations, including accretion, are recorded in our consolidated statements of operations as follows ($ in millions):

	Years Ended December 31,		
Expense / (income)	**2019**	**2018**	**2017**
Cost of sales	$ 44.6	$ (111.7)	$ (183.2)
Research and development	9.5	5.1	50.0
Total	**$ 54.1**	**$ (106.6)**	**$ (133.2)**

In the year ended December 31, 2019, the expense in cost of sales primarily related to an increase in commercial sales forecasts for Liletta®.

During the year ended December 31, 2018, cost of sales primarily relates to the Company's True Tear® product not achieving a milestone event, as well as a corresponding decrease in commercial forecasts. Research and development primarily relates to a R&D asset that was delayed, which lowered the probability of the milestone being achieved as well as the progression of other R&D projects relating to the acquisition of Tobira Therapeutics, Inc

.

During the year ended December 31, 2017, the Company had net contingent consideration income in cost of sales of $183.2 million due to declines in forecasted revenues for select products, including Rhofade®. The Company had net contingent consideration expense in R&D of $50.0 million due to the advancement of the Company's True Tear® product and products acquired as part of the Tobira Acquisition.

The table below provides a summary of the changes in fair value, including net transfers in and/or out, of all financial assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2019 and 2018 ($ in millions):

	Balance as of December 31, 2018	**Net transfers in to (out of) Level 3**	**Purchases, settlements, and other net**	**Net accretion and fair value adjustments**	**Balance as of December 31, 2019**
Liabilities:					
Contingent consideration obligations	$ 344.6	$ -	$ (9.3)	$ 54.1	$ 389.4

	Balance as of December 31, 2017	**Net transfers in to (out of) Level 3**	**Purchases, settlements, and other net**	**Net accretion and fair value adjustments**	**Balance as of December 31, 2018**
Liabilities:					
Contingent consideration obligations	$ 476.9	$ -	$ (25.7)	$ (106.6)	$ 344.6

The Company determines the acquisition date fair value of contingent consideration obligations based on a probability-weighted income approach derived from revenue estimates and a probability assessment with respect to the likelihood of achieving contingent obligations including contingent payments such as milestone obligations, royalty obligations and contract earn-out criteria, where applicable. The fair value measurement is based on significant inputs not observable in the market and thus represents a Level 3 measurement as defined in ASC 820. The resultant probability-weighted cash flows are discounted using an appropriate effective annual interest rate to reflect the internal rate of return and incremental commercial uncertainty, major risks and uncertainties associated with the successful completion of the events triggering the contingent obligation. At each reporting date, the Company revalues the contingent consideration obligation to estimated fair value and records changes in fair value as income or expense in our consolidated statement of operations. Changes in the fair value of the contingent consideration obligations may result from changes in discount periods and rates, changes in the timing and amount of revenue estimates and changes in probability assumptions with respect to the likelihood of achieving the various contingent consideration obligations. Accretion expense related to the increase in the net present value of the contingent liability is included in operating income for the period.

During the year ended December 31, 2019, the following activity in contingent consideration obligations by acquisition was incurred ($ in millions):

Business Acquisition	Balance as of December 31, 2018	Fair Value Adjustments and Accretion	Payments and Other	Balance as of December 31, 2019
Tobira acquisition	$ 255.0	$ 9.3	$ -	$ 264.3
Medicines 360 acquisition	43.1	43.3	(6.7)	79.7
AqueSys acquisition	5.4	0.2	-	5.6
Oculeve acquisition	1.7	-	-	1.7
ForSight acquisition	24.1	0.3	-	24.4
Forest acquisition	13.6	1.2	(2.3)	12.5
Other	1.7	(0.2)	(0.3)	1.2
Total	**$ 344.6**	**$ 54.1**	**$ (9.3)**	**$ 389.4**

Contingent Income

The fair value measurement of the contingent income is determined using Level 3 inputs and is based on a probability-weighted income approach. The measurement is based upon unobservable inputs supported by little or no market activity, and is based on our own assumptions. Changes in the fair value of the contingent income are recorded in our consolidated statements of operations as follows ($ in millions):

	Balance as of December 31, 2018	Net transfers in to (out of) Level 3	Purchases, settlements, and other net	Net accretion and fair value adjustments	Balance as of December 31, 2019
Asset:					
Contingent income	$ 50.3	$ -	$ (1.1)	$ 2.6	$ 51.8

NOTE 26 — Commitments & Contingencies

The Company and its affiliates are involved in various disputes, governmental and/or regulatory inspections, inquires, investigations and proceedings, and litigation matters that arise from time to time in the ordinary course of business. The process of resolving matters through litigation or other means is inherently uncertain and it is possible that an unfavorable resolution of these matters will adversely affect the Company, its results of operations, financial condition and cash flows. The Company's general practice is to expense legal fees as services are rendered in connection with legal matters, and to accrue for liabilities when losses are probable and reasonably estimable.

The Company evaluates, on a quarterly basis, developments in legal proceedings and other matters that could cause an increase or decrease in the amount of the liability that is accrued. As of December 31, 2019, the Company's consolidated balance sheet includes accrued loss contingencies of approximately $1,190.0 million. As of December 31, 2018, the Company's consolidated balance sheet included accrued loss contingencies of approximately $65.0 million.

The Company's legal proceedings range from cases brought by a single plaintiff to mass tort actions and class actions with thousands of putative class members. These legal proceedings, as well as other matters, involve various aspects of our business and a variety of claims (including, but not limited to, *qui tam* actions, antitrust, product liability, breach of contract, securities, patent infringement and trade practices), some of which present novel factual allegations and/or unique legal theories. In addition, a number of the matters pending against us are at very early stages of the legal process (which in complex proceedings of the sort faced by us often extend for several years). As a result, some matters have not yet progressed sufficiently through discovery and/or development of important factual information and legal issues to enable us to estimate a range of possible loss. In those proceedings in which plaintiffs do request publicly quantified amounts of relief, the Company does not believe that the quantified amounts are meaningful because they are merely stated jurisdictional limits, exaggerated and/or unsupported by the evidence or applicable burdens of proof.

In matters involving the assertion or defense of the Company's intellectual property, the Company believes it has meritorious claims and intends to vigorously assert or defend the patents or other intellectual property at issue in such litigation. Similarly, in matters where the Company is a defendant, the Company believes it has meritorious defenses and intends to defend itself vigorously. However, the Company can offer no assurances that it will be successful in a litigation or, in the case of patent enforcement matters, that a generic version of the product at issue will not be launched or enjoined. Failing to prevail in a litigation could adversely affect the Company and could have a material adverse effect on the Company's business, results of operations, financial condition and cash flows.

Intellectual Property Litigation

Patent Enforcement Matters

Bystolic®. On July 2, 2019, subsidiaries of the Company brought an action for infringement of U.S. Patent No. 6,545,040 in the United States District Court for the District of Delaware against Ajanta Pharma Ltd. and Ajanta Pharma USA Inc. (collectively, "Ajanta") in connection with an abbreviated new drug application filed with the FDA by Ajanta seeking approval to market a generic version of Bystolic® and challenging said patent. The Company entered into a settlement agreement with Ajanta on December 17, 2019, and the case was dismissed onJanuary 2, 2020.

Combigan®. On October 30, 2017, subsidiaries of the Company filed an action for infringement of U.S. Patent Number 9,770,453 (the "'453 Patent") against Sandoz, Inc. and Alcon Laboratories, Inc. ("Sandoz") in the U.S. District Court for the District of New Jersey, in connection with the abbreviated new drug applications respectively filed with the FDA by Sandoz and Alcon, seeking approval to market a generic version of Combigan®. On March 6, 2018, U.S. Patent Nos. 9,907,801 (the "'801 Patent") and 9,907,802 (the "'802 Patent") were added to the case. The '453, '801 and '802 Patents are listed in the Orange Book for Combigan® and expire on April 19, 2022. On July 13, 2018, the district court adopted Allergan's proposed claim construction and granted Allergan's motion for preliminary injunction against Sandoz. On August 1, 2018, the district court entered an order setting a preliminary injunction bond in the amount of $157,300,000 under Federal Rule of Civil Procedure 65(c), which Allergan posted. Sandoz appealed the grant of the injunction. On August 29, 2019, the Federal Circuit affirmed the grant of a preliminary injunction against Sandoz. A mandate issued on October 7, 2019. On January 8, 2020, the district court entered a scheduling order. Trial is expected to occur in Q2 2021, on a date to be determined by the court.

Fetzima®. In October and November 2017, subsidiaries of the Company and Pierre Fabre Medicament S.A.S. brought actions for infringement of U.S. Patent Nos. RE43,879 (the "'879 Patent"); 8,481,598 (the "'598 Patent"); and 8,865,937 (the "'937 Patent") against MSN Laboratories Private Limited and MSN Pharmaceuticals Inc. (collectively, "MSN"), Prinston Pharmaceutical Inc. and Solco Healthcare U.S., LLC (collectively, "Prinston"), Torrent Pharmaceuticals Limited and Torrent Pharma Inc. (collectively, "Torrent"), West-Ward Pharmaceuticals International Limited and West-Ward Pharmaceuticals Corp. (collectively, "West-Ward"), Zydus Pharmaceuticals (USA) Inc. ("Zydus"), Aurobindo Pharma USA, Inc. and Aurobindo Pharma Limited (collectively, "Aurobindo"), and Amneal Pharmaceuticals LLC and Amneal Pharmaceuticals Private Limited (collectively, "Amneal"), in connection with abbreviated new drug applications, respectively filed with the FDA by MSN, Prinston, Torrent, West-Ward, Zydus, Aurobindo, and Amneal, each seeking approval to market generic versions of Fetzima® and challenging said patents. The '879 Patent expires in June 2023 (not including a pending application for patent term extension ("PTE")), the '598 patent expires in March 2031, and the '937 Patent expires in May 2032. Fact discovery is completed. Trial is expected to begin in August 2020. Allergan entered into a settlement agreement with Amneal on December 18, 2018, and the case as against Amneal was dismissed. Allergan entered into a settlement agreement with Prinston on June 6, 2019, and the case as against Prinston was dismissed.

In April 2019, subsidiaries of the Company and Pierre Fabre Medicament S.A.S. brought an action for infringement of the '879, '598 and '937 Patents against Micro Labs Ltd. and Micro Labs USA, Inc. ("Micro") in connection with Micro's abbreviated new drug application seeking approval to market a generic version of Fetzima® and challenging said patents. Allergan entered into a settlement agreement with Micro Labs on October 22, 2019 and the case was dismissed.

Juvéderm®. On February 26, 2019, subsidiaries of the Company filed an amended complaint for infringement of U.S. Patent Nos. 8,450,475 (the "'475 Patent"), 8,357,795 (the "'795 Patent"), 8,822,676 (the "'676 Patent"), 9,089,519 (the "'519 Patent"), 9,238,013 (the "'013 Patent") and 9,358,322 (the "'322 Patent") in the U.S. District Court for the District of Delaware against Prollenium US Inc. and Prollenium Medical Technologies, Inc. (collectively, "Prollenium"). The amended complaint seeks, among other things, a judgment that Defendants have infringed these patents by making, selling, offering to sell, and importing Prollenium's Revanesse® Versa+TM products within and into the United States. Plaintiffs seek injunctive relief and damages for Defendants' infringement. Trial is scheduled for June 14, 2021. On January 24, 2020, in response to the Company's motions, the court (i) dismissed Prollenium's inequitable conduct counterclaim without prejudice, and (ii) struck Prollenium's inequitable conduct affirmative defense without prejudice.

On January 23, 2020, subsidiaries of the Company filed a complaint for infringement of U.S. Patent Nos. 10,391,202(the "'202 Patent"), and 10,485,896 (the "'896 Patent") in the U.S. District Court for the District of Delaware against Prollenium. The complaint seeks, among other things, a judgment that Defendants have infringed these patents by making, selling, offering to sell, and importing Prollenium's Revanesse® Versa+TM products within and into the United States. Plaintiffs seek injunctive relief and damages for Defendants' infringement.

Juvéderm® IPR. In August, September and October 2019, Prollenium US Inc. ("Prollenium") submitted Inter Partes Review ("IPR") petitions to the USPTO regarding U.S. Patent Nos. 8,450,475 (the "'475 Patent), 9,238,013 (the "'013 patent"), 9,358,322 (the "'322 patent"), 8,822,676 (the "'676 patent"), 8,357,795 (the "'795 patent") and 9,089,519 (the "'519 patent"). Prollenium's IPR petitions seek review of all claims of the '013, '322, 676, and '519patents, claims 1-9, 18, and 27-37 of the '475 patent, and claims 1-11, 22, 26-39, and 40-41 of the '795 patent. Patent owner's preliminary responses for these petitions are due on December 19, 2019, or later. The Company filed patent owner's preliminary responses in December 2019 and January 2020 for petitions related to the '475, '013, '322, '676, and '795 patents. The patent owner's preliminary response for the petition related to the '519 patent is due on January 29, 2020. On January 17, 2020, Prollenium filed a consolidated reply to the patent owner's preliminary responses with respect to the '475, '013, '322, '676, and '795 patents, and on January 24, 2020, the Company filed a consolidated sur-reply.

Latisse® IV. In December 2016, Sandoz announced the U.S. market launch of its generic copy of Latisse®. In July 2017, subsidiaries of the Company and Duke University (collectively, "Plaintiffs") filed a complaint for infringement of U.S. Patent Number 9,579,270 ("'270 Patent") against Defendants Sandoz Inc. ("Sandoz") and Alcon Laboratories, Inc. ("Alcon") in the U.S. District Court for the Eastern District of Texas (EDTX). The '270 patent expires in January 2021. In their complaint, Plaintiffs seek, among other things, a judgment that Defendants have infringed the '270 patent by making, selling, and offering to sell, and/or importing, their generic copy of Latisse® within the United States. Plaintiffs seek injunctive relief and damages for Defendants' infringement. On April 3, 2018, the EDTX court issued an order, among other things, severing Plaintiff's claims against Defendants and transferring Plaintiff's claims against Alcon to the District Court of Delaware and Plaintiff's claims against Sandoz to the District of Colorado. On October 5, 2018, the Delaware District Court entered an order dismissing the Delaware action against Alcon. On September 18, 2019, the District of Colorado denied Sandoz's motion for summary judgment. Discovery is closed in the District of Colorado case and a trial date has not yet been set.

Latisse® VI. On September 19, 2018, subsidiaries of the Company and Duke University brought an action for infringement of U.S. Patent No. 9,579,270 (the "'270 Patent") against Akorn, Inc. and Hi-Tech Pharmacal Co., Inc. (collectively, "Akorn") in the U.S. District Court for the District of New Jersey in connection with an abbreviated new drug application filed with FDA by Akorn seeking approval to market a generic version of Latisse® and challenging the '270 patent. The Company subsidiaries and Duke entered into a settlement agreement with Akorn and the case was dismissed on October 15, 2019.

Linzess®. Beginning in November 2016 subsidiaries of the Company and Ironwood Pharmaceuticals, Inc. (collectively, "Plaintiffs"), brought multiple actions for infringement of some or all of U.S. Patent Nos. 7,304,036 (the "'036 Patent"); 7,371,727 (the "'727 Patent"); 7,704,947 (the "'947 Patent"); 7,745,409 (the "'409 Patent"); 8,080,526 (the "'526 Patent"); 8,110,553 (the "'553 Patent"); 8,748,573 (the "'573 Patent"); 8,802,628 (the "'628 Patent"); and 8,933,030 (the "'030 Patent") against Teva Pharmaceuticals USA, Inc. ("Teva"), Aurobindo Pharma Ltd. ("Aurobindo"), Mylan Pharmaceuticals Inc. ("Mylan"), Sandoz Inc. ("Sandoz") and Sun Pharma Global FZE ("Sun") in the U.S. District Court for the District of Delaware in connection with abbreviated new drug applications respectively filed with the FDA by Teva, Aurobindo, Mylan, Sandoz and Sun, each seeking approval to market generic versions of Linzess® 145 mcg and 290 mcg capsules and challenging some or all of said patents ("November 2016 Action"). The '727, '947, '409, '526 and '553 Patents expire in January 2024; the '036 Patent expires in August 2026; and the '573, '628 and '030 Patents expire in 2031. In the November 2016 Action, expert discovery has been completed. On May 31, 2019, due to a scheduling conflict, the bench trial set for June 2019 was postponed to January 7, 2020.

On October 20, 2017, November 30, 2017 and January 20, 2018, Plaintiffs brought actions for infringement of U.S. Patent No. 9,708,371 (the "'371 Patent") in the U.S. District Court for the District of Delaware against Teva, Mylan and Sandoz, respectively. The '371 Patent expires in 2033. The '371 patent actions have been consolidated with the November 2016 Action.

On February 2, 2018 and March 29, 2018, Plaintiffs brought actions for infringement of some or all of the '036, '727, '947, '409, '526, '553, '030 and '371 Patents against Teva and Mylan in the U.S. District Court for the District of Delaware in connection with abbreviated new drug applications respectively filed with the FDA by Teva and Mylan, each seeking approval to market generic versions generic versions of Linzess® 72 mcg capsules ("72 mcg ANDA") before the expiration said patents. The district court consolidated the 72 mcg ANDA actions with the November 2016 Action.

In May and August 2018, the district court granted joint stipulations and orders to dismiss without prejudice all claims, counterclaims, and defenses in the November 2016 Action with respect to the '371 Patent and the '030 Patent, respectively, as between Plaintiffs, Teva, Mylan and Sandoz.

On September 4, 2018, Plaintiffs filed an amended complaint as to Mylan to assert the '628 patent against Mylan's 72 mcg ANDA product.

Plaintiffs entered into a settlement agreement with Sun and certain Sun affiliates and the case against Sun was dismissed on January 18, 2018. Plaintiffs entered into a settlement agreement with Aurobindo and the case against Aurobindo was dismissed on May 7, 2018. Plaintiffs entered into a settlement agreement with Mylan and the case against Mylan was dismissed on December 27, 2018. Under the terms of the settlement agreement, Plaintiffs will provide a license to Mylan to market its generic versions of Linzess® 145 mcg and 290 mcg in the United States beginning on February 5, 2030 (subject to FDA approval), and its generic version of Linzess® 72 mcg in the United States beginning on August 5, 2030, or earlier in certain circumstances.

Plaintiffs entered into a settlement agreement with Sandoz on January 3, 2020, and the cases against Sandoz were dismissed on January 7, 2020. Under the terms of the settlement agreement, Plaintiffs will provide a license to Sandoz to market its generic versions of Linzess® 145 mcg and 290 mcg in the United States beginning on February 5, 2030 (subject to FDA approval), or earlier in certain circumstances.

On January 17, 2020, upon the parties' request, the district court dismissed without prejudice the litigations relating only to Teva's 72 mcg version of Linzess®. Plaintiffs had asserted patents against Teva's 72 mcg ANDA, the last of which expires in 2026, subject to possible pediatric extension. Prior to the dismissal, Teva had stipulated to infringement of certain claims of those patents. On January 21, 2020, Plaintiffs entered into a settlement agreement with Teva and the remaining case against Teva was dismissed. Under the terms of the settlement agreement, Plaintiffs will provide a license to Teva to market its generic versions of Linzess® 145 mcg and 290 mcg in the United States beginning on March 31, 2029 (subject to FDA approval), or earlier in certain circumstances. This settlement does not grant any license to Teva with regard to its 72 mcg generic version of Linzess®.

Saphris®. Between September 2014 and May 2015, subsidiaries of the Company brought actions for infringement of some or all of U.S. Patent Nos. 5,763,476 (the "'476 patent"), 7,741,358 (the "'358 patent") and 8,022,228 (the "'228 patent") against Sigmapharm Laboratories, LLC ("Sigmapharm"), Hikma Pharmaceuticals, LLC ("Hikma"), Breckenridge Pharmaceutical, Inc. ("Breckenridge"), Alembic Pharmaceuticals, Ltd. ("Alembic") and Amneal Pharmaceuticals, LLC ("Amneal"), and related subsidiaries and affiliates thereof in the U.S. District Court for the District of Delaware in connection with an abbreviated new drug applications respectively filed with FDA by Sigmapharm, Hikma, Breckenridge, Alembic and Amneal, each seeking approval to market a generic versions of Saphris® and challenging each of said patents. Including a 6-month pediatric extension of regulatory exclusivity, the '476 patent expires in December 2020, and the '358 and '228 patents expire in October 2026. In 2016, the parties agreed to dismiss all claims related to the '358 and '228 patents, leaving only the '476 patent at issue. On October 13, 2016, the court stayed trial as to Sigmapharm and extended the 30-month stay as to Sigmapharm. On June 30, 2017, the district court issued an opinion and order finding all asserted claims of the '476 patent valid, that claims 1, 2, 5 and 6 were infringed by Alembic, Amneal, Breckenridge and Hikma, and that claims 4, 9 and 10 were not infringed by Alembic and Breckenridge. On July 11, 2017, the district court entered a final judgment that ordered, among other things, that Alembic's, Amneal's, Breckenridge's and Hikma's respective ANDAs not be granted final approval by FDA earlier than the date of expiration of the '476 patent inclusive of any applicable adjustments, extensions or exclusivities.

On March 14, 2019, the Federal Circuit vacated the district court's July 2017 judgment that claims 1 and 4 are not invalid and remanded for the district court to consider a fact question and its impact on the obviousness analysis. On April 15, 2019, Plaintiffs filed a combined petition for panel rehearing and rehearing en banc with respect to this issue, which was denied on May 15, 2019. In its March 14, 2019 order, the Federal Circuit also vacated the judgment of non-infringement of claims 4, 9 and 10 as to Alembic and Breckenridge and remanded for the district court to consider their infringement under a revised claim construction. In a joint stipulation entered by the district court on November 5, 2019, Alembic stipulated that its ANDA infringed claims 4, 9 and 10 of the '476 patent. On December 17, 2019, the district court entered a schedule for briefing on the remanded issues, with the parties' opening briefs due on February 10, 2020, and responsive briefs due on March 26, 2020. Oral argument is scheduled for April 2, 2020.

A separate bench trial concerning Sigmapharm's infringement of claim 1 of the '476 patent began on June 20, 2018, and on November 16, 2018, the court held that Sigmapharm's proposed ANDA product would infringe claim 1 of the '476 patent On November 26, 2018, Sigmapharm sought relief from the November 16, 2018 decision. On November 30, 2018, the Company moved for entry of final judgment. On August 6, 2019, the district court denied Sigmapharm's motion to reconsider its November 2018 Order, and denied without prejudice the Company's motion for entry of final judgment. On August 22, 2019, the district court entered Plaintiffs and Sigmapharm's stipulated final judgment finding that Sigmapharm infringed claims 1, 2, 5, and 6 of the '476 patent and ordering, among other things, that Sigmapharm's ANDA be converted to tentative approval and not be granted final approval by FDA earlier than the date of expiration of the '476 patent inclusive of any applicable adjustments, extensions or exclusivities.

Viberzi®. On September 6, 2019, subsidiaries of the Company and Janssen Pharmaceutica NV brought an action for infringement of U.S. Patent Nos. 7,741,356 ("the '356 patent"), 7,786,158 ("the '158 patent"), 8,344,011 ("the '011 patent"), 8,609,709 ("the '709 patent"), 8,772,325 ("the '325 patent"), 9,205,076 ("the '076 patent"), 9,700,542 ("the '542 patent"), and 10,213,415 ("the '415 patent") in the United States District Court for the District of Delaware against Aurobindo Pharma Ltd. and Aurobindo Pharma USA Inc. (collectively, "Aurobindo") in connection with an abbreviated new drug application filed with the FDA by Aurobindo seeking approval to market a generic version of Viberzi® and challenging said patents. No trial date or case schedule has been set.

On September 13, 2019, subsidiaries of the Company brought an action for infringement of United States Patent Nos. 8,691,860 ("the '860 patent"), 9,115,091 ("the '091 patent"), 9,364,489 ("the '489 patent"), 9,675,587 ("the '587 patent"), 9,789,125 ("the '125 patent"), and 10,188,632 ("the '632 patent") in the United States District Court for the District of Delaware against Aurobindo Pharma Ltd., Aurobindo Pharma USA, Inc. (collectively, "Aurobindo"), Alkem Laboratories Limited ("Alkem"), Hetero Labs Limited and Hetero USA Inc. (collectively, "Hetero"), MSN Laboratories Private Limited and MSN Pharmaceuticals, Inc. (collectively, "MSN"), Sun Pharmaceutical Industries Limited ("Sun"), and Zydus Pharmaceuticals (USA) Inc. ("Zydus") in connection with abbreviated new drug applications, respectively filed with the FDA by Aurobindo, Alkem, Hetero, MSN, Sun and Zydus, each seeking approval to market generic versions of Viberzi® and challenging said patents. No trial date or case schedule has been set.

Vraylar®. On December 20, 2019, subsidiaries of the Company and Gedeon Richter Plc. brought an action for infringement of U.S. Patent Nos. 7,737,142 ("the '142 patent"), and 7,943,621 ("the '621 patent") in the United States District Court for the District of Delaware against Sun Pharmaceutical Industries Limited and Sun Pharma Global FZE (collectively, "Sun"), Aurobindo Pharma Limited and Aurobindo Pharma USA, Inc. (collectively, "Aurobindo"), and Zydus Pharmaceuticals (USA), Inc. and Cadila Healthcare Limited (collectively, "Zydus") in connection with abbreviated new drug applications, respectively filed with the FDA by Sun, Aurobindo, and Zydus, seeking approval to market generic versions of Vraylar® and challenging said patents. No trial date or case schedule has been set.

Trade Secret Matters

Botulinum Neurotoxin ITC Investigation. On January 30, 2019, subsidiaries of the Company and Medytox Inc. (collectively, "Complainants") filed a complaint with the United States International Trade Commission ("ITC") against Daewoong Pharmaceuticals Co., Ltd., Daewoong Co., Ltd., and Evolus Inc. (collectively, "Respondents") requesting the ITC commence an investigation with respect to the Respondents' importation into the United States of Respondents' botulinum neurotoxin products, including DWP-450 (also known as Jeuveau™), which Complainants assert were developed, made and/or imported using Medytox's trade secrets. Complainants seek, among other things, a permanent exclusionary order and cease and desist orders covering Respondents' botulinum neurotoxin products, including DWP-450/Jeuveau™. On February 28, 2019, the ITC instituted an investigation into Respondents' botulinum neurotoxin products, including DWP-450/Jeuveau™. Fact and expert discovery is closed and trial was held in early February 2020. The target date for completion of the investigation is October 6, 2020.

Trademark Enforcement Matters

Juvéderm®. On April 5, 2017, a subsidiary of the Company brought an action for unfair competition, false advertising, dilution, conspiracy and infringement of Allergan's Juvéderm ® trademarks in the U.S. District Court for the Central District of California against Dermavita Limited Partnership ("Dermavita"), Dima Corp. S.A. ("Dima Corp.") and KBC Media Relations LLC ("KBC"). Dima Corp. had previously announced its acquisition of a license from Dermavita to develop and market in the U.S. cosmetic products under the Juvederm trademark. During June 2017, the Company entered into a settlement agreement with KBC. During July 2017, the Court preliminarily enjoined Dima Corp. from, inter alia, promoting or selling within the United States any product bearing the trademark Juvéderm® or any other trademark confusingly similar to it. During January 2018, the Court granted Dermavita's renewed motion to dismiss the Company's complaint based on purported lack of personal jurisdiction. During January 2019, the Company subsidiary and Dima Corp. resolved the action and the Court entered a permanent injunction and final judgment in favor of the Company subsidiary and against Dima Corp. for trademark infringement, unfair competition, dilution and false advertising.

Subsidiaries of the Company requested a preliminary injunction against Dermavita, Dima Corp, Aesthetic Services & Development, Jacqueline Sillam and Dimitri Sillam in the High Court of Paris, France. During June 2017, the Paris Court preliminarily enjoined the defendants, inter alia, to refrain from promoting or selling in France its Juvederm products, to transfer various domain names and to pay provisional damages to Allergan, on the basis that such use would infringe Allergan's EU and French Juvéderm® trademarks and would amount to unfair competition. This injunction has become final. A subsidiary of the Company has also filed against Dermavita, Dima Corp. and others a full action of trademark infringement in the Paris court. Dermavita has submitted two requests that the full action be stayed pending the outcome of the Nanterre action and the EUIPO trademark proceedings, both mentioned below. The Paris court rejected Dermavita's first stay request and subsequently ordered the defendants to pay more than 75,000 Euros in liquidated damages for violation of the preliminary injunction mentioned above. Dermavita's second request for a stay remains pending. Furthermore, Dermavita filed an action against subsidiaries of the Company in the Nanterre, France court alleging that the subsidiaries have not used its Juvéderm trademark and requesting the court to revoke the Company's trademark based on its purported lack of use or purportedly invalid license and assignment agreements. On February 21, 2019, the Nanterre Court ruled in the Company's favor, holding that the license and assignment agreements were valid and that Allergan has used its trademark in commerce. Dermavita has appealed this decision.

On January 22, 2019, subsidiaries of the Company brought a related action for infringement of the Company's Juvéderm® trademarks against Aesthetic Services and Development Limited, Juvederm Elite Clinics SARL and Jamal Hamadi in the (UK) High Court of Justice. The case is in its early stages and no trial date has been set.

Furthermore, more than 150 trademark opposition and cancellation actions between Allergan and Dermavita have been filed in front of the USPTO, EUIPO and various other national and regional trademark offices around the world. Most of these actions remain pending; however, Allergan has received favorable decisions in more than thirty (30) such actions.

Antitrust Litigation

Asacol® Litigation. Class action complaints have been filed against certain subsidiaries of the Company on behalf of putative classes of direct and indirect purchasers. The lawsuits have been consolidated in the U.S. District Court for the District of Massachusetts. The complaints allege that plaintiffs paid higher prices for Asacol® HD and Delzicol® as a result of alleged actions preventing or delaying generic competition in the market for an older Asacol® product in violation of U.S. federal antitrust laws and/or state laws. Plaintiffs seek unspecified injunctive relief, treble damages and/or attorneys' fees. The Company has settled the claims brought by the direct purchaser plaintiffs. While the district court granted the indirect purchaser plaintiffs' motion for class certification, the Court of Appeals for the First Circuit later issued a decision reversing the lower court's decision on class certification. The appellate court denied plaintiffs' motion for rehearing en banc and remanded the case back to the District Court where the court denied plaintiffs' renewed motion for class certification. Defendants made offers of judgment to the three remaining individual plaintiffs pursuant to Rule 68 of the Federal Rules of Civil Procedures which the plaintiffs accepted. The court therefore entered a final order dismissing this litigation in its entirety.

Loestrin® 24 Litigation. Putative classes of direct and indirect purchasers as well as opt-out direct purchasers have filed complaints that have been consolidated in the U.S. District Court for the District of Rhode Island. The lawsuits allege that subsidiaries of the Company engaged in anticompetitive conduct, including when settling patent lawsuits related to Loestrin® 24 Fe, in violation of federal and state antitrust and consumer protection laws. The complaints each seek declaratory and injunctive relief and compensatory damages in the billions of dollars which, if plaintiffs are successful, are subject to trebling under the antitrust laws. The court granted the direct purchaser plaintiffs' class certification motion but had not decided the indirect purchaser plaintiffs' class motion. Summary judgement motions were fully briefed, and oral arguments were held in September 2019. Trial in this action was scheduled to begin in January 2020. The parties reached agreements with each group of plaintiffs that, taken together, will resolve this litigation in its entirety. Based on the settlement with the plaintiffs, the Company recorded an accrual of $302.5 million in the year ended December 31, 2019. The direct and indirect purchaser settlement agreements remain subject to court approval.

Namenda® Litigation. In 2014, the State of New York filed a lawsuit in the U.S. District Court for the Southern District of New York alleging that Forest was acting to prevent or delay generic competition to Namenda® in violation of federal and New York antitrust laws and committed other fraudulent acts in connection with its commercial plans for Namenda® XR. The district court granted the state's motion for a preliminary injunction which was later affirmed by the Court of Appeals for the Second Circuit. The parties in that case then reached a settlement to resolve the dispute. Following the conclusion of the New York Attorney General Matter, putative class actions were filed on behalf of direct and indirect purchasers in the same federal court. The class action complaints make claims similar to those asserted by the New York Attorney General and also include claims that Namenda® patent litigation settlements between a Company subsidiary and generic companies also violated the antitrust laws. The court had denied defendants' motion for summary judgment in the direct purchaser action, certified the direct purchaser class of plaintiffs and set a trial date for October 28, 2019. Prior to the start of the trial, the parties in the direct purchaser class action reached an agreement in principle to settle that litigation for $750.0 million, which was expensed in the year ended December 31, 2019. The agreement, which contains no admission of liability, remains subject to final court approval.

Restasis® Competitor Litigation. Shire, which offers the dry-eye disease drug Xiidra®, sued subsidiaries of the Company in U.S. District Court for the District of New Jersey alleging that defendants unlawfully harmed competition by foreclosing Xiidra® from sales to Medicare Part D plans (and the members of such plans) through the use of discounts (a) contingent on Restasis® receiving preferential formulary treatment; and/or (b) across a bundle of Allergan's products, including Restasis®. The complaint seeks injunctive relief and damages under federal and state law. The court issued a decision on March 22, 2019 granting the defendants' motion to dismiss the complaint. On April 25, 2019, Shire filed an amended complaint. Defendants have moved to dismiss the amended complaint. At the request of the parties, the court entered an Order on June 28, 2019, staying the action through December 27, 2019. The stay has since been extended through February 18, 2020.

Restasis® Class Action Litigation. Several class actions were filed on behalf of putative classes of direct and indirect purchasers of Restasis® alleging that subsidiaries of the Company harmed competition by engaging in conduct to delay the market entry of generic versions of Restasis® in violation of the federal antitrust laws as well as state antitrust and consumer-protection laws and unjust enrichment. The cases have been consolidated in the U.S. District Court for the District of New Jersey. All plaintiffs seek compensatory damages in the billions of dollars which, if plaintiffs are successful are subject to trebling under the antitrust laws, as well as declaratory relief, and injunctive relief. The parties are currently engaged in discovery. Trial in this action is scheduled to begin in April 2020. Recently, the Company reached a agreements in principle to settle the claims asserted by all direct purchaser plaintiffs and the Company has recorded an accrual of $78.8 million for these settlements. The Company intends to vigorously defend its conduct and the patents or other intellectual property at issue in what remains of this litigation.

Commercial Litigation

Celexa®/Lexapro® Class Actions. Certain subsidiaries of the Company were named in federal court actions relating to the promotion of Celexa® and/or Lexapro® all of which were consolidated in an MDL proceeding in the U.S. District Court for the District of Massachusetts. Most of these claims were resolved through a settlement in September 2014. However, two lawsuits remain which assert claims under the federal Racketeer Influenced and Corrupt Organizations ("RICO") Act. The court had entered summary judgment in favor of the defendants in both actions and denied plaintiffs' class certification motions. Plaintiffs in both cases appealed the dismissal of their claims and denial of class certification to the United States Court of Appeals for the First Circuit and the appeals court issued a decision in January 2019 affirming the denial of the class certification motions but reversing the lower court's decision granting the defendants' summary judgment motions. In December 2019, the parties entered into a settlement agreement to resolve both of these matters.

Warner Chilcott Marketing Practices. A putative nationwide class of private payer entities, or their assignees, that paid Medicare benefits on behalf of their beneficiaries filed a complaint against certain subsidiaries of the Company in the U.S. District Court for the District of Massachusetts. The Complaint asserts claims under the federal RICO statute, state consumer protection statutes, common law fraud, and unjust enrichment with respect to the sale and marketing of certain products. The court recently granted Defendants' motion to dismiss the Amended Complaint. Following the dismissal of the action in federal court, plaintiffs recently filed a nearly identical complaint in state court in New Jersey.

Generic Drug Pricing Securities and ERISA Litigation. Putative classes of shareholders and two individual opt-out plaintiffs filed class action lawsuits against the Company and certain of its current and former officers alleging that defendants made materially false and misleading statements between February 2014 and November 2016 regarding the Company's internal controls over its financial reporting and that it failed to disclose that its former Actavis generics unit had engaged in illegal, anticompetitive price-fixing with its generic industry peers. These lawsuits have been consolidated in the U.S. District Court for the District of New Jersey. The complaints seek unspecified monetary damages. The Company filed a motion to dismiss the complaint, but the court denied the motion in a ruling on August 6, 2019. The parties are now engaging in discovery in these cases. In addition, class action complaints have been filed premised on the same alleged underlying conduct that is at issue in the securities litigation but that assert claims under the Employee Retirement Income Security Act of 1974 ("ERISA"). These complaints have been consolidated in the district court in New Jersey. The court granted the Company's motion to dismiss this complaint. The ERISA plaintiffs have appealed this decision to the Third Circuit Court of Appeals.

Prescription Opioid Drug Abuse Litigation. The Company has been named as a defendant, along with several other manufacturers and distributors of opioid products, in over 2,000 *matters relating to the promotion and sale of prescription opioid pain relievers and additional suits have been filed. The lawsuits allege generally that the manufacturer defendants engaged in a deceptive campaign to promote their products in violation of state laws and seek unspecified monetary damages, penalties and injunctive relief. Plaintiffs in these suits include states, political subdivisions of states (i.e., counties and municipalities), Native American tribes and other private litigants such as insurance plans, hospital systems and consumers who were prescribed opioid products and were subsequently treated for an overdose or addiction. Cases are pending in both federal and state courts. The federal court cases have been consolidated in an MDL in the U.S. District Court for the Northern District of Ohio. The Company recently reached a settlement agreement with the plaintiffs in the first case that is set for trial in the MDL proceeding. To the Company's knowledge, it was one of the first defendants in the MDL proceeding to reach a settlement with the plaintiffs and that settlement is among the lowest of all the settlements that have been announced to date in that consolidated action. While not directly involved in those discussions, the Company is monitoring them closely and understands that other defendants involved in these lawsuits are engaged in global settlement*

discussions with plaintiffs in the MDL proceeding, state attorneys general and other plaintiff stakeholders. The Company continues to examine the possibility of broader resolutions in these actions.

Testosterone Replacement Therapy Class Action. Subsidiaries of the Company were named in a class action complaint filed on behalf a putative class of third-party payers in the U.S. District Court for the Northern District of Illinois. The suit alleges that the Company's subsidiaries violated various laws including the federal RICO statute and state consumer protection laws in connection with the sale and marketing of Androderm®. The class plaintiffs seek to obtain certain equitable relief, including injunctive relief and an order requiring restitution and/or disgorgement, and to recover damages and multiple damages in an unspecified amount. While the lawsuit is ongoing, the court has denied plaintiff's class certification motion. On February 14, 2019, the court granted Defendants' motion for summary judgment, dismissing the case in its entirety. On June 12, 2019, plaintiffs/appellants filed their opening brief in the Seventh Circuit. Appellees' Seventh Circuit brief was filed on July 17, 2019 and oral argument was heard on November 6, 2019. The Seventh Circuit affirmed the U.S. District Court for the Northern District of Illinois's dismissal of the case on November 12, 2019.

Breast Implant Securities Class Action. In December 2018, two plaintiffs filed class action lawsuits against the Company and certain of its current and former officers alleging that defendants made materially false and misleading statements regarding the Company's textured breast implants and their association with an uncommon cancer known as breast implant associated anaplastic large cell lymphoma. These lawsuits have been consolidated in the U.S. District Court for the Southern District of New York. The complaints seek unspecified monetary damages. The Company filed a motion to dismiss the amended complaint, which the court granted in part and denied in part in a ruling on September 20, 2019. The Company filed its answer on October 18, 2019 and the parties are now engaging in discovery.

Oculeve Shareholder Dispute. On February 26, 2019, Fortis Advisors LLC, as a representative of the former stockholders of Oculeve, Inc., filed a lawsuit against a subsidiary of the Company in state court in Delaware. The lawsuit centers on a claim that the Company breached the terms of a July 2015 merger agreement. The court recently denied the Company subsidiary's motion to dismiss the complaint.

AbbVie Transaction Shareholder Action. On June 25, 2019, the Company and AbbVie Inc. announced that the companies had entered into a definitive transaction agreement whereby AbbVie will acquire the Company in a cash and stock transaction. On September 20, 2019, a putative class action lawsuit was filed against the Company by one of its shareholders alleging that the Company and its Board of Directors violated the Securities laws by omitting or misrepresenting material information in the proxy statement the Company filed on September 16, 2019 seeking shareholder approval of the transaction with AbbVie. The Company has not yet responded to this complaint. In addition to the complaint in this action, the Company received a shareholder demand letter from a shareholder following the issuance of the preliminary proxy statement filed with the Securities and Exchange Commission on August 12, 2019.

Product Liability Litigation

Actonel® Litigation. A subsidiary of the Company is a defendant in over 500 filed cases in federal and various state courts, relating to the bisphosphonate prescription drug Actonel®. In addition, there are three cases pending in provincial courts in Canada, two involving single plaintiffs, and a third on behalf of a purported class of injured plaintiffs. The complaints allege, among other things, that Actonel® caused them to suffer osteonecrosis of the jaw ("ONJ") and/or atypical fractures of the femur. Plaintiffs are seeking unspecified monetary and injunctive relief, as well as attorneys' fees. The Company subsidiary is being indemnified by Sanofi for certain claims pursuant to an agreement with Sanofi and is being partially indemnified by the Procter & Gamble Company ("P&G") for ONJ claims that were pending at the time the Company subsidiary acquired P&G's global pharmaceutical business in 2009. Settlements have been reached that have resolved most of the pending ONJ-related claims. Recently, all pending Actonel cases in New Jersey state court were dismissed without prejudice subject to refilling after the U.S. Supreme Court issues a decision in Merck Sharp & Dohme Corp. v. Albrecht, Doc. No. 17-290. The U.S. Supreme Court issued their decision on May 20, 2019 and remanded the Merck case to the Third Circuit.

Breast Implant Litigation. Certain Company subsidiaries are defendants in approximately 38 cases, including several class actions and individual cases filed on behalf of multiple plaintiffs, alleging that Allergan's textured breast implants caused women to develop an uncommon cancer known as breast implant associated anaplastic large cell lymphoma ("BIA-ALCL"). Some of the lawsuits include claims that the defendants failed to properly warn against this risk and failed to promptly and properly report the results of the post-marketing studies relating to these products and that plaintiffs suffered injuries as a result. Other lawsuits seek to recover costs related to medical monitoring and damages for fear of developing BIA-ALCL. The federal product liability and "fear of" cases have been consolidated in an MDL in the U.S. District Court for New Jersey. There are several additional cases filed in state courts in the United States and well as provincial courts in Canada. On July 24, 2019, Allergan announced a voluntary worldwide recall of unused BIOCELL textured breast implants and tissue expanders. This announcement may impact the number of lawsuits related to BIA-ALCL filed moving forward.

Benicar® Litigation. A subsidiary of the Company has been named in a number of lawsuits involving allegations that Benicar® caused certain gastrointestinal injuries. Under a co-promotion agreement, Daiichi Sankyo is defending the Company subsidiary in these lawsuits and has announced that it has agreed to enter into a program to settle all of the pending cases on behalf of all defendants, including the Company subsidiary.

Celexa®/Lexapro® Litigation. Certain Company subsidiaries are defendants in over150 actions alleging that Celexa® or Lexapro® caused various birth defects. Several of the cases involve multiple minor-plaintiffs. The majority of these actions have been consolidated in state court in Missouri. The Company has entered into a program to settle a number of the pending claims. None of the actions are set for trial.

RepliForm® Litigation. A Company subsidiary has been named as a defendant in over300 cases alleging that its biologic mesh product RepliForm® did not perform as intended and caused various injuries. Presently only three cases remain pending. The remainder of these cases have been settled or dismissed

Testosterone Litigation. A number of product liability suits were filed against certain Company subsidiaries as well as other manufacturers and distributors of testosterone products, for personal injuries including but not limited to cardiovascular events allegedly arising out of the use of Androderm®. The cases have been consolidated in an MDL in the U.S. District Court for Northern District of Illinois. In mid-2018, the parties reached an agreement to settle all of the pending cases.

Government Investigations, Government Litigation and Qui Tam Litigation

The Company and its subsidiaries are involved in various disputes, governmental and/or regulatory inspections, inquires, investigations and proceedings that could result in litigation, and other litigation matters that arise from time to time.

Company subsidiaries have received subpoenas and/or Civil Investigative Demands ("CID") from the United States Department of Justice, the United States Health and Human Services, Office of Inspector General, United States Congressional Committees as well as various state regulatory and enforcement authorities. Each of the subpoenas and CIDs seek documents and information relating to discrete topics, including but not limited to: the calculation and reporting by certain Company subsidiaries of their Average Manufacturer Prices, Average Wholesale Prices and Best Prices for several of their products; sales and marketing practices of Botox to urology practices; the promotion and sale of two gastroenterology products; the Saint Regis Mohawk Tribe's acquisition of six Restasis patents and the granting of exclusive licenses to the Restasis product to the Company; and, the promotion and sale of opioid products. In each case, the Company and its subsidiaries are cooperating fully with the governmental authority's requests.

Certain states have initiated lawsuits and qui tam lawsuits have been filed by private parties, also known as relators, on behalf of the federal or state governments. Certain Company subsidiaries have been named as defendants in lawsuits that allege generally that state Medicaid agencies were overcharged for their share of Medicaid drug reimbursement costs due to inflated Average Wholesale Prices ("AWP") reported by the Company subsidiaries. AWP lawsuits are currently pending in Illinois, Utah and Wisconsin.

Namenda XR®/Namzaric® Qui Tam. A relator filed a qui tam lawsuit on behalf of the United States government and several individual states against the Company and certain of its subsidiaries along with Adamas Pharma LLC and Adamas Pharmaceuticals, Inc. (collectively, "Adamas"). The lawsuit, filed in the U.S. District Court for the Northern District of California, was unsealed on February 6, 2019. The federal and state governments have declined to intervene in this action. The complaint alleges generally that the Adamas and Allergan defendants each engaged in conduct that delayed generic versions of Namenda XR® and/or Namzaric® from entering the market and that such conduct resulted in the submission of false claims to the government. The Company Defendants and Adamas have moved to dismiss the complaint. Oral argument on the motions to dismiss were held in December 2019.

Medical Aesthetics Qui Tam. A subsidiary of the Company was served with a qui tam lawsuit that was filed in the U.S. District Court for the Central District of California on behalf of the United States and several individual states. The federal and state governments have declined to intervene in this action. The complaint alleges that certain promotional programs and sampling practices of the Company's Medical Aesthetics business result in price reporting violations and violate anti-kickback statutes. The court recently denied the Company subsidiary's motion to dismiss this complaint.

Lumigan® Qui Tam. A relator filed a qui tam lawsuit on behalf of the United States government and several individual states against a subsidiary of the Company in the U.S. District Court for the Southern District of New York, which was unsealed on October 1, 2019. The federal and state governments have declined to intervene in this action. The complaint alleges generally that Allergan failed to disclose certain side effects of Lumigan® which resulted in the submission of false claims for reimbursement to the government. The Company has not yet been served with the complaint.

Pricing Qui Tam. A relator filed a qui tam lawsuit on behalf of the United States government and several individual states againstcertain subsidiaries of the Company in the U.S. District Court for the District of Maryland, which was unsealed on September 17, 2019. The federal and state governments have declined to intervene in this action. The complaint alleges generally that the Company misreported its Best Price and Average Manufacturer Price for a number of products, thereby causing overpayment by the government.

Matters Relating to the Company's Divested Generics Business

The following matters relate to the former generics business of the Company or the transaction pursuant to which that business was sold to Teva, effective August 2, 2016. Teva has agreed to indemnify and defend the Company against all matters asserted in litigation against the Company arising out of the former generics business, including litigations and investigations relating to generic opioid products including, without limitation, the actions described below.

Lidoderm® Litigation. The U.S. Federal Trade Commission filed a lawsuit in federal district court in the Eastern District of Pennsylvania against the Company and one of its former global generics business subsidiaries and others alleging that patent litigation settlements relating to Lidoderm were anticompetitive. The FTC voluntarily withdrew its complaint in Pennsylvania and filed a similar complaint in the U.S. District Court for the Northern District California where similar lawsuits filed by private plaintiffs were already pending and where the State of California filed a similar complaint against the same defendants. Defendants in the Pennsylvania action filed a declaratory judgment action against the FTC in the Pennsylvania federal court but the court granted the FTC's motion to dismiss this lawsuit. The FTC and State of California's actions were stayed pending the declaratory judgment action in the Eastern District of Pennsylvania. The Actavis entities reached agreements with the government and private plaintiffs to resolve this action in its entirety, including with respect to any claims against the Company.

Hydrocortisone Investigation. In 2016, the Company received notice from the UK Competition and Markets Authority ("CMA") that it would be included within the scope of the CMA's formal investigation under Section 25 of the Competition Act of 1998 ("CA98") into suspected abuse of dominance by a former generics business subsidiary of the Company in relation to the supply of 10mg and 20mg hydrocortisone tablets. The CMA is investigating: (i) alleged excessive and unfair prices with respect to hydrocortisone tablets and (ii) whether the former generics business subsidiary entered into anti-competitive agreements with a potential competitor for this product. The CMA has issued statements of objection with respect to both parts of its investigation. The Company intends to cooperate fully with the investigation.

Teva Shareholder Derivative Litigation. In 2017, the Company was named as defendant in a proposed Teva shareholder derivative litigation filed in the Economic Division of the Tel Aviv District Court in Israel. The lawsuit contains allegations that the Company aided and abetted Teva's board of directors' violations of Israeli securities laws. Recently, the plaintiffs have sought to assert additional claims against the Company. To date, the court has not determined whether it will allow plaintiffs to proceed with this action.

NOTE 27 — Warner Chilcott Limited ("WCL") Guarantor and Non-Guarantor Condensed Consolidating Financial Information

The following financial information is presented to segregate the financial results of WCL, Allergan Funding SCS, and Allergan Finance, LLC (the issuers of the long-term notes), the guarantor subsidiaries for the long-term notes and the non-guarantor subsidiaries. The guarantors jointly and severally, and fully and unconditionally, guarantee the Company's obligation under the long-term notes.

The information includes elimination entries necessary to consolidate the guarantor and the non-guarantor subsidiaries. Investments in subsidiaries are accounted for using the equity method of accounting. The principal elimination entries eliminate investments in subsidiaries, equity and intercompany balances and transactions.

WCL, Allergan Capital S.a.r.l. and Allergan Finance, LLC are guarantors of the long-term notes. The Company anticipates future legal entity structure changes which may impact the presentation of this footnote in the near future.

WCL has revised its consolidating balance sheets as previously presented in its balance sheet in Footnote 25 of the December 31, 2018 Annual Report on Form 10-K due to a change in the Company's legal entity structure and other reclassifications that occurred during the year ended December 31, 2019. As a result, prior period information has been recast to conform to the current period presentation.

The following financial information presents the consolidating balance sheets as of December 31, 2019 and 2018, the related statements of operations and comprehensive income / (loss) for the years ended December 31, 2019, 2018 and 2017 and the statements of cash flows for the years ended December 31, 2019, 2018 and 2017.

Warner Chilcott Limited
Consolidating Balance Sheets
As of December 31, 2019
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
ASSETS							
Current assets:							
Cash and cash equivalents	$ 0.1	$ 1.6	$ 0.1	$ -	$ 2,495.3	$ -	$ 2,497.1
Marketable securities	-	-	-	-	3,411.6	-	3,411.6
Accounts receivable, net	-	-	-	-	3,192.3	-	3,192.3
Receivables from Parents	-		-	-	409.3	-	409.3
Inventories	-	-	-	-	1,133.1	-	1,133.1
Intercompany receivables	-	6,508.0	154.0	40.5	14,930.1	(21,632.6)	-
Current assets held for sale	-	-	-	-	-	-	-
Prepaid expenses and other current assets	-	-	-	33.3	853.1	-	886.4
Total current assets	0.1	6,509.6	154.1	73.8	26,424.8	(21,632.6)	11,529.8
Property, plant and equipment, net	-	-	-	-	1,926.5	-	1,926.5
Right of use asset - operating leases	-	-	-	-	490.4		490.4
Investments and other assets	-	-	-	-	408.0	-	408.0
Investment in subsidiaries	55,891.8	76,855.8	21,016.7	83,155.2	-	(236,919.5)	-
Non current intercompany receivables	-	-	-	-	1,156.6	(1,156.6)	-
Non current receivables from Parents	-		-	-	-	-	
Non current assets held for sale	-	-	-	-	31.7	-	31.7
Deferred tax assets	-	49.6	-	-	527.3	-	576.9
Product rights and other intangibles	-	-	-	-	37,890.6	-	37,890.6
Goodwill	-	-	-	-	42,248.3	-	42,248.3
Total assets	$ 55,891.9	$ 83,415.0	$ 21,170.8	$ 83,229.0	$ 111,104.2	$ (259,708.7)	$ 95,102.2
LIABILITIES AND EQUITY							
Current liabilities:							
Accounts payable and accrued expenses	-	0.1	155.2	97.3	6,094.4	-	6,347.0
Intercompany payables	-	3,544.4	930.6	10,455.1	6,702.5	(21,632.6)	-
Payables to Parents	-	-	-	-	2,715.5	-	2,715.5
Income taxes payable	-	-	2.4	-	62.7	-	65.1
Current portion of long-term debt and capital leases	-	-	3,008.2	-	1,524.3	-	4,532.5
Current portion of lease liability - operating	-	-	-	-	124.4	-	124.4
Total current liabilities	-	3,544.5	4,096.4	10,552.4	17,223.8	(21,632.6)	13,784.5
Long-term debt and capital leases	-	-	14,742.1	2,142.8	1,231.6	-	18,116.5
Lease liability - operating	-	-	-	-	446.1	-	446.1
Other long-term liabilities	-	-	-	-	801.4	-	801.4
Long-term intercompany payables	-	-	-	1,156.6	-	(1,156.6)	-
Other taxes payable	-	-	-	-	1,698.6	-	1,698.6
Deferred tax liabilities	-	-	-	-	4,363.2	-	4,363.2
Total liabilities	-	3,544.5	18,838.5	13,851.8	25,764.7	(22,789.2)	39,210.3
Total equity / (deficit)	55,891.9	79,870.5	2,332.3	69,377.2	85,339.5	(236,919.5)	55,891.9
Total liabilities and equity	$ 55,891.9	$ 83,415.0	$ 21,170.8	$ 83,229.0	$ 111,104.2	$ (259,708.7)	$ 95,102.2

Warner Chilcott Limited
Consolidating Balance Sheets
As of December 31, 2018
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
ASSETS							
Current assets:							
Cash and cash equivalents	$ 0.1	$ 1.8	$ 0.8	$ -	$ 875.9	$ -	$ 878.6
Marketable securities	-	489.9	-	-	537.0	-	1,026.9
Accounts receivable, net	-	-	-	-	2,868.1	-	2,868.1
Receivables from Parents	-	-	-	-	640.9	-	640.9
Inventories	-	-	-	-	846.9	-	846.9
Intercompany receivables	-	3,534.7	961.0	16.7	24,779.3	(29,291.7)	-
Current assets held for sale	-	-	-	-	34.0	-	34.0
Prepaid expenses and other current assets	-	-	-	33.3	785.4	-	818.7
Total current assets	0.1	4,026.4	961.8	50.0	31,367.5	(29,291.7)	7,114.1
Property, plant and equipment, net	-	-	-	-	1,787.0	-	1,787.0
Investments and other assets	-	-	-	-	1,970.6	-	1,970.6
Investment in subsidiaries	62,940.2	73,846.0	22,656.5	86,628.2	-	(246,070.9)	-
Non current intercompany receivables	-	28,239.4	18,090.2	-	19,674.2	(66,003.8)	-
Non current assets held for sale	-	-	-	-	882.2	-	882.2
Deferred tax assets	-	43.6	-	-	1,020.1	-	1,063.7
Product rights and other intangibles	-	-	-	-	43,695.4	-	43,695.4
Goodwill	-	-	-	-	45,913.3	-	45,913.3
Total assets	$ 62,940.3	$ 106,155.4	$ 41,708.5	$ 86,678.2	$ 146,310.3	$ (341,366.4)	$ 102,426.3
LIABILITIES AND EQUITY							
Current liabilities:							
Accounts payable and accrued expenses	-	0.1	156.3	92.9	4,538.1	-	4,787.4
Intercompany payables	-	14,315.0	21.7	10,442.6	4,512.4	(29,291.7)	-
Payables to Parents	-	-	-	-	2,829.2	-	2,829.2
Income taxes payable	-	-	-	-	72.4	-	72.4
Current portion of long-term debt and capital leases	-	-	779.6	-	88.7	-	868.3
Total current liabilities	-	14,315.1	957.6	10,535.5	12,040.8	(29,291.7)	8,557.3
Long-term debt and capital leases	-	-	18,090.2	2,135.9	2,703.3	-	22,929.4
Other long-term liabilities	-	-	-	-	882.0	-	882.0
Long-term intercompany payables	-	18,597.4	-	1,076.8	46,329.6	(66,003.8)	-
Other taxes payable	-	-	-	-	1,615.5	-	1,615.5
Deferred tax liabilities	-	-	-	-	5,501.8	-	5,501.8
Total liabilities	-	32,912.5	19,047.8	13,748.2	69,073.0	(95,295.5)	39,486.0
Total equity / (deficit)	62,940.3	73,242.9	22,660.7	72,930.0	77,237.3	(246,070.9)	62,940.3
Total liabilities and equity	$ 62,940.3	$ 106,155.4	$ 41,708.5	$ 86,678.2	$ 146,310.3	$ (341,366.4)	$ 102,426.3

Warner Chilcott Limited
Consolidating Statements of Operations and Comprehensive (Loss) / Income
For the Year Ended December 31, 2019
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Net revenues	$ -	$ -	$ -	$ -	$ 16,088.9	$ -	$ 16,088.9
Operating expenses:							
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	-	-	-	-	2,493.1	-	2,493.1
Research and development	-	-	-	-	1,812.0	-	1,812.0
Selling and marketing	-	-	-	-	3,461.7	-	3,461.7
General and administrative	-	-	-	-	2,330.8	-	2,330.8
Amortization	-	-	-	-	5,856.6	-	5,856.6
Goodwill impairments	-	-	-	-	3,552.8	-	3,552.8
In-process research and development impairments	-	-	-	-	436.0	-	436.0
Asset sales and impairments, net	-	-	-	-	440.2	-	440.2
Total operating expenses	-	-	-	-	20,383.2	-	20,383.2
Operating (loss)	-	-	-	-	(4,294.3)	-	(4,294.3)
Interest income / (expense), net	-	3.8	(598.3)	(79.8)	(31.9)	-	(706.2)
Other income, net	-	-	(0.1)	-	32.9	-	32.8
Total other income / (expense), net	-	3.8	(598.4)	(79.8)	1.0	-	(673.4)
Income / (loss) before income taxes and noncontrolling interest	-	3.8	(598.4)	(79.8)	(4,293.3)	-	(4,967.7)
(Benefit) / provision for income taxes	-	1.8	-	-	144.6	-	146.4
Losses / (earnings) of equity interest subsidiaries	5,120.0	5,070.0	533.6	(251.3)	-	(10,472.3)	-
Net (loss) / income from continuing operations, net of tax	(5,120.0)	(5,068.0)	(1,132.0)	171.5	(4,437.9)	10,472.3	(5,114.1)
(Loss) from discontinued operations, net of tax	-	-	-	-	-	-	-
Net (loss) / income	(5,120.0)	(5,068.0)	(1,132.0)	171.5	(4,437.9)	10,472.3	(5,114.1)
(Income) attributable to noncontrolling interest	-	-	-	-	(5.9)	-	(5.9)
Net (loss) / income attributable to members	(5,120.0)	(5,068.0)	(1,132.0)	171.5	(4,443.8)	10,472.3	(5,120.0)
Other comprehensive (loss) / income, net of tax	(138.0)	(400.0)	(1,106.2)	(3,724.3)	(138.0)	5,368.5	(138.0)
Comprehensive (loss) / income attributable to members	$ (5,258.0)	$ (5,468.0)	$ (2,238.2)	$ (3,552.8)	$ (4,581.8)	$ 15,840.8	$ (5,258.0)

Warner Chilcott Limited
Consolidating Statements of Operations and Comprehensive (Loss) / Income
For the Year Ended December 31, 2018
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Net revenues	$ -	$ -	$ -	$ -	$ 15,787.4	$ -	$ 15,787.4
Operating expenses:							
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	-	-	-	-	2,191.4	-	2,191.4
Research and development	-	-	-	-	2,266.2	-	2,266.2
Selling and marketing	-	-	-	-	3,250.6	-	3,250.6
General and administrative	-	-	-	-	1,177.5	-	1,177.5
Amortization	-	-	-	-	6,552.3	-	6,552.3
Goodwill impairments	-	-	-	-	2,841.1	-	2,841.1
In-process research and development impairments	-	-	-	-	804.6	-	804.6
Asset sales and impairments, net	-	-	-	-	2,857.6	-	2,857.6
Total operating expenses	-	-	-	-	21,941.3	-	21,941.3
Operating (loss)	-	-	-	-	(6,153.9)	-	(6,153.9)
Interest income / (expense), net	-	1,101.1	(8.8)	(82.8)	(1,650.6)	-	(641.1)
Other (expense), net	-	-	15.6	-	241.1	-	256.7
Total other income / (expense), net	-	1,101.1	6.8	(82.8)	(1,409.5)	-	(384.4)
Income / (loss) before income taxes and noncontrolling interest	-	1,101.1	6.8	(82.8)	(7,563.4)	-	(6,538.3)
Provision / (benefit) for income taxes	-	(23.8)	3.5	(50.7)	(1,705.4)	-	(1,776.4)
Losses / (earnings) of equity interest subsidiaries	4,772.1	5,719.1	280.7	250.1	-	(11,022.0)	-
Net (loss) / income from continuing operations, net of tax	(4,772.1)	(4,594.2)	(277.4)	(282.2)	(5,858.0)	11,022.0	(4,761.9)
(Loss) from discontinued operations, net of tax	-	-	-	-	-	-	-
Net (loss) / income	(4,772.1)	(4,594.2)	(277.4)	(282.2)	(5,858.0)	11,022.0	(4,761.9)
(Income) attributable to noncontrolling interest	-	-	-	-	(10.2)	-	(10.2)
Net (loss) / income attributable to members	(4,772.1)	(4,594.2)	(277.4)	(282.2)	(5,868.2)	11,022.0	(4,772.1)
Other comprehensive income / (loss), net of tax	(512.5)	(599.3)	587.2	2,013.0	(512.5)	(1,488.4)	(512.5)
Comprehensive (loss) / income attributable to members	$ (5,284.6)	$ (5,193.5)	$ 309.8	$ 1,730.8	$ (6,380.7)	$ 9,533.6	$ (5,284.6)

Warner Chilcott Limited
Consolidating Statements of Operations and Comprehensive (Loss) / Income
For the Year Ended December 31, 2017
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Net revenues	-	-	-	-	15,940.7	-	15,940.7
Operating expenses:							
Cost of sales (excludes amortization and impairment of acquired intangibles including product rights)	-	-	-	-	2,168.0	-	2,168.0
Research and development	-	-	-	-	2,100.1	-	2,100.1
Selling and marketing	-	-	-	-	3,514.8	-	3,514.8
General and administrative	-	-	8.6	1.1	1,392.6	-	1,402.3
Amortization	-	-	-	-	7,197.1	-	7,197.1
In-process research and development impairments	-	-	-	-	1,452.3	-	1,452.3
Asset sales and impairments, net	-	-	-	-	3,927.7	-	3,927.7
Total operating expenses	-	-	8.6	1.1	21,752.6	-	21,762.3
Operating (loss)	-	-	(8.6)	(1.1)	(5,811.9)	-	(5,821.6)
Interest income / (expense), net	-	845.5	116.6	(131.2)	(1,760.2)	-	(929.3)
Other income, net	-	-	(110.4)	(66.7)	(3,260.2)	-	(3,437.3)
Total other income / (expense), net	-	845.5	6.2	(197.9)	(5,020.4)	-	(4,366.6)
Income / (loss) before income taxes and noncontrolling interest	-	845.5	(2.4)	(199.0)	(10,832.3)	-	(10,188.2)
Provision / (benefit) for income taxes	-	5.0	0.3	(177.3)	(6,498.4)	-	(6,670.4)
(Earnings) / losses of equity interest subsidiaries	3,927.3	4,517.5	1,958.1	752.7	-	(11,155.6)	-
Net income / (loss) from continuing operations, net of tax	(3,927.3)	(3,677.0)	(1,960.8)	(774.4)	(4,333.9)	11,155.6	(3,517.8)
Income from discontinued operations, net of tax	-	-	-	-	(402.9)	-	(402.9)
Net income / (loss)	(3,927.3)	(3,677.0)	(1,960.8)	(774.4)	(4,736.8)	11,155.6	(3,920.7)
(Income) attributable to noncontrolling interest	-	-	-	-	(6.6)	-	(6.6)
Net income / (loss) attributable to members	(3,927.3)	(3,677.0)	(1,960.8)	(774.4)	(4,743.4)	11,155.6	(3,927.3)
Other comprehensive (loss) / income, net of tax	2,959.1	3,001.5	(643.8)	(2,203.7)	2,959.1	(3,113.1)	2,959.1
Comprehensive income / (loss) attributable to members	$ (968.2)	$ (675.5)	$ (2,604.6)	$ (2,978.1)	$ (1,784.3)	$ 8,042.5	$ (968.2)

Warner Chilcott Limited
Consolidating Statements of Cash Flows
For the Year Ended December 31, 2019
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Cash Flows From Operating Activities:							
Net (loss) / income	$ (5,120.0)	$ (5,068.0)	$ (1,132.0)	$ 171.5	$ (4,437.9)	$ 10,472.3	$ (5,114.1)
Reconciliation to net cash provided by / (used in) operating activities:							
Losses / (earnings) of equity interest subsidiaries	5,120.0	5,070.0	533.6	(251.3)	-	(10,472.3)	-
Depreciation	-	-	-	-	204.5	-	204.5
Amortization	-	-	-	-	5,856.6	-	5,856.6
Provision for inventory reserve	-	-	-	-	160.2	-	160.2
Share-based compensation	-	-	-	-	214.3	-	214.3
Deferred income tax benefit	-	-	-	-	(660.9)	-	(660.9)
Goodwill impairments	-	-	-	-	3,552.8	-	3,552.8
In-process research and development impairments	-	-	-	-	436.0	-	436.0
Loss on asset sales and impairments, net	-	-	-	-	440.2	-	440.2
Non-cash extinguishment of debt			-	-	0.2	-	0.2
Amortization of deferred financing costs	-	-	15.9	1.6	-	-	17.5
Amortization of right of use assets	-	-	-	-	130.9	-	130.9
Contingent consideration adjustments, including accretion	-	-	-	-	54.1	-	54.1
Dividends from subsidiaries	1,774.3	-	-	-	-	(1,774.3)	-
Other, net	-	-	(5.2)	(1.7)	1.4	-	(5.5)
Changes in assets and liabilities (net of effects of acquisitions)	-	(291.6)	1,618.6	79.9	591.1	-	1,998.0
Net cash provided by / (used in) operating activities	1,774.3	(289.6)	1,030.9	-	6,543.5	(1,774.3)	7,284.8
Cash Flows From Investing Activities:							
Additions to property, plant and equipment	-	-	-	-	(375.2)	-	(375.2)
Additions to product rights and other intangibles	-	-	-	-	(58.3)	-	(58.3)
Additions to investments	-	(100.0)	-	-	(3,838.0)	-	(3,938.0)
Proceeds from sale of investments and other assets	-	389.4	-	-	1,180.2	-	1,569.6
Proceeds from sales of property, plant and equipment	-	-	-	-	23.7	-	23.7
Acquisitions of business, net of cash acquired	-	-	-	-	(80.6)	-	(80.6)
Net cash (used in) / provided by investing activities	-	289.4	-	-	(3,148.2)	-	(2,858.8)
Cash Flows From Financing Activities:							
Proceeds from borrowings of long-term indebtedness, including credit facility	-	-	-	-	11.9	-	11.9
Payments on debt, including capital lease obligations and credit facility	-	-	(1,031.6)	-	(13.3)	-	(1,044.9)
Debt issuance and other financing costs	-	-	-	-	-	-	-
Payments of contingent consideration and other financing	-	-	-	-	(9.3)	-	(9.3)
Dividends to Parents	(1,774.3)	-	-	-	(1,774.3)	1,774.3	(1,774.3)
Net cash (used in) / provided by financing activities	(1,774.3)	-	(1,031.6)	-	(1,785.0)	1,774.3	(2,816.6)
Effect of currency exchange rate changes on cash and cash equivalents	-	-	-	-	9.1	-	9.1
Net (decrease) / increase in cash and cash equivalents	-	(0.2)	(0.7)	-	1,619.4	-	1,618.5
Cash and cash equivalents at beginning of period	0.1	1.8	0.8	-	875.9	-	878.6
Cash and cash equivalents at end of period	$ 0.1	$ 1.6	$ 0.1	$ -	$ 2,495.3	$ -	$ 2,497.1

Warner Chilcott Limited
Consolidating Statements of Cash Flows
For the Year Ended December 31, 2018
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Cash Flows From Operating Activities:							
Net (loss) / income	$ (4,772.1)	$ (4,594.2)	$ (277.4)	$ (282.2)	$ (5,858.0)	$ 11,022.0	$ (4,761.9)
Reconciliation to net cash provided by / (used in) operating activities:							
Losses / (earnings) of equity interest subsidiaries	4,772.1	5,719.1	280.7	250.1	-	(11,022.0)	-
Depreciation	-	-	-	-	196.3	-	196.3
Amortization	-	-	-	-	6,552.3	-	6,552.3
Provision for inventory reserve	-	-	-	-	96.4	-	96.4
Share-based compensation	-	-	-	-	239.8	-	239.8
Deferred income tax benefit	-	-	-	-	(1,255.7)	-	(1,255.7)
Goodwill impairments	-	-	-	-	2,841.1	-	2,841.1
In-process research and development impairments	-	-	-	-	804.6	-	804.6
Loss on asset sales and impairments, net	-	-	-	-	2,857.6	-	2,857.6
Gain on sale of Teva securities, net	-	-	-	-	(60.9)	-	(60.9)
Gain on sale of businesses	-	-			(182.6)	-	(182.6)
Non-cash extinguishment of debt	-	-	30.0	-	-	-	30.0
Cash charge related to extinguishment of debt	-	-	(45.6)	-	-	-	(45.6)
Amortization of deferred financing costs	-	-	21.0	1.6	-	-	22.6
Contingent consideration adjustments, including accretion	-	-	-	-	(106.5)	-	(106.5)
Dividends from subsidiaries	4,075.6	-	-	-	-	(4,075.6)	-
Other, net	-	-	(5.6)	(1.7)	36.3	-	29.0
Changes in assets and liabilities (net of effects of acquisitions)	-	(1,626.3)	5,482.0	32.2	(5,152.4)	-	(1,264.5)
Net cash provided by / (used in) operating activities	4,075.6	(501.4)	5,485.1	-	1,008.3	(4,075.6)	5,992.0
Cash Flows From Investing Activities:							
Additions to property, plant and equipment	-	-	-	-	(253.5)	-	(253.5)
Additions to investments	-	(889.9)	-	-	(1,581.8)	-	(2,471.7)
Proceeds from sale of investments and other assets	-	800.0	-	-	5,459.3	-	6,259.3
Payments to settle Teva related matters	-	-	-	-	(466.0)	-	(466.0)
Proceeds from sales of property, plant and equipment	-	-	-	-	30.4	-	30.4
Net cash provided by / (used in) investing activities	-	(89.9)	-	-	3,188.4	-	3,098.5
Cash Flows From Financing Activities:							
Proceeds from borrowings of long-term indebtedness, including credit facility	-	700.0	1,919.7	-	37.3	-	2,657.0
Payments on debt, including capital lease obligations and credit facility	-	(700.0)	(7,393.7)	-	(710.8)	-	(8,804.5)
Debt issuance and other financing costs	-	-	(10.4)	-	-	-	(10.4)
Payments of contingent consideration and other financing	-	-	-	-	(30.9)	-	(30.9)
Proceeds from forward sale of Teva securities	-	-	-	-	465.5	-	465.5
Payments to settle Teva related matters	-	-	-	-	(234.0)	-	(234.0)
Dividends to Parents	(4,075.6)	-	-	-	(4,075.6)	4,075.6	(4,075.6)
Net cash (used in) / provided by financing activities	(4,075.6)	-	(5,484.4)	-	(4,548.5)	4,075.6	(10,032.9)
Effect of currency exchange rate changes on cash and cash equivalents	-	-	-	-	4.7	-	4.7
Net increase in cash and cash equivalents	-	(591.3)	0.7	-	(347.1)	-	(937.7)
Cash and cash equivalents at beginning of period	0.1	593.1	0.1	-	1,223.0	-	1,816.3
Cash and cash equivalents at end of period	$ 0.1	$ 1.8	$ 0.8	$ -	$ 875.9	$ -	$ 878.6

Warner Chilcott Limited
Consolidating Statements of Cash Flows
For the Year Ended December 31, 2017
($ in millions)

	Warner Chilcott Limited (Parent Guarantor)	Allergan Capital S.a.r.l. (Guarantor)	Allergan Funding SCS (Issuer)	Allergan Finance, LLC (Issuer and Guarantor)	Non-guarantors	Eliminations	Consolidated Warner Chilcott Limited
Cash Flows From Operating Activities:							
Net income / (loss)	$ (3,927.3)	$ (3,677.0)	$ (1,960.8)	$ (774.4)	$ (4,736.8)	$ 11,155.6	$ (3,920.7)
Reconciliation to net cash provided by / (used in) operating activities:							
(Earnings) / losses of equity interest subsidiaries	3,927.3	4,517.5	1,958.1	752.7	-	(11,155.6)	-
Depreciation	-	-	-	-	171.5	-	171.5
Amortization	-	-	-	-	7,197.1	-	7,197.1
Provision for inventory reserve	-	-	-	-	102.2	-	102.2
Share-based compensation	-	-	-	-	293.3	-	293.3
Deferred income tax benefit	-	-	-	-	(7,783.1)	-	(7,783.1)
In-process research and development impairments	-	-	-	-	1,452.3	-	1,452.3
Loss on asset sales and impairments, net	-	-	-	-	3,927.7	-	3,927.7
Net income impact of other-than-temporary loss on investment in Teva securities	-	-	-	-	3,273.5	-	3,273.5
Charge to settle Teva related matters	-	-	-	-	387.4	-	387.4
Loss on forward sale of Teva shares	-	-	-	-	62.9	-	62.9
Amortization of inventory step-up	-	-	-	-	131.7	-	131.7
Non-cash extinguishment of debt	-	-	17.6	12.2	(45.5)	-	(15.7)
Cash charge related to extinguishment of debt	-	-	91.6	52.9	61.1	-	205.6
Amortization of deferred financing costs	-	-	23.3	4.5	-	-	27.8
Contingent consideration adjustments, including accretion	-	-	-	-	(133.2)	-	(133.2)
Dividends from subsidiaries	1,668.2	-	-	-	-	(1,668.2)	-
Other, net	-	(10.0)	-	-	(27.0)	-	(37.0)
Changes in assets and liabilities (net of effects of acquisitions)	-	(4,228.1)	(241.5)	2,148.3	3,207.3	-	886.0
Net cash provided by / (used in) operating activities	1,668.2	(3,397.6)	(111.7)	2,196.2	7,542.4	(1,668.2)	6,229.3
Cash Flows From Investing Activities:							
Additions to property, plant and equipment	-	-	-	-	(349.9)	-	(349.9)
Additions to product rights and other intangibles	-	-	-	-	(614.3)	-	(614.3)
Additions to investments	-	(4,389.6)	-	-	(5,394.2)	-	(9,783.8)
Proceeds from sale of investments and other assets	-	7,866.4	-	-	7,286.9	-	15,153.3
Proceeds from sales of property, plant and equipment	-	-	-	-	7.1	-	7.1
Acquisitions of businesses, net of cash acquired	-	-	-	-	(5,290.4)	-	(5,290.4)
Net cash (used in) / provided by investing activities	-	3,476.8	-	-	(4,354.8)	-	(878.0)
Cash Flows From Financing Activities:							
Proceeds from borrowings of long-term indebtedness, including credit facility	-	-	3,020.9	-	529.1	-	3,550.0
Payments on debt, including capital lease obligations and credit facility	-	-	(2,800.0)	(2,143.3)	(1,470.3)	-	(6,413.6)
Debt issuance and other financing costs	-	-	(17.5)	-	(3.1)	-	(20.6)
Cash charge related to extinguishment of debt	-	-	(91.6)	(52.9)	(61.1)	-	(205.6)
Payments of contingent consideration and other financing	-	-	-	-	(511.6)	-	(511.6)
Dividends to Parents	(1,668.2)	-	-	-	(1,668.2)	1,668.2	(1,668.2)
Net cash (used in) / provided by financing activities	(1,668.2)	-	111.8	(2,196.2)	(3,185.2)	1,668.2	(5,269.6)
Effect of currency exchange rate changes on cash and cash equivalents	-	-	-	-	21.4	-	21.4
Net increase / (decrease) in cash and cash equivalents	-	79.2	0.1	-	23.8	-	103.1
Cash and cash equivalents at beginning of period	0.1	513.9	-	-	1,199.2	-	1,713.2
Cash and cash equivalents at end of period	$ 0.1	$ 593.1	$ 0.1	$ -	$ 1,223.0	$ -	$ 1,816.3

NOTE 28 — Compensation

The following table represents compensation costs for the years ended December 31, 2019, 2018 and 2017 ($ in millions):

	Years Ended December 31,		
	2019	2018	2017
Wages and salaries	$ 2,193.2	$ 1,994.9	$ 1,892.8
Share-based compensation	214.3	239.8	308.0
Retirement plans	136.0	107.0	82.7
Social welfare (taxes)	143.3	163.1	150.4
Other benefits	152.5	175.2	265.1
Total	**$ 2,839.3**	**$ 2,680.0**	**$ 2,699.0**

NOTE 29 — Concentration

The Company considers there to be a concentration risk for customers that account for10% or more of their third-party revenues. The following table illustrates any customer which accounted for 10% or more of our annual revenues within the U.S. and Canada in any of the past three fiscal years and the respective percentage of our revenues for which they account for each of the last three years:

Customer	2019	2018	2017
McKesson Corporation	25%	25%	23%
Cardinal Health, Inc.	24%	23%	19%
AmerisourceBergen Corporation	22%	22%	19%

No other country outside the U.S. and Canada had 10% or more of global sales.

The Company's accounts receivable primarily arise from product sales in North America and primarily represent amounts due from wholesalers, distributors, drug store chains and service providers in the health care and pharmaceutical industries, public hospitals and other government entities. Approximately 66% and 62% of the gross accounts receivable balance are concentrated among the Company'sthree largest customers as of December 31, 2019 and 2018, respectively. The Company performs ongoing credit evaluations of its customers and maintains an allowance for potential uncollectible accounts. Actual losses from uncollectible accounts have been minimal.

Outside of the U.S., concentrations of credit risk with respect to accounts receivable are limited due to the wide variety of customers and markets using the Company's products, as well as their dispersion across many different geographic areas. The Company monitors economic conditions, including volatility associated with international economies, and related impacts on the relevant financial markets and its business, especially in light of sovereign credit issues. The Company does not expect to have write-offs or adjustments to accounts receivable which would have a material adverse effect on its financial position, liquidity or results of operations.

Certain of the Company's finished products and raw materials are obtained from single source suppliers. Although the Company seeks to identify more than one source for its various finished products and raw materials, loss of a single source supplier could have an adverse effect on the Company's results of operations, financial condition and cash flows. Further, a second source supplier may not be able to produce the same volumes of inventory as the Company's primary supplier. No third party manufacturer accounted for 10% or more of the Company's products sold based on third-party revenues for the year ended December 31, 2019.

Schedule II
Allergan plc
Warner Chilcott Limited

Valuation and Qualifying Accounts
Years Ended December 31, 2019, 2018 and 2017
($ in millions)

	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions / Write-offs	Other*	Balance at End of Period
Allowance for doubtful accounts:					
Year Ended December 31, 2019	$ 101.7	$ 35.8	$ (26.7)	$ -	$ 110.8
Year Ended December 31, 2018	$ 93.0	$ 18.5	$ (9.8)	$ -	$ 101.7
Year Ended December 31, 2017	$ 75.7	$ 11.6	$ (1.7)	$ 7.4	$ 93.0
Tax valuation allowance:					
Year Ended December 31, 2019	$ 1,637.9	$ 443.4	$ -	$ (2.2)	$ 2,079.1
Year Ended December 31, 2018	$ 403.8	$ 1,237.9	$ -	$ (3.8)	$ 1,637.9
Year Ended December 31, 2017	$ 183.9	$ 230.1	$ -	$ (10.2)	$ 403.8

*Includes opening balances of businesses acquired in the period and reclasses to assets held for sale.

SUPPLEMENTARY DATA (UNAUDITED)

Selected unaudited quarterly consolidated financial data and market price information are shown below ($ in millions except per share data):

		For Three Month Periods Ended			
	Year Ended 12/31/2019	Dec. 31, 2019	Sept. 30, 2019	June 30, 2019	Mar. 31, 2019
Net revenues	$ 16,088.9	$ 4,351.0	$ 4,050.7	$ 4,090.1	$ 3,597.1
Net (loss)	$ (5,265.1)	$ (317.3)	$ (785.6)	$ (1,754.9)	$ (2,407.3)
Basic earnings per share	(16.02)	(0.97)	(2.40)	(5.37)	(7.25)
Diluted earnings per share	(16.02)	(0.97)	(2.40)	(5.37)	(7.25)
Market price per share:					
High		$ 191.58	$ 169.61	$ 167.43	$ 160.79
Low		$ 165.40	$ 156.34	$ 115.73	$ 132.09

		For Three Month Periods Ended			
	Year Ended 12/31/2018	Dec. 31, 2018	Sept. 30, 2018	June 30, 2018	Mar. 31, 2018
Net revenues	$ 15,787.4	$ 4,079.7	$ 3,911.4	$ 4,124.2	$ 3,672.1
Net (loss) / income	$ (5,086.2)	$ (4,295.9)	$ (36.3)	$ (470.1)	$ (283.9)
Basic earnings per share	(15.26)	(12.83)	(0.11)	(1.39)	(0.99)
Diluted earnings per share	(15.26)	(12.83)	(0.11)	(1.39)	(0.99)
Market price per share:					
High		$ 193.46	$ 192.51	$ 175.19	$ 188.15
Low		$ 129.82	$ 167.21	$ 143.80	$ 144.02

Exhibit 4.29

FIFTH SUPPLEMENTAL INDENTURE

THIS FIFTH SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan Funding SCS, a limited partnership (*société en commandite simple*) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 2, rue Joseph Hackin, L-1746 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B187.310 (the "Company"), the Guarantors (as defined in the Base Indenture (as defined below)) and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered an indenture, dated March 12, 2015 (the "Base Indenture"), providing for the issuance by the Company from time to time of its unsecured debentures, notes, bonds or other evidences of indebtedness, to be issued in one or more series and to have such other provisions as provided in one or more supplemental indentures;

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a first supplemental indenture, dated March 12, 2015 (the "First Supplemental Indenture"), providing for the issuance of the Company's Floating Rate Notes due 2020 (the "USD FRNs"), 3.000% Senior Notes due 2020 (the "3.000% Notes"), 3.450% Senior Notes due 2022, 3.800% Senior Notes due 2025, 4.550% Senior Notes due 2035 and 4.750% Senior Notes due 2045 (collectively, the "2015 Indenture Notes" and, excluding the USD FRNs and the 3.000% Notes, the "Affected 2015 Indenture Notes"), and a second supplemental indenture, dated May 7, 2015 (the "Second Supplemental Indenture"), relating thereto;

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a third supplemental indenture, dated May 26, 2017 (the "Third Supplemental Indenture"), providing for the issuance of the Company's 0.500% Senior Notes due 2021, 1.250% Senior Notes due 2024 and 2.125% Senior Notes due 2029 (collectively, the "2017 Indenture Notes");

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a fourth supplemental indenture, dated November 15, 2018 (the "Fourth Supplemental Indenture" and, together with the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture, as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture"), providing for the issuance of the Company's Floating Rate Notes due 2020, 1.500% Senior Notes due 2023 and 2.625% Senior Notes due 2028 (collectively, the "2018 Indenture Notes" and, together with the Affected 2015 Indenture Notes and the 2017 Indenture Notes, the "Notes");

WHEREAS, Allergan plc, an Irish public limited company and the Company's ultimate parent ("Allergan"), has entered into a definitive transaction agreement, dated June 25, 2019, by and among Allergan, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub"), as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire Allergan pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, Allergan will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent

Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offers") any and all outstanding Notes of each series for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitations") the Holders of the Notes of each series to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 7.02 of the Indenture provides that, with the written consent of the Holders of not less than a majority in aggregate principal amount of the Notes of each series then outstanding affected by such supplemental indenture voting as one class (the "Requisite Consents"), the Company, when authorized by a Board Resolution, the Guarantors and the Trustee may enter into a supplemental indenture for the purposes described therein;

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitations, as of 5:00 p.m., New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders of the Notes of each series for the Notes of such series to enter into this Supplemental Indenture to effect the Amendments under the Indenture; and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Guarantors in the execution of this Supplemental Indenture and the Company has provided the Trustee with a Board Resolution authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes of each series as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the Indenture with respect to each series of Notes, provided that the section or article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 4.04. Reports;
- Section 4.05. Compliance Certificate;
- Section 4.06. Taxes;
- Section 4.08. Liens;
- Section 4.09. Holding Company Status;
- Section 4.10. Limitation on Sale and Leaseback Transactions;

- Section 4.12. Calculation of Original Issue Discount;
- Article 8. Merger, Amalgamation, Consolidation or Sale of Assets; and
- Article 12. Security Guarantees.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a Default or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to each series of Notes.

Subsections 5.01(d)-(i) (inclusive) under Section 5.01. Events of Default of the Indenture shall be deleted in their entirety with respect to each series of Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to each series of Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Base Indenture will apply equally to this Supplemental Indenture.

Section 2.2 Effect of Supplemental Indenture. This Supplemental Indenture is a supplemental indenture within the meaning of the Base Indenture. The provisions of this Supplemental Indenture are intended with respect to the Notes to supplement those of the Indenture as in effect immediately prior to the execution and delivery hereof. The Indenture shall remain in full force and effect except to the extent that the provisions of the Indenture are expressly modified by the terms of this Supplemental Indenture with respect to the Notes. The Indenture, as supplemented and amended by this Supplemental Indenture, is in all respects ratified, confirmed and approved and, with respect to each series of Notes, the Indenture, as supplemented and amended by this Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

Section 2.3 Governing Law. The internal law of the State of New York shall govern and be used to construe this Supplemental Indenture without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

Section 2.4 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.5 Trust Indenture Act Controls. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.6 Counterpart Originals. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. Delivery of an executed counterpart of a signature page to this Supplemental Indenture by telecopier, facsimile or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart thereof. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture and signature pages for all purposes.

Section 2.7 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Guarantors, the Trustee and every Holder of the Notes of each series heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offers and Consent Solicitations in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN FUNDING SCS, as the Company

By: /s/ Pradipto Bagchi
Name: Pradipto Bagchi
Title: Class A Manager

By: /s/ Severine Lucie Canova
Name: Severine Lucie Canova
Title: Class B Manager

WARNER CHILCOTT LIMITED, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Secretary

ALLERGAN CAPITAL S.À R.L., as a Guarantor

A Luxembourg *société à responsabilité limitée*, having its registered office at 6 rue Jean Monet, L-2180 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 178.410

By: /s/ Stephen M. Kaufhold
Name: Stephen M. Kaufhold
Title: Class A Manager

By: /s/ Cesar Acosta
Name: Cesar Acosta
Title: Class B Manager

ALLERGAN FINANCE, LLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Fifth Supplemental Indenture to March 2015 Indenture]

Exhibit 4.30

FIRST SUPPLEMENTAL INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan Funding SCS, a limited partnership (*société en commandite simple*) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 2, rue Joseph Hackin, L-1746 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B187.310 (the "Company"), the Guarantors (as defined in the Indenture (as defined below)) and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered an indenture, dated June 19, 2014 (the "Indenture"), providing for the issuance of the Company's 3.850% Notes due 2024 and 4.850% Notes due 2044 (collectively, the "Notes");

WHEREAS, Allergan plc, an Irish public limited company and the Company's ultimate parent ("Allergan"), has entered into a definitive transaction agreement, dated June 25, 2019, by and among Allergan, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub"), as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire Allergan pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, Allergan will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offers") any and all outstanding Notes of each series for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitations") the Holders of the Notes of each series to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 9.02 of the Indenture provides that the Company and the Trustee may amend or supplement the Indenture and the Notes and the Note Guarantees with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes of any particular series voting as a single class (the "Requisite Consents") for the purposes described therein;

WHEREAS, the Company desires to amend certain provisions of the Indenture and the Notes and the Note Guarantees, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitations, as of 5:00 p.m., New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders of the Notes of each series for the Notes of such series to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Guarantors and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Guarantors in the execution of this Supplemental Indenture and the Company has provided the Trustee with a Board Resolution authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes of each series as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the Indenture with respect to each series of Notes, provided that the section or article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 4.03. Reports;
- Section 4.04. Compliance Certificate;
- Section 4.06. Liens;
- Section 4.07. Holding Company Status;
- Section 4.08. Repurchase of Notes Upon a Change of Control;
- Section 4.09. Limitation on Sale and Leaseback Transactions;
- Article 5. Successors; and
- Article 10. Note Guarantees.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a Default or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to each series of Notes.

Subsection 6.01(3) under Section 6.01. Events of Default of the Indenture shall be amended by deleting the words "or any Guarantor" and "or 4.08" with respect to each series of Notes. Subsections 6.01(4)-(9) (inclusive) under Section 6.01. Events of Default of the Indenture shall be deleted in their entirety with respect to each series of Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to each series of Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Indenture will apply equally to this Supplemental Indenture.

Section 2.2 Effect of Supplemental Indenture. This Supplemental Indenture is a supplemental indenture within the meaning of the Indenture. The provisions of this Supplemental Indenture are intended with respect to the Notes to supplement those of the Indenture as in effect immediately prior to the execution and delivery hereof. The Indenture shall remain in full force and effect except to the extent that the provisions of the Indenture are expressly modified by the terms of this Supplemental Indenture with respect to the Notes. The Indenture, as supplemented and amended by this Supplemental Indenture, is in all respects ratified, confirmed and approved and, with respect to each series of Notes, the Indenture, as supplemented and amended by this Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

Section 2.3 Governing Law. The internal law of the State of New York shall govern and be used to construe this Supplemental Indenture without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

Section 2.4 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.5 Trust Indenture Act Controls. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.6 Counterpart Originals. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. Delivery of an executed counterpart of a signature page to this Supplemental Indenture by telecopier, facsimile or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart thereof. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture and signature pages for all purposes.

Section 2.7 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Guarantors, the Trustee and every Holder of the Notes of each series heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall

become operative only upon the consummation of the Exchange Offers and Consent Solicitations in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

[Signature Page to First Supplemental Indenture to June 2014 Indenture]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN FUNDING SCS, as the Company

By: /s/ Pradipto Bagchi
Name: Pradipto Bagchi
Title: Class A Manager

By: /s/ Severine Lucie Canova
Name: Severine Lucie Canova
Title: Class B Manager

WARNER CHILCOTT LIMITED, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Secretary

ALLERGAN CAPITAL S.À R.L., as a Guarantor

A Luxembourg *société à responsabilité limitée*, having its registered office at 6 rue Jean Monet, L-2180 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 178.410

By: /s/ Stephen M. Kaufhold
Name: Stephen M. Kaufhold
Title: Class A Manager

By: /s/ Cesar Acosta
Name: Cesar Acosta
Title: Class B Manager

ALLERGAN FINANCE, LLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to First Supplemental Indenture to June 2014 Indenture]

Exhibit 4.31

FIFTH SUPPLEMENTAL INDENTURE

THIS FIFTH SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan Sales, LLC, a Delaware limited liability company (the "Company"), as successor in interest to Forest Laboratories, LLC, Allergan plc, an Irish public limited company and indirect parent of the Company, as guarantor (the "Parent Guarantor"), and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company and the Trustee have previously executed and delivered an indenture, dated December 10, 2013 (the "Base Indenture"), providing for the issuance of the Company's 5.00% Senior Notes due 2021 (the "Notes");

WHEREAS, the Company and the Trustee have previously executed and delivered (i) a first supplemental indenture thereto, dated June 12, 2014 (the "First Supplemental Indenture"), (ii) a second supplemental indenture thereto, dated July 1, 2014 (the "Second Supplemental Indenture"), (iii) a third supplemental indenture thereto, dated July 1, 2014 (the "Third Supplemental Indenture") and (iv) a fourth supplemental indenture thereto, dated January 1, 2018 (the "Fourth Supplemental Indenture", and, together with the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture");

WHEREAS, the Parent Guarantor has entered into a definitive transaction agreement, dated June 25, 2019, by and among the Parent Guarantor, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub"), as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire the Parent Guarantor pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, the Parent Guarantor will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offer") any and all outstanding Notes for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitation") the Holders to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 9.02 of the Indenture provides that, when authorized by a resolution of the Board of Directors, the Company may enter into a supplemental indenture with the Trustee for the purposes described therein with the written consent of the Holders of at least a majority in aggregate principal amount of outstanding Notes affected by such supplemental indenture (the "Requisite Consents");

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitation, as of 5:00 p.m., New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders for the Notes to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Parent Guarantor and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Parent Guarantor in the execution of this Supplemental Indenture and the Company has provided the Trustee with resolutions of the Board of Directors authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Parent Guarantor shall be released from their respective obligations under the following provisions of the Indenture with respect to the Notes, provided that the section and article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 4.03. Provision of Financial Information;
- Section 4.04. Compliance Certificate;
- Section 4.06. Limitation on Subsidiary Debt;
- Section 4.07. Limitation on Sale and Lease-Back Transactions;
- Section 4.08. Limitation on Liens;
- Section 4.09. Corporate Existence;
- Section 4.11. Additional Note Guarantors;
- Section 4.12. Further Instruments and Acts;
- Article 5. Successors; and
- Article 10. Guarantees.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a Default or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to the Notes.

Subsections 6.01(d)-(i) (inclusive) under Section 6.01. Events of Default of the Indenture shall be deleted in their entirety with respect to the Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to the Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Defined Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Base Indenture will apply equally to this Supplemental Indenture. The words "herein," "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

Section 2.2 Parties. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Company, the Parent Guarantor, the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or the Indenture or any provision herein or therein contained.

Section 2.3 Governing Law. This Supplemental Indenture will be governed by and construed in accordance with the laws of the State of New York.

Section 2.4 Severability Clause. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 2.5 Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended or supplemented hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby. This Supplemental Indenture is an indenture supplemental to the Indenture, and the Indenture and this Supplemental Indenture shall henceforth be read and construed together for all purposes.

Section 2.6 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.7 Counterparts. This Supplemental Indenture may be executed by one or more of the parties to this Supplemental Indenture on any number of separate counterparts, and all of said

counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Supplemental Indenture by facsimile transmission or other electronic format shall be effective as delivery of a manually executed counterpart hereof.

Section 2.8 Headings. The headings of the Articles and the Sections in this Supplemental Indenture are for convenience of reference only, are not part of this Supplemental Indenture and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

Section 2.9 Recitals. The recitals contained herein are those of the Company and not the Trustee, and the Trustee assumes no responsibility for the correctness of same. All rights, protections, privileges, indemnities and benefits granted or afforded to the Trustee under the Indenture shall be deemed incorporated herein by this reference and shall be deemed applicable to all actions taken, suffered or omitted by the Trustee under this Supplemental Indenture.

Section 2.10 Conflict with Trust Indenture Act . If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.11 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Parent Guarantor, the Trustee and every Holder of the Notes heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offer and Consent Solicitation in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN SALES, LLC, as the Company

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: President

ALLERGAN PLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Executive Vice President and Chief Legal Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Fifth Supplemental Indenture to December 2013 Indenture]

Exhibit 4.32

FIFTH SUPPLEMENTAL INDENTURE

THIS FIFTH SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan Sales, LLC, a Delaware limited liability company (the "Company"), as successor in interest to Forest Laboratories, LLC, Allergan plc, an Irish public limited company and indirect parent of the Company, as guarantor (the "Parent Guarantor"), and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company and the Trustee have previously executed and delivered an indenture, dated January 31, 2014 (the "Base Indenture"), providing for the issuance of the Company's 4.875% Senior Notes due 2021 (the "Notes");

WHEREAS, the Company and the Trustee have previously executed and delivered (i) a first supplemental indenture thereto, dated June 12, 2014 (the "First Supplemental Indenture"), (ii) a second supplemental indenture thereto, dated July 1, 2014 (the "Second Supplemental Indenture"), (iii) a third supplemental indenture thereto, dated July 1, 2014 (the "Third Supplemental Indenture") and (iv) a fourth supplemental indenture thereto, dated January 1, 2018 (the "Fourth Supplemental Indenture", and, together with the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture");

WHEREAS, the Parent Guarantor has entered into a definitive transaction agreement, dated June 25, 2019, by and among the Parent Guarantor, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub"), as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire the Parent Guarantor pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, the Parent Guarantor will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offer") any and all outstanding Notes for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitation") the Holders to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 9.02 of the Indenture provides that, when authorized by a resolution of the Board of Directors, the Company may enter into a supplemental indenture with the Trustee for the purposes described therein with the written consent of the Holders of at least a majority in aggregate principal amount of outstanding Notes affected by such supplemental indenture (the "Requisite Consents");

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitation, as of 5:00 p.m., New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders for the Notes to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Parent Guarantor and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Parent Guarantor in the execution of this Supplemental Indenture and the Company has provided the Trustee with resolutions of the Board of Directors authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Parent Guarantor shall be released from their respective obligations under the following provisions of the Indenture with respect to the Notes, provided that the section and article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 4.03. Provision of Financial Information;
- Section 4.04. Compliance Certificate;
- Section 4.06. Limitation on Subsidiary Debt;
- Section 4.07. Limitation on Sale and Lease-Back Transactions;
- Section 4.08. Limitation on Liens;
- Section 4.09. Corporate Existence;
- Section 4.11. Additional Note Guarantors;
- Section 4.12. Further Instruments and Acts;
- Article 5. Successors; and
- Article 10. Guarantees.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a Default or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to the Notes.

Subsections 6.01(d)-(i) (inclusive) under Section 6.01. Events of Default of the Indenture shall be deleted in their entirety with respect to the Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to the Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Defined Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Base Indenture will apply equally to this Supplemental Indenture. The words "herein," "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

Section 2.2 Parties. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Company, the Parent Guarantor, the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or the Indenture or any provision herein or therein contained.

Section 2.3 Governing Law. This Supplemental Indenture will be governed by and construed in accordance with the laws of the State of New York.

Section 2.4 Severability Clause. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 2.5 Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended or supplemented hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby. This Supplemental Indenture is an indenture supplemental to the Indenture, and the Indenture and this Supplemental Indenture shall henceforth be read and construed together for all purposes.

Section 2.6 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.7 Counterparts. This Supplemental Indenture may be executed by one or more of the parties to this Supplemental Indenture on any number of separate counterparts, and all of said

counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Supplemental Indenture by facsimile transmission or other electronic format shall be effective as delivery of a manually executed counterpart hereof.

Section 2.8 Headings. The headings of the Articles and the Sections in this Supplemental Indenture are for convenience of reference only, are not part of this Supplemental Indenture and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

Section 2.9 Recitals. The recitals contained herein are those of the Company and not the Trustee, and the Trustee assumes no responsibility for the correctness of same. All rights, protections, privileges, indemnities and benefits granted or afforded to the Trustee under the Indenture shall be deemed incorporated herein by this reference and shall be deemed applicable to all actions taken, suffered or omitted by the Trustee under this Supplemental Indenture.

Section 2.10 Conflict with Trust Indenture Act . If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.11 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Parent Guarantor, the Trustee and every Holder of the Notes heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offer and Consent Solicitation in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN SALES, LLC, as the Company

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: President

ALLERGAN PLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Executive Vice President and Chief Legal Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Fifth Supplemental Indenture to January 2014 Indenture]

Exhibit 4.33

THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan, Inc., a Delaware corporation (the "Company"), Allergan plc, an Irish public limited company ("Allergan"), and Warner Chilcott Limited, a Bermuda exempted company, each an indirect parent of the Company (each, a "Guarantor" and together, the "Guarantors"), and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company and the Trustee have previously executed and delivered an indenture, dated March 12, 2013 (the "Base Indenture"), providing for the issuance by the Company from time to time of its debentures, notes, or other evidences of indebtedness, unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as provided in the Indenture (as defined below);

WHEREAS, the Company and the Trustee have previously executed and delivered a first supplemental indenture, dated March 12, 2013 (the "First Supplemental Indenture"), providing for the issuance of the Company's 2.800% Notes due 2023 (the "Notes");

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a second supplemental indenture, dated April 16, 2015 (the "Second Supplemental Indenture" and, together with the First Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture"), providing for the guarantee of the Notes by the Guarantors;

WHEREAS, Allergan has entered into a definitive transaction agreement, dated June 25, 2019, by and among Allergan, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub") , as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire Allergan pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, Allergan will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offer") any and all outstanding Notes for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitation") the Holders to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 902 of the Indenture provides that, with the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, voting as a single class (the "Requisite Consents"), by Act of said Holders delivered to the Company and the Trustee, the Company (when authorized by or pursuant to a Board Resolution) and the Trustee may enter into a supplemental indenture for the purposes described therein;

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitation, as of 5:00 p.m.,

New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders for the Notes to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Guarantors and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Guarantors in the execution of this Supplemental Indenture and the Company has provided the Trustee with a Board Resolution authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the Indenture with respect to the Notes, provided that the section or article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 704. Reports by Company; Rule 144A Information;
- Article 8. Consolidation, Merger and Sales;
- Section 1005. Corporate Existence;
- Section 1006. Company Statement as to Compliance; and
- Article 16. Security Guarantees.

The following provisions of the First Supplemental Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the First Supplemental Indenture with respect to the Notes, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto:

- Section 5.01. Limitation on Liens;
- Section 5.02. Limitation on Sale and Leasebacks;
- Section 5.03. Further Instruments and Acts;

- Section 5.04. Maintenance of Properties;
- Section 5.05. Payment of Taxes and Other Claims; and
- Section 5.06. Waiver of Covenants.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a default (as defined in the Indenture) or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to the Notes.

Subsections 501(4)-(7) (inclusive) under Section 501. Events of Default of the Indenture shall be deleted in their entirety with respect to the Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to the Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Base Indenture will apply equally to this Supplemental Indenture.

Section 2.2 Relationship to Existing Base Indenture. This Supplemental Indenture is a supplemental indenture within the meaning of the Base Indenture. The Indenture, as amended and supplemented by this Supplemental Indenture, is in all respects ratified, confirmed and approved and shall be read, taken and construed as one and the same instrument.

Section 2.3 Governing Law. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state.

Section 2.4 Headings. The headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section 2.5 Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or .pdf transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or .pdf shall be deemed to be their original signatures for all purposes.

Section 2.6 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are

made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.7 Successors. All agreements of each of the Guarantors in this Supplemental Indenture shall bind each of its respective successors, except as otherwise provided in the Indenture, as amended and supplemented by this Supplemental Indenture. All agreements of the Trustee in this Supplemental Indenture shall bind its successors.

Section 2.8 Trust Indenture Act Controls. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.9 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Guarantors, the Trustee and every Holder of the Notes heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offer and Consent Solicitation in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN, INC., as the Company

By: /s/ Kira Schwartz
Name: Kira Schwartz
Title: Secretary

ALLERGAN PLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Executive Vice President and Chief Legal Officer

WARNER CHILCOTT LIMITED, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Secretary

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Third Supplemental Indenture to March 2013 Indenture]

Exhibit 4.34

THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan, Inc., a Delaware corporation (the "Company"), Allergan plc, an Irish public limited company ("Allergan"), and Warner Chilcott Limited, a Bermuda exempted company, each an indirect parent of the Company (each, a "Guarantor" and together, the "Guarantors"), and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company and the Trustee have previously executed and delivered an indenture, dated September 14, 2010 (the "Base Indenture"), providing for the issuance by the Company from time to time of its debentures, notes, or other evidences of indebtedness, unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as provided in the Indenture (as defined below);

WHEREAS, the Company and the Trustee have previously executed and delivered a first supplemental indenture, dated September 14, 2010 (the "First Supplemental Indenture"), providing for the issuance of the Company's 3.375% Notes due 2020 (the "Notes");

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a second supplemental indenture, dated April 16, 2015 (the "Second Supplemental Indenture" and, together with the First Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture"), providing for the guarantee of the Notes by the Guarantors;

WHEREAS, Allergan has entered into a definitive transaction agreement, dated June 25, 2019, by and among Allergan, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub") , as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire Allergan pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, Allergan will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offer") any and all outstanding Notes for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitation") the Holders to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 902 of the Indenture provides that, with the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, voting as a single class (the "Requisite Consents"), by Act of said Holders delivered to the Company and the Trustee, the Company (when authorized by or pursuant to a Board Resolution) and the Trustee may enter into a supplemental indenture for the purposes described therein;

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitation, as of 5:00 p.m.,

New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders for the Notes to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Guarantors and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Guarantors in the execution of this Supplemental Indenture and the Company has provided the Trustee with a Board Resolution authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the Indenture with respect to the Notes, provided that the section or article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 704. Reports by Company; Rule 144A Information;
- Article 8. Consolidation, Merger and Sales;
- Section 1005. Corporate Existence;
- Section 1006. Company Statement as to Compliance; and
- Article 16. Security Guarantees.

The following provisions of the First Supplemental Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the First Supplemental Indenture with respect to the Notes, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto:

- Section 5.01. Limitation on Liens;
- Section 5.02. Limitation on Sale and Leasebacks;
- Section 5.03. Further Instruments and Acts;

- Section 5.04. Maintenance of Properties;
- Section 5.05. Payment of Taxes and Other Claims; and
- Section 5.06. Waiver of Covenants.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a default (as defined in the Indenture) or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to the Notes.

Subsections 501(4)-(7) (inclusive) under Section 501. Events of Default of the Indenture shall be deleted in their entirety with respect to the Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to the Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture and the rules of construction contained in the Base Indenture will apply equally to this Supplemental Indenture.

Section 2.2 Relationship to Existing Base Indenture. This Supplemental Indenture is a supplemental indenture within the meaning of the Base Indenture. The Indenture, as amended and supplemented by this Supplemental Indenture, is in all respects ratified, confirmed and approved and shall be read, taken and construed as one and the same instrument.

Section 2.3 Governing Law. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state.

Section 2.4 Headings. The headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section 2.5 Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or .pdf transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or .pdf shall be deemed to be their original signatures for all purposes.

Section 2.6 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are

made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.7 Successors. All agreements of each of the Guarantors in this Supplemental Indenture shall bind each of its respective successors, except as otherwise provided in the Indenture, as amended and supplemented by this Supplemental Indenture. All agreements of the Trustee in this Supplemental Indenture shall bind its successors.

Section 2.8 Trust Indenture Act Controls. If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.9 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Guarantors, the Trustee and every Holder of the Notes heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offer and Consent Solicitation in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN, INC., as the Company

By: /s/ Kira Schwartz
Name: Kira Schwartz
Title: Secretary

ALLERGAN PLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Executive Vice President and Chief Legal Officer

WARNER CHILCOTT LIMITED, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Secretary

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Third Supplemental Indenture to September 2010 Indenture]

Exhibit 4.35

SIXTH SUPPLEMENTAL INDENTURE

THIS SIXTH SUPPLEMENTAL INDENTURE, dated as of November 7, 2019 (this "Supplemental Indenture"), is by and among Allergan Finance, LLC, a Nevada limited liability company (the "Company"), Allergan plc, an Irish public limited company ("Allergan"), and Warner Chilcott Limited, a Bermuda exempted company ("Warner Chilcott" and, together with Allergan, the "Guarantors"), each an indirect parent of the Company, and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH

WHEREAS, the Company and the Trustee have previously executed and delivered an indenture, dated August 24, 2009 (the "Base Indenture"), providing for the issuance by the Company from time to time of Securities to be issued in one or more series as provided in the Indenture (as defined below);

WHEREAS, the Company and the Trustee have previously executed and delivered a third supplemental indenture, dated October 2, 2012 (the "Third Supplemental Indenture"), providing for the issuance of the Company's 3.250% Senior Notes due 2022 and 4.625% Senior Notes due 2042 (collectively, the "Notes");

WHEREAS, the Company, Allergan and the Trustee have previously executed and delivered a fourth supplemental indenture, dated October 1, 2013 (the "Fourth Supplemental Indenture"), providing for the guarantee of the Notes by Allergan;

WHEREAS, the Company, the Guarantors and the Trustee have previously executed and delivered a fifth supplemental indenture, dated April 16, 2015 (the "Fifth Supplemental Indenture" and, together with the Third Supplemental Indenture and the Fourth Supplemental Indenture, the "Existing Supplemental Indentures," and the Base Indenture as amended, supplemented or otherwise modified by the Existing Supplemental Indentures, the "Indenture"), providing for the guarantee of the Notes by Warner Chilcott;

WHEREAS, Allergan has entered into a definitive transaction agreement, dated June 25, 2019, by and among Allergan, AbbVie Inc., a Delaware corporation ("AbbVie"), and Venice Subsidiary LLC, a wholly-owned subsidiary of AbbVie ("Acquirer Sub") , as amended from time to time, which provides, among other things, that (i) on the terms and subject to the conditions set forth therein, Acquirer Sub will acquire Allergan pursuant to a scheme of arrangement (the "Scheme") under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the "Act") and a capital reduction under Sections 84 to 86 of the Act (the "Acquisition"), and (ii) as a result of the Scheme, Allergan will become a wholly-owned subsidiary of AbbVie;

WHEREAS, in connection with the Acquisition, AbbVie has issued an Offering Memorandum and Consent Solicitation Statement, dated October 25, 2019 (the "Offering Memorandum and Consent Solicitation Statement"), pursuant to which AbbVie has offered to exchange (the "Exchange Offers") any and all outstanding Notes of each series for notes issued by AbbVie, and AbbVie (on behalf of the Company) has solicited (the "Consent Solicitations") the Holders of the Notes of each series to direct the Trustee to execute and deliver amendments to the Indenture as set forth in Article I hereof (the "Amendments");

WHEREAS, Section 902 of the Indenture provides that, with the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture (the "Requisite Consents"), by Act of said Holders delivered to the Company and

the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into a supplemental indenture for the purposes described therein;

WHEREAS, the Company desires to amend certain provisions of the Indenture, as set forth in Article I of this Supplemental Indenture, and in accordance with the Consent Solicitations, as of 5:00 p.m., New York City time, on November 7, 2019, Requisite Consents have been validly delivered by Holders and not validly revoked and the Company has delivered to the Trustee the Requisite Consents which constitute an Act of Holders of the Notes of each series for the Notes of such series to enter into this Supplemental Indenture to effect the Amendments under the Indenture;

WHEREAS, the Company, the Guarantors and the Trustee intend that this Supplemental Indenture shall not prevent the Notes from being treated as "grandfathered obligations" (within the meaning of Treasury Regulations Sections 1.1471-2(b)(2)); and

WHEREAS, the Company hereby requests that the Trustee join with the Company and the Guarantors in the execution of this Supplemental Indenture and the Company has provided the Trustee with a Board Resolution authorizing the Company's execution of this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes of each series as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments to the Indenture.

The following provisions of the Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provisions of the Indenture with respect to each series of Notes, provided that the section or article numbers, as applicable, will remain and the word "[reserved]" shall replace the title thereto:

- Section 704. Reports by Company;
- Article 8. Consolidation, Merger, Conveyance, Transfer or Lease;
- Section 1004. Statement by Officers as to Default;
- Section 1005. Existence;
- Section 1006. Maintenance of Properties;
- Section 1007. Payment of Taxes and Other Claims;
- Section 1009. Calculation of Original Issue Discount;
- Section 1010. Limitation on Liens; and

- Section 1011. Limitation on Sale and Leaseback Transactions.

The following provision of the Third Supplemental Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provision of the Third Supplemental Indenture with respect to each series of Notes, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto:

- Section 3.05. Repurchase of Notes upon a Change of Control.

The following provision of the Fourth Supplemental Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provision of the Fourth Supplemental Indenture with respect to each series of Notes, provided that the article number will remain and the word "[reserved]" shall replace the title thereto:

- Article 3. Guarantee.

The following provision of the Fifth Supplemental Indenture and all references thereto in the Indenture will be deleted in their entirety and the Company and the Guarantors shall be released from their respective obligations under the following provision of the Fifth Supplemental Indenture with respect to each series of Notes, provided that the article number will remain and the word "[reserved]" shall replace the title thereto:

- Article 3. Guarantee.

Failure to comply with the terms of any of the foregoing provisions of the Indenture shall no longer constitute a default (as defined in the Indenture) or an Event of Default under the Indenture and shall no longer have any other consequence under the Indenture with respect to each series of Notes.

Subsections 501(3)-(7) (inclusive) and subsection 501(10) under Section 501. Events of Default of the Indenture shall be deleted in their entirety with respect to each series of Notes, including all references thereto, provided that the section numbers will remain and the word "[reserved]" shall replace the title thereto. Subsection 501(9) under Section 501. Events of Default shall be amended by replacing the words "Sections 3.04 or 3.05" with the words "Section 3.04" with respect to each series of Notes.

All definitions set forth in the Indenture that relate to defined terms used solely in provisions deleted hereby shall be deleted in their entirety with respect to each series of Notes, including all references thereto.

ARTICLE II

MISCELLANEOUS

Section 2.1 Certain Terms Defined in the Indenture. For purposes of this Supplemental Indenture, all capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Indenture.

Section 2.2 Conflict with Trust Indenture Act . If any provision of this Supplemental Indenture limits, qualifies or conflicts with another provision that is required to be included in this Supplemental Indenture or the Indenture by the Trust Indenture Act of 1939, as amended, as in force at the

date that this Supplemental Indenture is executed, the provisions required by such Trust Indenture Act shall control.

Section 2.3 New York Law to Govern. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York (including without limitation Section 5-1401 of the New York General Obligations Law or any successor to such statute).

Section 2.4 Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 2.5 Separability Clause. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 2.6 Ratification. The Indenture, as supplemented and amended by this Supplemental Indenture, is in all respects ratified and confirmed and shall be read, taken and construed as one and the same instrument.

Section 2.7 Trustee's Disclaimer. The Trustee accepts the amendments of the Indenture effected by this Supplemental Indenture, but on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Company, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Company by action or otherwise, (iii) the due execution hereof by the Company or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.

Section 2.8 Effectiveness; Termination. This Supplemental Indenture shall become effective and binding on the Company, the Guarantors, the Trustee and every Holder of the Notes of each series heretofore or hereafter authenticated and delivered under the Indenture upon the execution and delivery by the parties of this Supplemental Indenture; provided, however, that the Amendments shall become operative only upon the consummation of the Exchange Offers and Consent Solicitations in accordance with the terms and conditions set forth in the Offering Memorandum and Consent Solicitation Statement, including the condition that the Acquisition shall have been consummated.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

ALLERGAN FINANCE, LLC, as the Company

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: President

ALLERGAN PLC, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Executive Vice President and Chief Legal Officer

WARNER CHILCOTT LIMITED, as a Guarantor

By: /s/ A. Robert D. Bailey
Name: A. Robert D. Bailey
Title: Secretary

[Signature Page to Sixth Supplemental Indenture to 2009 Indenture]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[Signature Page to Sixth Supplemental Indenture to 2009 Indenture]

DESCRIPTION OF THE SECURITIES OF ALLERGAN PLC
REGISTERED PURSUANT TO SECTION 12 OF
THE SECURITIES EXCHANGE ACT OF 1934

As of February 17, 2020, Allergan plc ("Allergan," the "Company," "we," "our" and "us") has seven classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (1) ordinary shares; (2) Floating rate notes due 2020 (the "floating rate notes"); (3) 0.500% notes due 2021 (the "2021 notes"); (4) 1.500% notes due 2023 (the "2023 notes"); (5) 1.250% notes due 2024 (the "2024 notes"); (6) 2.625% notes due 2028 (the "2028 notes"); and (7) 2.125% notes due 2029 (the "2029 notes").

Description of Allergan share capital

The following description of our share capital is a summary. You should refer to the provisions of our memorandum and articles of association included as an exhibit to this Form 10-K. Our authorized share capital is €40,000 and US$101,000 divided into 40,000 deferred ordinary shares of €1.00 each, 1,000,000,000 ordinary shares of US$0.0001 each and 10,000,000 serial preferred shares of US$0.0001 each. As of February 12, 2020, we had 332,614,474 issued and outstanding ordinary shares.

Allergan may issue shares subject to the maximum authorized share capital contained in its memorandum and articles of association. The authorized share capital may be increased or reduced (but not below the number of issued ordinary shares, serial preferred shares or deferred ordinary shares, as applicable) by a simple majority of the votes cast at a general meeting at which a quorum is present (referred to under Irish law as an "*ordinary resolution*"). The shares comprising the authorized share capital of Allergan may be divided into shares of such nominal value as the resolution shall prescribe. As a matter of Irish company law, the directors of a company may issue new ordinary, serial preferred or deferred ordinary shares without shareholder approval once authorized to do so by the articles of association or by an ordinary resolution adopted by the shareholders at a general meeting. The authorization may be granted for a maximum period of five years. Upon expiry, the authority may be renewed by shareholders by an ordinary resolution. On May 1, 2019 Allergan shareholders passed an ordinary resolution authorizing the board of directors to issue up to 110,799,177 shares on the basis that such authority would expire 18 months from the passing of the resolution unless previously renewed, varied or revoked.

The rights and restrictions to which the ordinary shares are subject are prescribed in Allergan's articles of association. Allergan's articles of association permit the board of directors, without shareholder approval, to determine certain terms of each series of the serial preferred shares issued by Allergan, including the number of shares, designations, voting rights, dividend rights, liquidation and other rights and redemption, repurchase or exchange rights.

Irish law does not recognize fractional shares held of record. Accordingly, Allergan's articles of association do not provide for the issuance of fractional Allergan ordinary shares, and the official Irish register of Allergan will not reflect any fractional shares.

Whenever an alteration or reorganization of the share capital of Allergan would result in any Allergan shareholder becoming entitled to fractions of a share, the Allergan board of directors may, on behalf of those shareholders that would become entitled to fractions of a share, arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion among the shareholders who would have been entitled to the fractions. For the purpose of any such sale the board may authorize some person to transfer the shares representing fractions to the purchaser, who shall not be

bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

Description of Allergan ordinary shares

General

The following description of our ordinary shares is a summary. You should refer to the provisions of our memorandum and articles of association included as an exhibit to this Form 10-K. Rights under the ordinary shares are subject to the Irish Companies Act 2014, as amended (the "*Irish Companies Act*"), as described herein.

Voting

Allergan's articles of association provide that except where a greater majority is required by the Irish Companies Act or the articles, or where plurality voting is required pursuant to the articles, any question, business or resolution proposed at any general meeting shall be decided by ordinary resolution.

At any meeting of Allergan, all resolutions will be decided on a show of hands unless a poll is demanded by: (i) the chairman, (ii) at least three shareholders present in person or by proxy, (iii) any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at such meeting or (iv) any shareholder or shareholders holding shares in Allergan conferring the right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. If voting takes place on a poll, rather than a show of hands, every shareholder entitled to vote has one vote for each share held unless otherwise provided in Allergan's articles of association. Voting rights may be exercised by shareholders registered in the share register as of the record date for the meeting or by a duly appointed proxy of such a registered shareholder, which proxy need not be a shareholder. All proxies must be appointed in accordance with Allergan's articles of association.

Treasury shares or Allergan ordinary shares that are held by subsidiaries of Allergan will not be entitled to be voted at general meetings of shareholders.

Irish law requires special resolutions (a "*special resolution*" requires the approval of not less than 75% of the votes of Allergan's shareholders cast (in person or by proxy) at a general meeting at which a quorum is present) of the shareholders at a general meeting to approve certain matters. Examples of matters requiring special resolutions include:

(i) amending the objects or memorandum of association of Allergan;

(ii) amending the articles of association of Allergan;

(iii) approving a change of name of Allergan;

(iv) authorizing the entering into of a guarantee or provision of security in connection with a loan, quasi-loan or credit transaction to a director or connected person;

(v) opting out of preemption rights on the issuance of new Allergan shares for cash consideration;

(vi) re-registration of Allergan from a public limited company to a private company;

(vii) variation of class rights attaching to classes of Allergan shares (where the articles of association do not provide otherwise);

(viii) purchase by Allergan of its shares off-market;

(ix) reduction of Allergan's issued share capital;

(x) sanctioning a compromise/scheme of arrangement involving Allergan;

(xi) resolving that Allergan be wound up by the Irish courts;

(xii) resolving in favor of a shareholders' voluntary winding-up;

(xiii) re-designation of Allergan shares into different share classes; and

(xiv) setting the re-issue price of Allergan treasury shares.

Allergan's articles of association provide that anything which may be done by resolution at a general meeting may be done by resolution in writing, but only if it is signed by or on behalf of all of the shareholders who would be entitled to attend the relevant meeting and vote on the relevant resolution, subject to the requirements of the Irish Companies Act.

Under the Allergan articles of association and the Irish Companies Act, any variation of class rights attaching to the issued Allergan ordinary shares must be approved in writing by holders of three-quarters of the issued shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

The provisions of the articles of association of Allergan relating to general meetings apply to general meetings of the holders of any class of shares except that the necessary quorum is determined with reference to the shares of the holders of the class.

Dividend rights

Under Irish law, dividends and distributions may only be made from distributable reserves. Distributable reserves generally means accumulated realized profits less accumulated realized losses and includes reserves created by way of capital reduction. In addition, no distribution or dividend may be made unless the net assets of Allergan are equal to, or in excess of, the aggregate of Allergan's called-up share capital plus undistributable reserves and the distribution does not reduce Allergan's net assets below such aggregate. Undistributable reserves include the share premium account, the capital redemption reserve fund and the amount by which Allergan's accumulated unrealized profits, so far as not previously utilized by any capitalization, exceed Allergan's accumulated unrealized losses, so far as not previously written off in a reduction or reorganization of capital.

The determination as to whether or not Allergan has sufficient distributable reserves to fund a dividend must be made by reference to "relevant accounts" of Allergan. The "relevant accounts" are either the last set of unconsolidated annual audited financial statements or other financial statements properly prepared in accordance with the Irish Companies Act, which give a "true and fair view" of Allergan's unconsolidated financial position and accord with accepted accounting practice. The relevant

accounts must be filed in the Irish Companies Registration Office (the official public registry for companies in Ireland).

Allergan's articles of association authorize the directors to pay interim dividends to the extent they appear justified by profits without shareholder approval. The board of directors may also recommend a dividend to be approved and declared by the Allergan shareholders at a general meeting. The board of directors may direct that the payment be made by distribution of assets, shares or cash and no dividend issued may exceed the amount recommended by the directors. Dividends may be declared and paid in the form of cash or non-cash assets and may be paid in U.S. dollars or any other currency. All holders of Allergan ordinary shares will participate *pro rata* in respect of any dividend which may be declared in respect of ordinary shares by Allergan.

The directors of Allergan may deduct from any dividend payable to any shareholder any amounts payable by such shareholder to Allergan in relation to the Allergan ordinary shares.

Lien on shares, calls on shares and forfeiture of shares

Allergan's articles of association provide that Allergan will have a first and paramount lien on every share for all moneys payable, whether presently due or not, in respect of such Allergan share. Subject to the terms of their allotment, directors may call for any unpaid amounts in respect of any shares to be paid, and if payment is not made, the shares may be forfeited. These provisions are standard inclusions in the articles of association of an Irish company limited by shares, such as Allergan, and will only be applicable to Allergan shares that have not been fully paid up.

Consolidation and division; subdivision

Under its articles of association, Allergan may, by ordinary resolution, consolidate and divide all or any of its issued share capital into shares of a larger amount than its existing shares or subdivide all or any of its issued share capital into shares of a smaller amount than its existing shares.

Transfer and registration of shares

The transfer agent for Allergan maintains the share register, registration in which will be determinative of membership in Allergan. A shareholder of Allergan who holds shares beneficially will not be the holder of record of such shares. Instead, the depository or other nominee will be the holder of record of those shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in Allergan's official share register, as the depository or other nominee will remain the record holder of any such shares.

A written instrument of transfer is required under Irish law in order to register on Allergan's official share register any transfer of shares (i) from a person who holds such shares directly to any other person, (ii) from a person who holds such shares beneficially to a person who holds such shares directly or (iii) from a person who holds such shares beneficially to another person who holds such shares beneficially where the transfer involves a change in the depository or other nominee that is the record owner of the transferred shares. An instrument of transfer is also required for a shareholder who directly holds shares to transfer those shares into his or her own broker account (or vice versa). Such instruments of transfer may give rise to Irish stamp duty, which must be paid prior to registration of the transfer on Allergan's official Irish share register. However, a shareholder who holds shares outside of DTC may transfer those shares into DTC (or vice versa) without giving rise to Irish stamp duty, provided there is no

change in the ultimate beneficial ownership of the shares as a result of the transfer and the transfer is not made in contemplation of a sale of the shares by a beneficial owner to a third party.

Any transfer of Allergan ordinary shares that is subject to Irish stamp duty will not be registered in the name of the buyer unless an instrument of transfer is duly stamped and provided to the transfer agent. Allergan's articles of association allow Allergan, in its absolute discretion, to create an instrument of transfer and pay (or procure the payment of) any stamp duty, which is the legal obligation of a buyer. In the event of any such payment, Allergan is (on behalf of itself or its affiliates) entitled to (i) seek reimbursement from the buyer or seller (at its discretion), (ii) set off the amount of the stamp duty against future dividends payable to the buyer and (iii) claim a lien against the Allergan ordinary shares on which it has paid stamp duty. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in Allergan ordinary shares has been paid unless one or both of such parties is otherwise notified by Allergan.

Allergan's articles of association delegate to Allergan's secretary or assistant secretary the authority to execute an instrument of transfer on behalf of a transferring party.

In order to help ensure that the official share register is regularly updated to reflect trading of Allergan ordinary shares occurring through normal electronic systems, Allergan intends to regularly produce any required instruments of transfer in connection with any transactions for which it pays stamp duty (subject to the reimbursement and set-off rights described above). In the event that Allergan notifies one or both of the parties to a share transfer that it believes stamp duty is required to be paid in connection with the transfer and that it will not pay the stamp duty, the parties may either themselves arrange for the execution of the required instrument of transfer (and may request a form of instrument of transfer from Allergan for this purpose) or request that Allergan execute an instrument of transfer on behalf of the transferring party in a form determined by Allergan. In either event, if the parties to the share transfer have the instrument of transfer duly stamped (to the extent required) and then provide it to Allergan's transfer agent, the buyer will be registered as the legal owner of the relevant shares on Allergan's official Irish share register (subject to the matters described below).

The directors may suspend registration of transfers from time to time, not exceeding 30 days in aggregate each year.

Rights upon liquidation

Allergan's articles of association provide that the ordinary shareholders of Allergan are entitled to participate *pro rata* in a winding up, but their right to do so is subject to the rights of any holders of the serial preferred shares to participate under the terms of any series or class of such shares.

Preemption rights

Under Irish law certain statutory preemption rights apply automatically in favor of shareholders where shares are to be issued for cash. However, a company may opt out of these preemption rights in its articles of association or by way of a special resolution of shareholders for a maximum period of five years. Upon expiry, the opt-out may be renewed by a special resolution of shareholders for a maximum period of five years. On May 1, 2019 Allergan's shareholders passed special resolutions renewing the opt-out (1) in the event of (a) the issuance of shares for cash in connection with any rights issue and (b) the issuance of up to 16,636,513 shares for cash; and (2) the issuance of up to a further 16,636,513 shares in connection with an acquisition or specified capital investment, on the basis that the opt-out would expire 18 months from the passing of the resolution unless previously renewed, varied or revoked.

Statutory preemption rights do not apply where shares are issued for non-cash consideration (such as in a stock-for-stock acquisition) and do not apply to the issue of non-equity shares (that is, shares that have the right to participate only up to a specified amount in any income or capital distribution) or where shares are issued pursuant to an employee option or similar equity plan.

Anti-takeover provisions

Allergan's articles of association contain provisions that could have the effect of deterring coercive takeover practices, inadequate takeover bids and unsolicited offers. These provisions include, amongst others:

- provisions of its articles of association which allow the board of directors to adopt a shareholder rights plan (commonly known as a "poison pill") upon such terms and conditions as it deems expedient and in Allergan's best interests;
- rules regarding how Allergan shareholders may present proposals or nominate directors for election at shareholder meetings;
- the right of the board of directors to issue preferred shares without shareholder approval in certain circumstances, subject to applicable law; and
- the ability of the board of directors to fill vacancies on the board of directors without shareholder approval in certain circumstances.

These provisions do not make Allergan immune from takeovers. However, these provisions will apply even if a takeover offer may be considered beneficial by some shareholders and could delay or prevent an acquisition that the board of directors determines is not in Allergan's or its shareholders best interests. These provisions may also prevent or discourage attempts to remove and replace incumbent directors.

In addition, several mandatory provisions of Irish law could prevent or delay an acquisition of Allergan. For example, Irish law does not permit shareholders of an Irish public limited company to take action by written consent with less than unanimous consent. Allergan is also subject to various provisions of Irish law relating to mandatory bids, voluntary bids, requirements to make a cash offer and minimum price requirements, as well as substantial acquisition rules and rules requiring the disclosure of interests in its ordinary shares in certain circumstances. Also, as an Irish company, Allergan may only alter its memorandum and articles of association by special resolution.

Description of Allergan Funding SCS Debt Securities

Description of the 2021 notes, the 2024 notes and the 2029 notes

The following briefly summarizes certain terms of the 2021 notes, the 2024 notes and the 2029 notes. The 2021 notes, 2024 notes and 2029 notes together are referred to under this "Description of the 2021 notes, the 2024 notes and the 2029 notes" as the "notes". This summary does not describe every aspect of the notes and is subject, and is qualified in its entirety by reference, to the prospectus of Allergan Funding SCS, dated as of February 19, 2015, and the prospectus supplement of Allergan Funding SCS, dated as of May 23, 2017 and the definitive documents related to such notes.

The terms of the notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

For purposes of this description, references to (i) "Allergan plc" are to our indirect parent, Allergan plc, an Irish public limited company, and not to any of its current or future subsidiaries, (ii) "Allergan SCS," "we," "us" and "our" are to Allergan Funding SCS, a limited partnership (société en commandite simple) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 46A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B187.310 and not to any of its current or future subsidiaries, (iii) "Warner Chilcott" are to our indirect parent, Warner Chilcott Limited, a Bermuda exempted company limited by shares and incorporated in Bermuda under registration number 36006, and not to any of its current or future subsidiaries, (iv) "Allergan Capital" are to our indirect parent, Allergan Capital S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 178.410 and not to any of its current or future subsidiaries and (v) "Allergan Finance" are to Allergan Finance, LLC, a Nevada limited liability company, and an indirect subsidiary of Allergan Capital (but not a subsidiary of ours), and not to any of its current or future subsidiaries.

General

The notes have each been issued as a separate series of debt securities under the indenture referred to below in fully registered form in minimum denominations of €100,000 and multiples of €1,000 in excess thereof. The notes are our direct unsecured obligations and are fully and unconditionally guaranteed on an unsecured, unsubordinated basis by Warner Chilcott, Allergan Capital and Allergan Finance (each, a "guarantor", and such person's guarantee of the notes, a "Guarantee"). The notes will mature on the dates set forth below. The notes were issued under a base indenture, dated as of March 12, 2015, and the third supplemental indenture, dated May 26, 2017, among us, Warner Chilcott, Allergan Capital and Allergan Finance, each as guarantors, and Wells Fargo Bank, National Association, as trustee (in such capacity, the "trustee"). References to "indenture" in this "Description of the 2021 notes, the 2024 notes and the 2029 notes" are to the base indenture as so supplemented.

The indenture does not limit our ability to incur additional indebtedness.

Wells Fargo Bank, National Association is acting as trustee for the notes. Upon notice to the trustee, we may change the paying agent, registrar or transfer agent. The Trustee and/or its affiliates have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending and/or commercial banking services, or other services for us, Allergan plc and our and

its subsidiaries, for which they have received and may in the future receive, customary compensation and expense reimbursement.

Principal amount; maturity and interest

We issued and have outstanding as of the date hereof €750,000,000 in aggregate principal amount of the 2021 notes, €700,000,000 in aggregate principal amount of the 2024 notes and €550,000,000 in aggregate principal amount of the 2029 notes. The 2021 notes will mature on June 1, 2021, the 2024 notes will mature on June 1, 2024 and the 2029 notes will mature on June 1, 2029. Interest on the 2021 notes accrues at the rate of 0.500% per annum, interest on the 2024 notes accrues at the rate of 1.250% per annum and interest on the 2029 notes accrues at the rate of 2.125% per annum.

We will pay interest on the notes annually in arrears on June 1 of each year to the record holders at the close of business on the preceding May 15 (whether or not a business day). Interest on the notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the notes (or May 26, 2017, if no interest has been paid on the notes), to, but excluding, the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

If any interest payment date, redemption date or maturity date of the notes falls on a day that is not a business day, the payment of any required amount on such date shall be postponed to the next succeeding business day, and no interest on such amount shall accrue for the period from such date to such next succeeding business day. For purposes of the notes, a "business day" is any day (1) that is not a Saturday, Sunday or other day on which banking institutions in New York City, London or another place of payment on the notes are authorized or required by law to close and (2) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (the "TARGET2 System"), or any successor thereto, is open.

Issuance in euro; payment on the notes

Initial holders were required to pay for the notes in euros, and all payments of principal of, and premium, if any, and interest on, the notes, and additional amounts, if any, including any payments made upon any redemption of the notes will be payable in euros; provided that if on or after the issue date of the notes the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars at the rate mandated by the U.S. Federal Reserve Board as of the close of business on the second business day prior to the relevant payment date or, in the event the U.S. Federal Reserve Board has not mandated a rate of conversion, on the basis of the most recent U.S. dollar/euro exchange rate published in *The Wall Street Journal* on or prior to the second business day prior to the relevant payment date. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the notes or the indenture. Neither the trustee nor the paying agent will have any responsibility for any calculation or conversion in connection with the foregoing.

Optional redemption

We have the right to redeem the notes, in whole at any time or in part from time to time, at our option, on at least 15 days but no more than 60 days prior written notice mailed or sent electronically to the registered holders of the notes to be redeemed. Upon redemption of any 2021 notes prior to May 1, 2021 (1 month prior to their maturity date), the 2024 notes prior to March 1, 2024 (3 months prior to their maturity date) and the 2029 notes prior to March 1, 2029 (3 months prior to their maturity date), we will pay a redemption price equal to the greater of:

(1) 100% of the principal amount of the notes to be redeemed, and

(2) the sum of the present values of the Remaining Scheduled Payments (as defined below) of the notes to be redeemed, discounted to the date of redemption on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate (as defined below), plus 20 basis points, in the case of the 2021 notes, 25 basis points, in the case of the 2024 notes, and 30 basis points, in the case of the 2029 notes,

plus, accrued and unpaid interest, if any, to, but excluding, the redemption date.

In addition, we have the right to redeem the 2021 notes on or after May 1, 2021 (1 month prior to their maturity date), the 2024 notes on or after March 1, 2024 (3 months prior to their maturity date) and the 2029 notes on or after March 1, 2029 (3 months prior to their maturity date), in each case, in whole at any time or in part from time to time, at our option, on at least 15 days but no more than 60 days prior written notice or sent electronically mailed to the registered holders of the notes to be redeemed, at a redemption price equal to 100% of the aggregate principal amount of the notes being redeemed plus, in each case, accrued and unpaid interest, if any, to, but excluding, the redemption date. Any redemption or notice may, at our discretion, be subject to one or more conditions precedent and, at our discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied. The issuer shall provide written notice to the Trustee prior to the close of business two Business Days prior to the Redemption Date if any such redemption has been rescinded or delayed, and upon receipt the Trustee shall provide such notice to each Holder of the Notes in the same manner in which the notice of redemption was given.

Notwithstanding the two immediately preceding paragraphs, installments of interest on the notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to such notes and the indenture.

If less than all of any series of notes are to be redeemed, the notes to be redeemed shall be selected by the trustee on a *pro rata* basis (or, in the case of notes issued in global form as discussed under the indenture, beneficial interests therein shall be selected for redemption by Clearstream and Euroclear (each as defined in the indenture) in accordance with their respective applicable procedures therefor). If the notes to be redeemed are listed on a securities exchange, Euroclear or Clearstream will select notes in compliance with the requirements of the principal national securities exchange on which the notes are listed. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

Except as described above and in the case of certain changes in withholding tax laws, the notes will not be redeemable at our option prior to maturity. See "—Optional redemption for changes in

withholding taxes" for a description of the optional redemption of the notes in the event of certain tax developments.

Certain covenants

Limitations on liens

Warner Chilcott will not, and will not permit any of its subsidiaries, including Allergan SCS, the issuer of the notes, and Allergan Capital and Allergan Finance, together with Warner Chilcott, the guarantors of the notes, to, create, incur, assume or otherwise cause to become effective any Lien (as defined below) (other than permitted Liens) on any property or assets, now owned or hereafter acquired, to secure any indebtedness of Warner Chilcott, any of its subsidiaries or any indebtedness of any other Person (as defined below), unless Warner Chilcott or such subsidiary also secures all payments due under the indenture, the notes and the Guarantees, on an equal and ratable basis with such other indebtedness so secured (or, in the case of indebtedness subordinated to the notes or the Guarantees, prior or senior thereto, with the same relative priority as the notes and the Guarantees, will have with respect to such subordinated indebtedness) for so long as such other indebtedness shall be so secured.

The indenture contains the following exceptions to the foregoing prohibition:

(a) with respect to each series of notes, Liens existing on the date of first issuance of such notes;

(b) Liens on property owned or leased by a Person existing at the time such Person is merged with or into or consolidated with Warner Chilcott or any subsidiary of Warner Chilcott; *provided* that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with Warner Chilcott or such subsidiary;

(c) Liens on property existing at the time of acquisition thereof by Warner Chilcott or any subsidiary of Warner Chilcott, *provided* that such Liens were in existence prior to the contemplation of such acquisition and do not extend to any property other than the property so acquired by Warner Chilcott or such subsidiary;

(d) Liens to secure indebtedness incurred prior to, at the time of or within 18 months after the acquisition of any property or the completion of the construction, alteration, repair or improvement of any property, as the case may be, for the purpose of financing all or a part of the purchase price or cost thereof and Liens to the extent they secure indebtedness in excess of such purchase price or cost and for the payment of which recourse may be had only against such property;

(e) Liens in favor of or required by contracts with governmental entities;

(f) any Lien securing indebtedness of a subsidiary owing to Warner Chilcott or to one or more of Warner Chilcott 's subsidiaries;

(g) with respect to any particular series of notes, any Lien incurred in connection with any acquisition or investment specified in the supplemental indenture with respect to such notes that is not otherwise prohibited by the indenture;

(h) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (g) above, inclusive, so long as (1) the principal amount of the indebtedness secured thereby does not exceed the principal amount of indebtedness so secured at the time of the extension, renewal or replacement (except that, where an additional principal amount of indebtedness is incurred to provide funds for the completion of a specific project, the additional principal amount, and any related financing costs, may be secured by the Lien as well) and (2) the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (and improvements on the property); and

(i) any Lien that would not otherwise be permitted by clauses (a) through (h) above, inclusive, securing indebtedness which, together with:

- the aggregate outstanding principal amount of all other indebtedness of Warner Chilcott and its subsidiaries owning property which would otherwise be subject to the foregoing restrictions absent this clause (i), and
- the aggregate Value (as defined below) of existing Sale and Leaseback Transactions (as defined in the indenture) which would be subject to the foregoing restrictions absent this clause (i),

does not exceed the greater of $750 million or 15% of Warner Chilcott's Consolidated Net Worth (as defined below).

Definition of certain terms

Set forth below are certain defined terms used in this "Description of the 2021 notes, the 2024 notes and the 2029 notes" and the indenture.

"*Capital Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with U.S. GAAP, or to the extent that IFRS has been adopted by Warner Chilcott with respect to its financial statements in lieu of U.S. GAAP, in accordance with IFRS; *provided* that, notwithstanding anything to the contrary contained herein, leases will be accounted for using accounting principles as in effect on March 12, 2015.

"*Comparable Government Bond*" means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an Independent Investment Banker, a German government bond whose maturity is closest to the maturity of the applicable series of notes to be redeemed, or if such Independent Investment Banker in its discretion determines that such similar bond is not in issue, such other German government bond as such Independent Investment Banker may, with the advice of the Reference Bond Dealers, determine to be appropriate for determining the Comparable Government Bond Rate.

"*Comparable Government Bond Rate*" means the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by the Independent Investment Banker.

"*Consolidated Net Worth*" means, with respect to any Person, the amount of total assets less the amount of total liabilities as shown on the consolidated balance sheet of such Person, as set forth on the most recent consolidated balance sheet of such Person determined in accordance with U.S. GAAP, or to the extent that IFRS has been adopted by Warner Chilcott with respect to its financial statements in lieu of U.S. GAAP, in accordance with IFRS.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;

(2) commodity swap agreements, commodity option agreements, forward contracts and other agreements or arrangements with respect to commodity prices; and

(3) foreign exchange contracts, currency swap agreements and other agreements or arrangements with respect to foreign currency exchange rates.

"*IFRS*" means international financial reporting standards promulgated by the International Accounting Standards Board, or any successor board or agency, as adopted by the European Union, which are in effect from time to time.

"*indebtedness*" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) in respect of Capital Lease Obligations;

(5) in respect of the balance deferred and unpaid of the purchase price of any property or services, except any such balance that constitutes an accrued expense or trade payable; and

(6) representing Hedging Obligations.

In addition, the term "indebtedness" includes (x) all indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such indebtedness is assumed by the specified Person), *provided* that the amount of such indebtedness will be the lesser of (A) the fair market value of such asset at such date of determination and (B) the amount of such indebtedness, and (y) to the extent not otherwise included, the guarantee by the specified Person of any indebtedness of any other Person.

"*Independent Investment Banker*" means the Reference Bond Dealer appointed by us.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected

under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"*Person*" means any individual, corporation, partnership, limited liability company, joint stock company, business trust, trust, unincorporated association, joint venture or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"*Reference Bond Dealer*" means each of Morgan Stanley & Co. International plc, Barclays Bank PLC, HSBC Bank plc and a primary U.S. government securities dealer selected by BNP Paribas and approved by Allergan Funding SCS that is a primary U.S. government securities dealer in New York City, and their respective successors.

"*Remaining Scheduled Payments*" means, with respect to each note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date for such redemption; *provided, however*, that, if such redemption date is not an interest payment date with respect to such note, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to such redemption date.

"*subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*U.S. GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Value*" means, with respect to a Sale and Leaseback Transaction, an amount equal to the net present value of the lease payments with respect to the term of the lease remaining on the date as of which the amount is being determined, without regard to any renewal or extension options contained in the lease, discounted at the weighted average interest rate on the notes of all series which are outstanding on the effective date of such Sale and Leaseback Transaction.

Additional amounts

All payments required to be made by us under or with respect to the notes or by any guarantor under or with respect to a Guarantee (each of us or such guarantor and, in each case, any successor thereof, making such payment, the "Payor"), will be made free and clear of, and without withholding or deduction for or on account of, any taxes imposed or levied by or on behalf of any authority or agency having power to tax within any jurisdiction in which any Payor is incorporated, organized or otherwise resident for tax purposes, or within any jurisdiction imposing or levying any tax solely due to the Payor being treated as engaged in business in such jurisdiction for tax purposes, or any jurisdiction from or through which payment is made by or on behalf of such Payor (each a "Relevant Taxing Jurisdiction"), unless such Payor is required to withhold or deduct such taxes by law or regulation.

If a Payor is so required to withhold or deduct any amount for or on account of taxes imposed or levied by or on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the notes or a Guarantee, as applicable, such Payor will be required to pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by any holder (including Additional Amounts) after such withholding or deduction will not be less than the amount the holder or beneficial owner would have received if such taxes had not been withheld or deducted; provided, however, that the foregoing obligation to pay Additional Amounts does not apply to:

(a) any taxes that would not have been (or would not be required to be) so imposed, withheld, deducted or levied but for the existence of any present or former connection between the relevant holder or beneficial owner (or between a fiduciary, settlor, beneficiary, partner, member or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership, company or corporation) and the Relevant Taxing Jurisdiction, including, without limitation, such holder or beneficial owner being or having been a citizen, domiciliary, national or resident thereof, or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein (other than any connection arising solely from the acquisition or holding of any note, the receipt of any payments in respect of such note or Guarantee or the exercise or enforcement of rights under a Guarantee);

(b) any estate, inheritance, gift, sales, transfer, personal property or similar tax or assessment;

(c) any taxes which are payable other than by withholding or deduction from payments made under or with respect to the notes or any Guarantee;

(d) any taxes that would not have been (or would not be required to be) imposed, withheld, deducted or levied if such holder or the beneficial owner of any note or interest therein (i) complied with all reasonable written requests by the Payor (made at a time that would enable the holder or beneficial owner acting reasonably to comply with such request) to provide timely and accurate information or documentation concerning the nationality, residence or identity of such holder or beneficial owner (including IRS Form W-8BEN or W-8BEN-E) or (ii) made any declaration or similar claim or satisfied any certification, information or reporting requirement, which in the case of (i) or (ii), is required or imposed by a statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of withholding or deduction of, all or part of such taxes;

(e) any taxes imposed or withheld on or with respect to a payment which could have been made without deduction or withholding if the beneficiary of the payment had presented the note for payment (where presentation is required) within 30 days after the date on which such payment or such note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the holder or beneficial owner would have been entitled to Additional Amounts had the note been presented on any day during the 30-day period);

(f) any taxes imposed on or with respect to any payment made under or with respect to such note or Guarantee to any holder who is a fiduciary or partnership or any Person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such note;

(g) any taxes payable under Sections 1471-1474 of the Code, as of the issue date of the notes (or any amended or successor version), any regulations or official interpretations thereof, any intergovernmental agreement entered into in connection therewith, or any law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code;

(h) any taxes imposed by the United States or any political subdivision thereof; or

(i) any taxes imposed or levied by reason of any combination of clauses (a) through (h) above.

The Payor will pay any present or future stamp, issue, registration, excise, property, court or documentary taxes, or similar taxes, charges or levies and interest, penalties and other reasonable expenses related thereto that arise in or are levied by any Relevant Taxing Jurisdiction on the execution, issuance, delivery, enforcement or registration of the notes, the indenture, the Guarantees or any other document or instrument in relation thereto (other than on a transfer or assignment of the notes of any series after the offering thereof).

The Payor will make or cause to be made any withholding or deduction required in respect of taxes, and remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction, in accordance with applicable law. Upon request, the Payor will use reasonable efforts to provide, within a reasonable time after the date the payment of any such taxes so deducted or withheld is made, the trustee with official receipts or other documentation evidencing the payment of the taxes so deducted or withheld.

If any Payor will be obligated to pay Additional Amounts under or with respect to any payment made on the notes, the Payor will deliver to the paying agent with a copy to the trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 45th day prior to that payment date, in which case the Payor shall notify the paying agent and the trustee promptly thereafter) a certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable and such other information reasonably necessary to enable the paying agent to pay Additional Amounts to holders or beneficial owners on the relevant payment date.

Whenever in the indenture or this “Description of the 2021 notes, the 2024 notes and the 2029 notes” there is mentioned, in any context:

(a) the payment of principal;

(b) the payment of interest; or

(c) any other amount payable on or with respect to any of the notes,

such reference will be deemed to include payment of Additional Amounts as described under this section "—Additional amounts," to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The obligations described under this section "—Additional amounts" will survive any termination, defeasance or discharge of the indenture or any Guarantee and will apply mutatis mutandis to any jurisdiction in which any successor Person (as defined under "—Definition of certain terms") to the Payor is incorporated, organized or otherwise resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

Optional redemption for changes in withholding taxes

We are entitled to redeem any series of notes, at our option, at any time in whole but not in part, upon not less than 30 nor more than 60 days' notice to the holders, at a redemption price equal to 100% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, to the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in the event any Payor has become or would become obligated to pay, on the next date on which any amount would be payable with respect to such series of notes, any Additional Amounts (but, in the case of a guarantor, only if such amount could not be paid by us or another guarantor who can pay such amount without the obligation to pay Additional Amounts), in each case, as a result of:

(a) a change in, or an amendment to, the laws (including any regulations or rulings promulgated thereunder) or treaties of any Relevant Taxing Jurisdiction; or

(b) any change in, amendment to, or introduction of any official published position regarding the application, administration or interpretation of such laws (including any regulations or rulings promulgated thereunder and including the decision of any court, governmental agency or tribunal),

which change, amendment or introduction is publicly announced or becomes effective on or after the date of the indenture or the relevant supplemental indenture relating to the original issuance of the affected series of notes and the Payor cannot avoid such obligation by taking reasonable measures available to it (including making payment through a Paying Agent located in another jurisdiction). The foregoing provisions will apply *mutatis mutandis* to the laws and official positions of any jurisdiction in which any successor permitted under the indenture is incorporated, organized or otherwise resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

Prior to the giving of any notice of redemption described in the preceding paragraph, we will deliver to the trustee an officer's certificate to the effect that the Payor cannot avoid its obligation to pay Additional Amounts by taking reasonable measures available to it. We will also deliver to the trustee an opinion of counsel of recognized standing to the effect that the Payor would be obligated to pay Additional Amounts as a result of a change, amendment, or introduction described above. Absent

manifest error, the trustee will accept such opinion as sufficient evidence of the Payor's obligations, to pay such Additional Amounts, and it will be conclusive and binding on the holders.

Events of default

The indenture defines an Event of Default with respect to each series of the notes as any one of the following events:

- Default in the payment of the principal or any premium on the notes of such series when due (whether at maturity, upon acceleration, redemption or otherwise).
- Default for 30 days in the payment of any interest on a note of that series when due.
- Failure by us or any guarantor to comply with Section 4.11 of the indenture (as modified by each note) above.
- Failure by us or any guarantor, as applicable, to observe or perform any other term of the indenture (other than a covenant or agreement in respect of which such non-compliance would otherwise be an Event of Default) for a period of 60 days after we receive a notice of default stating we are in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of the notes of that series.
- Default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness of Warner Chilcott, Allergan Capital, us or Allergan Finance (or the payment of which is guaranteed by us or any guarantor), whether such indebtedness or guarantee now exists or is created after the issue date of such series of notes, if that default:

  (i) is caused by a failure to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise, and after giving effect to applicable grace periods) of such indebtedness (a "Payment Default"); or

  (ii) results in the acceleration of such indebtedness prior to its scheduled maturity,

and, in each case, the amount of any such indebtedness, together with the amount of any other indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $300 million or more; *provided*, however, that, if the default under the mortgage, indenture or instrument is cured by us or the applicable guarantor, or waived by the holders of the indebtedness, in each case as permitted by the governing mortgage, indenture or instrument, then the Event of Default caused by such default will be deemed likewise to be cured or waived.

- Failure by Warner Chilcott, Allergan Capital, us or Allergan Finance to pay or discharge any final judgment or order (to the extent any such judgment or order is not paid or covered by insurance provided by a reputable carrier that has the ability to perform and has acknowledged coverage in writing) aggregating in excess of $300 million which judgments are not paid, discharged or stayed for a period of 60 days.
- Except as permitted by the indenture, any Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any

guarantor, or any person acting on behalf of any guarantor, denies or disaffirms its obligations under its Guarantee.

- Certain events in bankruptcy, insolvency or reorganization with respect to Warner Chilcott, Allergan Capital, us or Allergan Finance

An Event of Default under one series of notes will not necessarily constitute an Event of Default under any other series of notes. The indenture provides that the trustee may withhold notice to the holders of any series of notes issued thereunder of any default if and so long as the trustee in good faith determines that withholding the notice is in the interests of the holders of the notes of such series; *provided* that the trustee may not withhold notice of default in payment of the principal, premium, if any, interest, if any, on any of the notes of that series.

We are required to deliver to the trustee annually a statement regarding compliance with the indenture. Upon becoming aware of any default or Event of Default, we are required to deliver to the trustee a statement specifying such default or Event of Default.

Description of the floating rate notes, the 2023 notes and the 2028 notes

The following briefly summarizes certain terms of the floating rate notes, the 2023 notes and the 2028 notes. The 2023 notes and the 2028 notes together are referred to under this "Description of the floating rate notes, the 2023 notes and the 2028 notes" as the "fixed rate notes" and the fixed rate notes together with the floating rate notes are referred to as the "notes". This summary does not describe every aspect of the notes and is subject, and is qualified in its entirety by reference, to the prospectus of Allergan Funding SCS, dated as of February 16, 2018, and the prospectus supplement of Allergan Funding SCS, dated as of November 8, 2018 and the definitive documents related to such notes.

The terms of the notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

For purposes of this description, references to (i) "Allergan plc" are to our indirect parent, Allergan plc, an Irish public limited company, and not to any of its current or future subsidiaries, (ii) "Allergan SCS," "we," "us" and "our" are to Allergan Funding SCS, a limited partnership (société en commandite simple) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 46A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B187.310 and not to any of its current or future subsidiaries, (iii) "Warner Chilcott" are to our indirect parent, Warner Chilcott Limited, a Bermuda exempted company limited by shares and incorporated in Bermuda under registration number 36006, and not to any of its current or future subsidiaries, (iv) "Allergan Capital" are to our indirect parent, Allergan Capital S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 178.410 and not to any of its current or future subsidiaries and (v) "Allergan Finance" are to Allergan Finance, LLC, a Nevada limited liability company, and an indirect subsidiary of Allergan Capital (but not a subsidiary of ours), and not to any of its current or future subsidiaries.

General

The notes have each been issued as a separate series of debt securities under the indenture referred to below in fully registered form in minimum denominations of €100,000 and multiples of €1,000 in excess thereof. The notes are our direct unsecured obligations and are fully and unconditionally guaranteed on an unsecured, unsubordinated basis by Warner Chilcott, Allergan Capital and Allergan Finance (each, a "guarantor", and such person's guarantee of the notes, a "Guarantee"). The notes will mature on the dates set forth below. The notes were issued under a base indenture, dated as of March 12, 2015, and the fourth supplemental indenture, dated November 15, 2018, among us, Warner Chilcott, Allergan Capital and Allergan Finance, each as guarantors, and Wells Fargo Bank, National Association, as trustee (in such capacity, the "trustee"). References to "indenture" in this "Description of the floating rate notes, the 2023 notes and the 2028 notes" are to the base indenture as so supplemented.

The indenture does not limit our ability to incur additional indebtedness.

Wells Fargo Bank, National Association is acting as trustee for the notes. Upon notice to the trustee, we may change the paying agent, registrar or transfer agent. The Trustee and/or its affiliates have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending and/or commercial banking services, or other services for us, Allergan plc and our and

its subsidiaries, for which they have received, and may in the future receive, customary compensation and expense reimbursement.

Principal amount; maturity and interest

Fixed rate notes

We issued and have outstanding as of the date hereof €500,000,000 in aggregate principal amount of the 2023 notes and €500,000,000 in aggregate principal amount of the 2028 notes. The 2023 notes will mature on November 15, 2023, and the 2028 notes will mature on November 15, 2028. Interest on the 2023 notes accrues at the rate of 1.500% per annum and interest on the 2028 notes accrues at the rate of 2.625% per annum.

We will pay interest on the fixed rate notes annually in arrears on November 15 of each year to the record holders at the close of business on the preceding November 1 (whether or not a business day). Interest on the fixed rate notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the notes (or November 15, 2018, if no interest has been paid on the notes), to, but excluding, the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

If any interest payment date, redemption date or maturity date of the fixed rate notes falls on a day that is not a business day, the payment of any required amount on such date shall be postponed to the next succeeding business day, and no interest on such amount shall accrue for the period from such date to such next succeeding business day. For purposes of the fixed rate notes, a "business day" is any day (1) that is not a Saturday, Sunday or other day on which banking institutions in New York City, London or another place of payment on the notes are authorized or required by law to close and (2) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (the "TARGET2 System"), or any successor thereto, is open.

Floating rate notes

We issued and have outstanding as of the date hereof floating rate notes with an aggregate principal amount of €700,000,000. The floating rate notes will mature on November 15, 2020.

The floating rate notes bear interest at a variable rate. The interest rate for any such floating rate notes for a particular interest period will be a per annum rate equal to EURIBOR as determined on the applicable interest determination date by the calculation agent appointed by us, which initially will be the paying agent, plus 0.350%. The interest rate on any such floating rate notes will be reset on the first day of each interest period other than the initial interest period. Interest on any such floating rate notes will be payable quarterly on February 15, May 15, August 15 and November 15 of each year. An interest period is the period commencing on an interest payment date (or, in the case of the initial interest period, commencing on November 15, 2018) and ending on the day preceding the next interest payment date. The initial interest period for any such floating rate notes was November 15, 2018 through February 14, 2019. The interest determination date for an interest period will be the second TARGET System Day preceding the first day of such interest period (the "interest determination date"). All payments of interest on the floating rate notes due on any interest payment date will be made to the persons in whose names the floating rate notes are registered at the close of business on the 15th calendar day immediately preceding the interest payment date (whether or not a business day). However, interest that we pay on the maturity date will be payable to the person to whom the principal will be payable. The amount of interest for each

day that the floating notes are outstanding (the "daily interest amount") will be calculated by dividing the interest rate in effect for such day by 360 and multiplying the result by the principal amount of the floating notes outstanding on such day. The amount of interest to be paid on the floating notes for each interest period will be calculated by adding such daily interest amounts for each day in such interest.

If any interest payment date, other than the maturity date of the floating rate notes falls on a day that is not a business day, the interest payment date will be postponed to the next day that is a business day, except that if that business day is in the next succeeding calendar month, the interest payment date will be the immediately preceding business day. If the maturity date of the floating rate notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day, and no interest on such payment will accrue for the period from and after the maturity date. If any such interest payment date (other than the maturity date) is postponed or brought forward as described above, the amount of interest for the relevant interest period will be adjusted accordingly. With respect to the floating rate notes, "business day" is any day (1) that is not a Saturday, Sunday or other day on which banking institutions in New York City, London or another place of payment on the notes are authorized or required by law to close and (2) on which the TARGET2 System, or any successor thereto, is open.

The interest rate for the floating rate notes for a particular interest period will be equal to three-month EURIBOR as determined on the interest determination date by the calculation agent, plus 0.350%; provided, however, that the minimum interest rate on the floating rate notes shall not be less than 0.000%. A "TARGET System Day" is any day in which the TARGET2 System, or any successor thereto, is open for business and a day on which commercial banks are open for dealings in euro deposits in the London interbank market. With respect to notes in certificated form, the reference to business day will also mean a day on which banking institutions generally are open for business in the location of each office of a transfer agent, but only with respect to a payment or other action to occur at that office.

"EURIBOR," with respect to any interest determination date, will be the offered rate for deposits of euros having a maturity of three months that appears on "Reuters Page EURIBOR 01" (or such other page as may replace "Reuters Page EURIBOR 01" on such service or any successor service for the purpose of displaying eurozone interbank offered rates for euro-denominated deposits of major banks) at approximately 11:00 a.m., Brussels time, on such interest determination date.

If no offered rate appears on "Reuters Page EURIBOR 01" on an interest determination date, EURIBOR will be determined for such interest determination date on the basis of the rates at approximately 11:00 a.m., Brussels time, on such interest determination date at which deposits in euros are offered to prime banks in the eurozone inter-bank market by the principal eurozone office of each of four major banks in such market selected and identified by us (the "Reference Banks"), for a term of three months commencing on the first day of the applicable interest period and in a principal amount of not less than €1,000,000 that is representative for a single transaction in euros in such market at such time. We will ensure the calculation agent is provided with the complete contact details of the relevant personnel at each of the Reference Banks that they will be required to contact in order to obtain the relevant interest rate. The calculation agent will request the principal eurozone office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, EURIBOR for such interest period will be the arithmetic mean (rounded upwards) of such quotations. If fewer than two such quotations are provided, EURIBOR for such interest period will be the arithmetic mean (rounded upwards) of the rates quoted at approximately 11:00 a.m., Brussels time, on such interest determination date by three major banks in the eurozone, selected and identified by us, for loans in euros to leading European banks, for a term of three months, commencing on the first day of the applicable interest period and in a principal amount of not less than €1,000,000 that is representative for a single transaction in euros in such market at

such time; provided, however, that if the banks so selected are not quoting as mentioned above, the interest rate will be the same as the interest rate for the immediately preceding interest period.

Notwithstanding the paragraph immediately above, if we, in our sole discretion, determine that EURIBOR has been permanently discontinued and we have notified the calculation agent of such determination (a "EURIBOR Event"), the calculation agent will use, as a substitute for EURIBOR (the "Alternate Rate") for each future interest determination date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) that is consistent with market practice regarding a substitute for EURIBOR. As part of such substitution, the calculation agent may make such adjustments to the Alternate Rate or the spread thereon, as well as the business day convention, interest determination dates and related provisions and definitions, in each case that are consistent with market practice for the use of such Alternate Rate. If a EURIBOR Event has occurred, but for any reason an Alternate Rate has not been determined, the rate of EURIBOR for the next interest period will be set equal to the rate of EURIBOR for the then current interest period. All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 8.986865% (or 0.08986865) being rounded to 8.98687% (or 0.0898687)) and all euro amounts used in or resulting from such calculation will be rounded to the nearest cent (with one-half cent being rounded upwards). Promptly upon determination, the calculation agent will inform the trustee, if applicable, and us of the interest rate for the next interest period.

The interest rate on the floating rate notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States laws of general application.

The calculation agent will, upon the request of any holder of the floating rate notes, provide the interest rate then in effect with respect to such floating rate notes. All calculations made by the calculation agent in the absence of manifest error will be conclusive for all purposes and binding on the trustee, us and the holders of the floating rate notes. In the event that any then acting calculation agent shall be unable or unwilling to act, or that such calculation agent shall fail duly to establish the interest rate then in effect for any interest period, or that we propose to remove such calculation agent, we shall appoint another person which is a bank, trust company, investment banking firm or other financial institution to act as the calculation agent.

By its acquisition of the notes, each holder of the notes (including each holder of a beneficial interest in the notes) acknowledges, accepts, consents and agrees to be bound by the calculation agent's determination of the Alternate Rate and any adjustments thereto, including as may occur without any prior notice from us and without the need for us to obtain any further consent from such holder of notes. The calculation agent shall not be liable to any holder of the notes (including each holder of a beneficial interest in the notes) for its determination and application of an Alternative Rate.

Issuance in euro; payment on the notes

Initial holders were required to pay for the notes in euros, and all payments of principal of, and premium, if any, and interest on, the notes, and additional amounts, if any, including any payments made upon any redemption of the notes will be payable in euros; provided that if on or after the issue date of the notes the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. In such circumstances,

the amount payable on any date in euro will be converted into U.S. dollars at the rate mandated by the U.S. Federal Reserve Board as of the close of business on the second business day prior to the relevant payment date or, in the event the U.S. Federal Reserve Board has not mandated a rate of conversion, on the basis of the most recent U.S. dollar/euro exchange rate published in The Wall Street Journal on or prior to the second business day prior to the relevant payment date. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the notes or the indenture. Neither the trustee nor the paying agent will have any responsibility for any calculation or conversion in connection with the foregoing.

Optional redemption

Fixed rate notes

We have the right to redeem the fixed rate notes, in whole at any time or in part from time to time, at our option, on at least 15 days but no more than 60 days prior written notice mailed or sent electronically to the registered holders of the notes to be redeemed. Upon redemption of any 2023 notes prior to October 15, 2023 (1 month prior to their maturity date) and the 2028 notes prior to August 15, 2028 (3 months prior to their maturity date), we will pay a redemption price equal to the greater of:

(1) 100% of the aggregate principal amount of the notes to be redeemed, and

(2) the sum of the present values of the Remaining Scheduled Payments (as defined below) of the notes to be redeemed, discounted to the date of redemption on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate (as defined below), plus 25 basis points, in the case of the 2023 notes, and 35 basis points, in the case of the 2028 notes, in each case, *plus*, accrued and unpaid interest, if any, to, but excluding, the redemption date.

In addition, we have the right to redeem the 2023 notes on or after October 15, 2023 (1 month prior to their maturity date) and the 2028 notes on or after August 15, 2028 (3 months prior to their maturity date), in each case, in whole at any time or in part from time to time, at our option, on at least 15 days but no more than 60 days prior written notice or sent electronically mailed to the registered holders of the notes to be redeemed, at a redemption price equal to 100% of the aggregate principal amount of the notes being redeemed plus, in each case, accrued and unpaid interest, if any, to, but excluding, the redemption date. Any redemption or notice may, at our discretion, be subject to one or more conditions precedent and, at our discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied. The issuer shall provide written notice to the Trustee (with a copy to the paying agent) prior to the close of business two Business Days prior to the Redemption Date if any such redemption has been rescinded or delayed, and upon receipt the Trustee shall provide such notice to each Holder of the Notes in the same manner in which the notice of redemption was given.

Notwithstanding the two immediately preceding paragraphs, installments of interest on the fixed rate notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to such notes and the indenture.

If less than all of any series of fixed rate notes are to be redeemed, the notes to be redeemed shall be selected by the Trustee on a *pro rata* basis (or, in the case of notes issued in global form under the indenture, beneficial interests therein shall be selected for redemption by Clearstream and Euroclear (each as defined in the indenture) in accordance with their respective applicable procedures therefor). If the

notes to be redeemed are listed on a securities exchange, Euroclear or Clearstream will select notes in compliance with the requirements of the principal national securities exchange on which the notes are listed. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

Except as described above and in the case of certain changes in withholding tax laws, the fixed rate notes will not be redeemable at our option prior to maturity. See "—Optional redemption for changes in withholding taxes" for a description of the optional redemption of the notes in the event of certain tax developments.

Floating rate notes

The floating rate notes may not be redeemed at our option prior to their stated maturity, except in the case of certain changes in withholding tax laws. See "—Optional redemption for changes in withholding taxes" for a description of the optional redemption of the notes in the event of certain tax developments.

Certain covenants

Limitations on liens

Warner Chilcott will not, and will not permit any of its subsidiaries, including Allergan SCS, the issuer of the notes, and Allergan Capital and Allergan Finance, together with Warner Chilcott, the guarantors of the notes, to create, incur, assume or otherwise cause to become effective any Lien (as defined below) (other than permitted Liens) on any property or assets, now owned or hereafter acquired, to secure any indebtedness of Warner Chilcott, any of its subsidiaries or any indebtedness of any other Person (as defined below), unless Warner Chilcott or such subsidiary also secures all payments due under the indenture, the notes and the Guarantees, on an equal and ratable basis with such other indebtedness so secured (or, in the case of indebtedness subordinated to the notes or the Guarantees, prior or senior thereto, with the same relative priority as the notes and the Guarantees, will have with respect to such subordinated indebtedness) for so long as such other indebtedness shall be so secured.

The indenture contains the following exceptions to the foregoing prohibition:

(a) with respect to each series of notes, Liens existing on the date of first issuance of such notes;

(b) Liens on property owned or leased by a Person existing at the time such Person is merged with or into or consolidated with Warner Chilcott or any subsidiary of Warner Chilcott; *provided* that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with Warner Chilcott or such subsidiary;

(c) Liens on property existing at the time of acquisition thereof by Warner Chilcott or any subsidiary of Warner Chilcott; *provided* that such Liens were in existence prior to the contemplation of such acquisition and do not extend to any property other than the property so acquired by Warner Chilcott or such subsidiary;

(d) Liens to secure indebtedness incurred prior to, at the time of or within 18 months after the acquisition of any property or the completion of the construction, alteration, repair or

improvement of any property, as the case may be, for the purpose of financing all or a part of the purchase price or cost thereof and Liens to the extent they secure indebtedness in excess of such purchase price or cost and for the payment of which recourse may be had only against such property;

(e) Liens in favor of or required by contracts with governmental entities;

(f) any Lien securing indebtedness of a subsidiary owing to Warner Chilcott or to one or more of Warner Chilcott's subsidiaries;

(g) with respect to any particular series of notes, any Lien incurred in connection with any acquisition or investment specified in the supplemental indenture with respect to such notes that is not otherwise prohibited by the indenture;

(h) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (g) above, inclusive, so long as (1) the principal amount of the indebtedness secured thereby does not exceed the principal amount of indebtedness so secured at the time of the extension, renewal or replacement (except that, where an additional principal amount of indebtedness is incurred to provide funds for the completion of a specific project, the additional principal amount, and any related financing costs, may be secured by the Lien as well) and (2) the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (and improvements on the property); and

(i) any Lien that would not otherwise be permitted by clauses (a) through (h) above, inclusive, securing indebtedness which, together with:

- the aggregate outstanding principal amount of all other indebtedness of Warner Chilcott and its subsidiaries owning property which would otherwise be subject to the foregoing restrictions absent this clause (i), and
- the aggregate Value (as defined below) of existing Sale and Leaseback Transactions (as defined in the indenture) which would be subject to the foregoing restrictions absent this clause (i), does not exceed the greater of $750 million or 15% of Warner Chilcott's Consolidated Net Worth (as defined below).

Definition of certain terms

Set forth below are certain defined terms used in this "Description of the floating rate notes, the 2023 notes and the 2028 notes" and the indenture.

"*Capital Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with U.S. GAAP, or to the extent that IFRS has been adopted by Warner Chilcott with respect to its financial statements in lieu of U.S. GAAP, in accordance with IFRS; *provided* that, notwithstanding anything to the contrary contained herein, leases will be accounted for using accounting principles as in effect on March 12, 2015.

"*Comparable Government Bond*" means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an Independent Investment Banker, a German government bond whose

maturity is closest to the maturity of the applicable series of notes to be redeemed, or if such Independent Investment Banker in its discretion determines that such similar bond is not in issue, such other German government bond as such Independent Investment Banker may, with the advice of the Reference Bond Dealers, determine to be appropriate for determining the Comparable Government Bond Rate.

"*Comparable Government Bond Rate*" means the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by the Independent Investment Banker.

"*Consolidated Net Worth*" means, with respect to any Person, the amount of total assets less the amount of total liabilities as shown on the consolidated balance sheet of such Person, as set forth on the most recent consolidated balance sheet of such Person determined in accordance with U.S. GAAP, or to the extent that IFRS has been adopted by Warner Chilcott with respect to its financial statements in lieu of U.S. GAAP, in accordance with IFRS.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;

(2) commodity swap agreements, commodity option agreements, forward contracts and other agreements or arrangements with respect to commodity prices; and

(3) foreign exchange contracts, currency swap agreements and other agreements or arrangements with respect to foreign currency exchange rates.

"*IFRS*" means international financial reporting standards promulgated by the International Accounting Standards Board, or any successor board or agency, as adopted by the European Union, which are in effect from time to time.

"*indebtedness*" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) in respect of Capital Lease Obligations;

(5) in respect of the balance deferred and unpaid of the purchase price of any property or services, except any such balance that constitutes an accrued expense or trade payable; and

(6) representing Hedging Obligations.

In addition, the term "indebtedness" includes (x) all indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such indebtedness is assumed by the specified Person); *provided* that the amount of such indebtedness will be the lesser of (A) the fair market value of such asset at such date of determination and (B) the amount of such indebtedness, and (y) to the extent not otherwise included, the guarantee by the specified Person of any indebtedness of any other Person.

"*Independent Investment Banker*" means the Reference Bond Dealer appointed by us.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"*Person*" means any individual, corporation, company, partnership, limited liability company, joint stock company, business trust, trust, unincorporated association, joint venture or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"*Reference Bond Dealer*" means each of Barclays Bank PLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities plc and Morgan Stanley & Co. International plc, and their respective successors.

"*Remaining Scheduled Payments*" means, with respect to each note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date for such redemption; *provided, however*, that, if such redemption date is not an interest payment date with respect to such note, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to such redemption date.

"*subsidiary*" means, with respect to any specified Person:

(1) any corporation, company, association or other business entity of which more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, company, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*U.S. GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public

Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Value*" means, with respect to a Sale and Leaseback Transaction, an amount equal to the net present value of the lease payments with respect to the term of the lease remaining on the date as of which the amount is being determined, without regard to any renewal or extension options contained in the lease, discounted at the weighted average interest rate on the notes of all series which are outstanding on the effective date of such Sale and Leaseback Transaction.

Additional amounts

All payments required to be made by us under or with respect to the notes or by any guarantor under or with respect to a Guarantee (each of us or such guarantor and, in each case, any successor thereof, making such payment, the "Payor"), will be made free and clear of, and without withholding or deduction for or on account of, any taxes imposed or levied by or on behalf of any authority or agency having power to tax within any jurisdiction in which any Payor is incorporated, organized or otherwise resident for tax purposes, or within any jurisdiction imposing or levying any tax solely due to the Payor being treated as engaged in business in such jurisdiction for tax purposes, or any jurisdiction from or through which payment is made by or on behalf of such Payor (each a "Relevant Taxing Jurisdiction"), unless such Payor is required to withhold or deduct such taxes by law or regulation.

If a Payor is so required to withhold or deduct any amount for or on account of taxes imposed or levied by or on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the notes or a Guarantee, as applicable, such Payor will be required to pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by any holder (including Additional Amounts) after such withholding or deduction will not be less than the amount the holder or beneficial owner would have received if such taxes had not been withheld or deducted; *provided*, *however*, that the foregoing obligation to pay Additional Amounts does not apply to:

(a) any taxes that would not have been (or would not be required to be) so imposed, withheld, deducted or levied but for the existence of any present or former connection between the relevant holder or beneficial owner (or between a fiduciary, settlor, beneficiary, partner, member or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership, company or corporation) and the Relevant Taxing Jurisdiction, including, without limitation, such holder or beneficial owner being or having been a citizen, domiciliary, national or resident thereof, or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein (other than any connection arising solely from the acquisition or holding of any note, the receipt of any payments in respect of such note or Guarantee or the exercise or enforcement of rights under a Guarantee);

(b) any estate, inheritance, gift, sales, transfer, personal property or similar tax or assessment;

(c) any taxes which are payable other than by withholding or deduction from payments made under or with respect to the notes or any Guarantee;

(d) any taxes that would not have been (or would not be required to be) imposed, withheld, deducted or levied if such holder or the beneficial owner of any note or interest therein (i) complied with all reasonable written requests by the Payor (made at a time that would enable the holder or beneficial owner acting reasonably to comply with such request) to provide timely and accurate information or documentation concerning the nationality, residence or identity of such holder or beneficial owner (including IRS Form W-8BEN or W-8BEN-E) or (ii) made any declaration or similar claim or satisfied any certification, information or reporting requirement, which in the case of (i) or (ii), is required or imposed by a statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of withholding or deduction of, all or part of such taxes;

(e) any taxes imposed or withheld on or with respect to a payment which could have been made without deduction or withholding if the beneficiary of the payment had presented the note for payment (where presentation is required) within 30 days after the date on which such payment or such note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the holder or beneficial owner would have been entitled to Additional Amounts had the note been presented on any day during the 30-day period);

(f) any taxes imposed on or with respect to any payment made under or with respect to such note or Guarantee to any holder who is a fiduciary or partnership or any Person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such note;

(g) any taxes payable under Sections 1471-1474 of the Code, as of the issue date of the notes (or any amended or successor version), any regulations or official interpretations thereof, any intergovernmental agreement entered into in connection therewith, or any law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code;

(h) any taxes imposed by the United States or any political subdivision thereof; or

(i) any taxes imposed or levied by reason of any combination of clauses (a) through (h) above.

The Payor will pay any present or future stamp, issue, registration, excise, property, court or documentary taxes, or similar taxes, charges or levies and interest, penalties and other reasonable expenses related thereto that arise in or are levied by any Relevant Taxing Jurisdiction on the execution, issuance, delivery, enforcement or registration of the notes, the indenture, the Guarantees or any other document or instrument in relation thereto (other than on a transfer or assignment of the notes of any series after the offering thereof).

The Payor will make or cause to be made any withholding or deduction required in respect of taxes, and remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction, in accordance with applicable law. Upon request, the Payor will use reasonable efforts to provide, within a reasonable

time after the date the payment of any such taxes so deducted or withheld is made, the trustee with official receipts or other documentation evidencing the payment of the taxes so deducted or withheld.

If any Payor will be obligated to pay Additional Amounts under or with respect to any payment made on the notes, the Payor will deliver to the paying agent with a copy to the trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 45th day prior to that payment date, in which case the Payor shall notify the paying agent and the trustee promptly thereafter) a certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable and such other information reasonably necessary to enable the paying agent to pay Additional Amounts to holders or beneficial owners on the relevant payment date.

Whenever in the indenture or this "Description of the floating rate notes, the 2023 notes and the 2028 notes" there is mentioned, in any context:

(a) the payment of principal;

(b) the payment of interest; or

(c) any other amount payable on or with respect to any of the notes,

such reference will be deemed to include payment of Additional Amounts as described under this section "—Additional amounts," to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The obligations described under this section "—Additional amounts" will survive any termination, defeasance or discharge of the indenture or any Guarantee and will apply *mutatis mutandis* to any jurisdiction in which any successor Person (as defined under "—Definition of certain terms") to the Payor is incorporated, organized or otherwise resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

Optional redemption for changes in withholding taxes

We are entitled to redeem any series of notes, at our option, at any time in whole but not in part, upon not less than 30 nor more than 60 days' notice to the holders, at a redemption price equal to 100% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, to the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in the event any Payor has become or would become obligated to pay, on the next date on which any amount would be payable with respect to such series of notes, any Additional Amounts (but, in the case of a guarantor, only if such amount could not be paid by us or another guarantor who can pay such amount without the obligation to pay Additional Amounts), in each case, as a result of:

(a) a change in, or an amendment to, the laws (including any regulations or rulings promulgated thereunder) or treaties of any Relevant Taxing Jurisdiction; or

(b) any change in, amendment to, or introduction of any official published position regarding the application, administration or interpretation of such laws (including any regulations or rulings promulgated thereunder and including the decision of any court, governmental agency or tribunal),

which change, amendment or introduction is publicly announced or becomes effective on or after the date of the indenture or the relevant supplemental indenture relating to the original issuance of the affected series of notes and the Payor cannot avoid such obligation by taking reasonable measures available to it (including making payment through a Paying Agent located in another jurisdiction). The foregoing provisions will apply mutatis mutandis to the laws and official positions of any jurisdiction in which any successor permitted under the indenture is incorporated, organized or otherwise resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

Prior to the giving of any notice of redemption described in the preceding paragraph, we will deliver to the trustee an officer's certificate to the effect that the Payor cannot avoid its obligation to pay Additional Amounts by taking reasonable measures available to it. We will also deliver to the trustee an opinion of counsel of recognized standing to the effect that the Payor would be obligated to pay Additional Amounts as a result of a change, amendment, or introduction described above. Absent manifest error, the trustee will accept such opinion as sufficient evidence of the Payor's obligations, to pay such Additional Amounts, and it will be conclusive and binding on the holders.

Events of default

The indenture defines an Event of Default with respect to each series of the notes as any one of the following events:

- Default in the payment of the principal or any premium on the notes of such series when due (whether at maturity, upon acceleration, redemption or otherwise).
- Default for 30 days in the payment of any interest on a note of that series when due.
- Failure by us or any guarantor to comply with Section 4.11 of the indenture (as modified by each note).
- Failure by us or any guarantor, as applicable, to observe or perform any other term of the indenture (other than a covenant or agreement in respect of which such non-compliance would otherwise be an Event of Default) for a period of 60 days after we receive a notice of default stating we are in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of the notes of that series.
- Default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness of Warner Chilcott, Allergan Capital, us or Allergan Finance (or the payment of which is guaranteed by us or any guarantor), whether such indebtedness or guarantee now exists or is created after the issue date of such series of notes, if that default:

  (i) is caused by a failure to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise, and after giving effect to applicable grace periods) of such indebtedness (a "Payment Default"); or

  (ii) results in the acceleration of such indebtedness prior to its scheduled maturity,

and, in each case, the amount of any such indebtedness, together with the amount of any other indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $300 million or more; *provided*, *however*, that, if the default under the mortgage, indenture or instrument is cured by us or the

applicable guarantor, or waived by the holders of the indebtedness, in each case as permitted by the governing mortgage, indenture or instrument, then the Event of Default caused by such default will be deemed likewise to be cured or waived.

- Failure by Warner Chilcott, Allergan Capital, us or Allergan Finance to pay or discharge any final judgment or order (to the extent any such judgment or order is not paid or covered by insurance provided by a reputable carrier that has the ability to perform and has acknowledged coverage in writing) aggregating in excess of $300 million which judgments are not paid, discharged or stayed for a period of 60 days.

- Except as permitted by the indenture, any Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any guarantor, or any person acting on behalf of any guarantor, denies or disaffirms its obligations under its Guarantee.

- Certain events in bankruptcy, insolvency or reorganization with respect to Warner Chilcott, Allergan Capital, us or Allergan Finance.

An Event of Default under one series of notes will not necessarily constitute an Event of Default under any other series of notes. The indenture provides that the trustee may withhold notice to the holders of any series of notes issued thereunder of any default if and so long as the trustee in good faith determines that withholding the notice is in the interests of the holders of the notes of such series; *provided* that the trustee may not withhold notice of default in payment of the principal, premium, if any, interest, if any, on any of the notes of that series.

We are required to deliver to the trustee annually a statement regarding compliance with the indenture. Upon becoming aware of any default or Event of Default, we are required to deliver to the trustee a statement specifying such default or Event of Default.

Exhibit 21.1

Name	Jurisdiction of Incorporation
AGN International Inc.	US - Delaware
AGN Kythera, L.P.	US- Delaware
AGN Labs LLC	US - Delaware
AGN LLC	US - Delaware
AGN Sundry LLC	US - Delaware
Akarna Therapeutics, Limited	UK
Allergan WC 1 S.a r.l.	Luxembourg
Allergan (Chengdu) Medical Aesthetics Clinic Co., Ltd.	China
Allergan (Thailand) Limited	Thailand
Allergan AG	Switzerland
Allergan AHI S.à r.l. Management (DIFC Branch)	UAB
Allergan AHI S.á r.l.	Luxembourg
Allergan AHI S.á r.l., Luxembourg, Zweigniederlassung Zug Branch	Switzerland
Allergan Akarna LLC	US - Delaware
Allergan ApS	Denmark
Allergan AS	Norway
Allergan Australia Pty Limited	Australia
Allergan B.V.	Netherlands, The
Allergan Baltics, UAB	Lithuania
Allergan Baltics, UAB Eesti filiaal	Estonia Branch
Allergan Baltics, UAB Latvijas filias	Latvia
Allergan Biologics Ltd.	UK
Allergan Botox Unlimited Company	Ireland
Allergan Bulgaria EOOD	Bulgaria
Allergan C.I.S. SARL	Russian Federation
Allergan Capital S.à r.l.	Luxembourg
Allergan Capital 2 S.à r.l.	Luxembourg
Allergan Capital 2 Sarl, Luxembourg, Zweigniederlassung, Zug	Switzerland
Allergan Capital S.à r.l., Luxembourg, Zweigniederlassung Zug Branch	Switzerland
Allergan Cayman Islands Irish Branch	Ireland
Allergan Costa Rica S.R.L	Costa Rica
Allergan CZ, s.r.o.	Czech Republic
Allergan d.o.o. Beograd	Serbia
Allergan de Colombia S.A.	Colombia
Allergan de Venezuela, C.A.	Venzuela
Allergan Development Ventures I Ireland Unlimited Company	Ireland
Allergan Development Ventures I LP	Bermuda
Allergan Development Ventures I UK	UK
Allergan Equities Unlimited Company	Ireland
Allergan Europe S.à r.l.	Luxembourg
Allergan Finance S.à r.l.	Luxembourg
Allergan Finance, LLC	US - Nevada
Allergan Finco 2 Inc.	US - Delaware
Allergan Finco Inc.	US - Delaware

Exhibit 21.1

Allergan Finland Oy	Finland
Allergan France SAS	France
Allergan Funding SCS	Luxembourg
Allergan Furiex Ireland Limited	Ireland
Allergan GI Corp.	US - Delaware
Allergan Global S.à r.l.	Luxembourg
Allergan GmbH	Germany
Allergan GP Holding LLC	US- Delaware
Allergan Healthcare India Private Limited	India
Allergan Healthcare Philippines, Inc.	Philippines
Allergan Hellas Pharmaceuticals S.A.	Greece
Allergan Holdco UK Limited	UK
Allergan Holdco US, Inc.	US - Delaware
Allergan Holdings B Ltd.	Bermuda
Allergan Holdings B1, Inc.	US - Delaware
Allergan Holdings B2 Limited	Bermuda
Allergan Holdings C Ltd	Cayman Island
Allergan Holdings France SAS	France
Allergan Holdings Limited	UK
Allergan Holdings S. à r.l.	Luxembourg
Allergan Holdings Unlimited Company	Ireland
Allergan Holdings, Inc.	US - Delaware
Allergan Hong Kong Limited	Hong Kong
Allergan Hungary Kft.	Hungary
Allergan Ilaclari Ticaret A.S.	Turkey
Allergan Inc.	Canada
Allergan India Private Limited	India
Allergan Industrie SAS	France
Allergan Information Consulting (Shanghai) Co., Ltd.	China
Allergan International Holding S.à r.l.	Luxembourg
Allergan International YK	Japan
Allergan Ireland Finance Limited	Ireland
Allergan Ireland Holdings Unlimited Company	Ireland
Allergan Ireland Limited	Ireland
Allergan Israel Limited	Israel
Allergan Japan KK	Japan
Allergan KK	Japan
Allergan Korea Ltd	Korea
Allergan Laboratories, LLC	US - Delaware
Allergan Laboratorios Limitada	Chile
Allergan Lending 2 LLC	US - Delaware
Allergan Lending LLC	US - Delaware
Allergan Limited	UK
Allergan Luxembourg International S.à r.l.	Luxembourg
Allergan Malaysia Sdn. Bhd.	Malaysia

Exhibit 21.1

Allergan Malta Holding Limited	Malta
Allergan Malta II Limited	Malta
Allergan Malta Limited	Malta
Allergan Medical Device (Shanghai) Co., Ltd.	China
Allergan Middle East Limited	United Arab Emirates
Allergan N.V.	Belgium
Allergan New Zealand Ltd.	New Zealand
Allergan NK	Japan
Allergan Norden AB	Sweden
Allergan Norden AB Finnish branch	Finland
Allergan Overseas Holding	Cayman Island
Allergan Pharma Inc.	US - Delaware
Allergan Pharma Limited	Ireland
Allergan Pharmaceuticals (Proprietary) Ltd.	South Africa
Allergan Pharmaceuticals Holdings (Ireland) Unlimited Company	Ireland
Allergan Pharmaceuticals International Limited	Ireland
Allergan Pharmaceuticals International Limited Jordan Office	Jordan
Allergan Pharmaceuticals International Limited Lebanon Office	Lebanon
Allergan Pharmaceuticals Ireland	Ireland
Allergan Pharmaceuticals Taiwan Co. Ltd.	Taiwan
Allergan Productos Farmaceuticos S.A.	Argentina
Allergan Produtos Farmaceuticos Ltda.	Brazil
Allergan Property Holdings, LLC	US - Delaware
Allergan Puerto Rico Holdings, Inc.	US - Delaware
Allergan S.A.	Spain
Allergan S.p.A.	Italy
Allergan Sales Puerto Rico, Inc.	US - California
Allergan Sales, LLC (d/b/a Allergan; d/b/a Bioscience Laboratories)	US - Delaware
Allergan Saudi Arabia LLC	Saudi Arablia
Allergan Scientific Office	Egypt
Allergan Services International Unlimited Company	Ireland
Allergan Servicios Profesionales, S. de R.L. de C.V.	Mexico
Allergan Singapore Pte. Ltd.	Singapore
Allergan Singapore Pte. Ltd. Indonesia Rep Office	Indonesia
Allergan Singapore Pte. Ltd. Vietnam Rep Office	Vietnam
Allergan SK s.r.o.	Slovak Republic
Allergan Sp. z.o.o.	Poland
Allergan S.R.L.	Romania
Allergan Therapeutics LLC	US- Delaware
Allergan UK LLP	UK
Allergan Ukraine, LLC	Ukraine
Allergan USA, Inc. (d/b/a Pacificom / Pacific Communications)	US - Delaware
Allergan W.C. Holding Inc.	US - Delaware
Allergan WC 2 S.a r.l.	Luxembourg
Allergan WC Ireland Holdings Ltd.	Ireland

Exhibit 21.1

Allergan, Inc.	US - Delaware
Allergan, S.A. de C.V.	Mexico
Anterios, Inc.	US - Delaware
Aptalis Holding B.V.	Netherlands, The
Aptalis Netherlands B.V.	Netherlands, The
Aptalis Pharma Canada ULC	Canada
Aptalis Pharma S.r.l.	Italy
Aptalis Pharma UK Limited	UK
Aptalis Pharma US, Inc.	US - Delaware
AqueSys, Inc.	US - Delaware
Bonti, Inc.	US - Delaware
Cearna Aesthetics, Inc	US - Delaware
Chase Pharmaceuticals Corporation	US - Delaware
Collagen Luxembourg SA	Luxembourg
Del Mar Indemnity Company, LLC	US - Hawaii
Durata Holdings, Inc.	US - Delaware
Durata Therapeuctics U.S. Limited	US - Delaware
Durata Therapeutics, Inc.	US - Delaware
Eden Biodesign, LLC	US - Delaware
Elastagen Pty Limited	Australia
Envy Medical, Inc.	US - Delaware
Eurand France S.A.S.	France
Exemplar Pharma LLC	US - Delaware
Forest Finance B.V.	Netherlands, The
Forest Holdings France S. A.S.	France
Forest Laboratories Holdings Limited	Ireland
Forest Laboratories Ireland Ltd	Ireland
ForSight VISION5, Inc.	US - Delaware
Furiex Pharmaceuticals, LLC	US - Delaware
Keller Medical, Inc.	US - Delaware
Kythera Biopharmaceuticals Australia Pty Ltd.	Australia
Kythera Holdings Ltd.	Bermuda
LifeCell Corporation	US - Delaware
LifeCell EMEA Limited	UK
LifeCell EMEA Limited Austria branch	Austria
LifeCell EMEA Limited Italy branch	Italy
LifeCell EMEA Limited Sucursal en España	Spain
LifeCell EMEA Limited, Zweigniederlassung Zürich	Switzerland
LifeCell Medical Resources Limited in voluntary liquidation	Ireland
MAP Pharmaceuticals LLC	US - Delaware
McGhan Ireland Holdings Ltd.	Ireland
McGahn Limited	Ireland
MPEX Pharmaceuticals, Inc.	US - Delaware
Naurex Inc.	US - Delaware
Northwood Medical Innovation, Ltd.	UK

Exhibit 21.1

Oculeve, Inc.	US - Delaware
Odyssea Pharma SPRL	Belgium
Pacific Pharma, Inc.	US - Delaware
Pharm-Allergan GmbH Austria branch	Austria
Pharmax Holding Limited	US - Delaware
Renable Pharma Limited	UK
Repros Therapeutics Inc,.	US- Delaware
RP Merger Sub, Inc.	US - Delaware
Seabreeze Silicone Unlimited Company	Ireland
Silicone Engineering Inc.	US - California
Tobira Therapeutics, Inc.	US - Delaware
Topokine Therapeutics, Inc.	US - Delaware
Tosara Exports Limited	Ireland
Transderm, Inc.	US - Utah
Varioraw Percutive Sàrl	Switzerland
Vicuron Pharmaceuticals LLC	US - Delaware
Viokace LLC	US - Delaware
Vitae Pharmaceuticals LLC	US - Delaware
Warner Chilcott Holdings Company II, Limited	Bermuda
Warner Chilcott Holdings Company III, Limited	Bermuda
Warner Chilcott Intermediate (Ireland) Limited	Ireland
Warner Chilcott Leasing Equipment Inc.	US - Delaware
Warner Chilcott Limited	Bermuda
Warner Chilcott Nederland B.V.	Netherlands, The
Warner Chilcott Pharmaceuticals S. àr.l.	Switzerland
Warner Chilcott Sales (US), LLC	US - Delaware
ZELTIQ A, LLC	US - Delaware
ZELTIQ Aesthetics, Inc.	US - Delaware
ZELTIQ International, LLC	US - Delaware
ZELTIQ International, LLC - Singapore Branch	Singapore
ZELTIQ Ireland International Holdings UC	Ireland
ZELTIQ Ireland Unlimited Company	Ireland
ZELTIQ Limited	United Kingdom
Zeltiq Limited Spanish branch	Spain
Zenpep LLC	US - Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-223089) and on Form S-8 (Nos. 333-191487, 333-194781, 333-197158, 333-201242, 333-202833, 333-207234, 333-217813) of Allergan plc of our report dated February 18, 2020 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Florham Park, New Jersey
February 18, 2020

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-223089) of Warner Chilcott Limited of our report dated February 18, 2020 relating to the financial statements and financial statement schedule of Warner Chilcott Limited, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Florham Park, New Jersey
February 18, 2020

Exhibit 24.1

POWER OF ATTORNEY

Know all men by these presents, that each person whose signature appears below constitutes and appoints A. Robert D. Bailey such person's true and lawful attorney-in-fact and agent, with full power of substitution and revocation, for such person and in such person's name, place and stead, in any and all capacities, to sign one or more Annual Reports on Form 10-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, for Allergan plc for the year ended December 31, 2019, and any and all amendments thereto, and to file same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and with the New York Stock Exchange, Inc., granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

This power of attorney shall be effective as of February 18, 2020 and shall continue in full force and effect until revoked by the undersigned in a writing filed with the secretary of the Allergan plc.

Signature	Title
/s/ Brenton L. Saunders Brenton L. Saunders	Chairman, Chief Executive Officer and President, Director
/s/ Nesli Basgoz, M.D. Nesli Basgoz, M.D.	Director
/s/ Joseph H. Boccuzi Joseph H. Boccuzi	Director
/s/ Christopher W. Bodine Christopher W. Bodine	Director
/s/ Adriane M. Brown Adriane M. Brown	Director
/s/ Christopher J. Coughlin Christopher J. Coughlin	Director
/s/ Carol Anthony (John) Davidson Carol Anthony (John) Davidson	Director
/s/ Michael E. Greenberg, PhD Michael E. Greenberg, PhD	Director
/s/ Thomas C. Freyman Thomas C. Freyman	Director
/s/ Robert J. Hugin Robert J. Hugin	Director
/s/ Peter J. McDonnell, M.D. Peter J. McDonnell, M.D.	Director

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934

I, Brenton L. Saunders, President and Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Allergan plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2020

By: **/s/ BRENTON L. SAUNDERS**
Brenton L. Saunders
President and Chief Executive Officer

(Principal Executive Officer)

Certification of Chief Executive Officer
Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934

I, Brenton L. Saunders, President and Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Warner Chilcott Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2020

By: **/s/ BRENTON L. SAUNDERS**
Brenton L. Saunders
President and Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

Certification of Chief Financial Officer
Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934

I, Matthew M. Walsh, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Allergan plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2020

By: **/s/ MATTHEW M. WALSH**
Matthew M. Walsh
Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

I, Matthew M. Walsh, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Warner Chilcott Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2020

By: **/s/ MATTHEW M. WALSH**
Matthew M. Walsh
Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer
Pursuant to 18 U.S.C. of Section 1350, as Adopted by
Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned officer of Allergan plc, hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Company for the year ended December 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Companies.

Date: February 18, 2020

By: **/s/ BRENTON L. SAUNDERS**
Brenton L. Saunders
President and Chief Executive Officer

(Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Certification of Chief Executive Officer
Pursuant to 18 U.S.C. of Section 1350, as Adopted by
Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned officer of Warner Chilcott Limited, hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Company for the year ended December 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Companies.

Date: February 18, 2020

By: **/s/ BRENTON L. SAUNDERS**
Brenton L. Saunders
President and Chief Executive Officer

(Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

Certification of Chief Financial Officer
Pursuant to 18 U.S.C. of Section 1350, as Adopted by
Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned officer of Allergan plc, hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Company for the year ended December 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Companies.

Date: February 18, 2020

By: **/s/ MATTHEW M. WALSH**
Matthew M. Walsh
Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Certification of Chief Financial Officer
Pursuant to 18 U.S.C. of Section 1350, as Adopted by
Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned officer of Warner Chilcott Limited, hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Company for the year ended December 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Companies.

Date: February 18, 2020

By: **/s/ MATTHEW M. WALSH**
Matthew M. Walsh
Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.